European Designs Case Law Round Up

CMS Intellectual Property Team

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France

Judicial Court of Paris, 3rd section, 3rd chamber, 13 September 2022, 21/10839

Order of the pre-trial judge
SASU Cameleon Group v. Sarl Communisis France

Regarding an action initiated post-Brexit, based on various legal grounds, including infringement of Community designs, the Paris Judicial Court has excluded the jurisdiction of UK Courts, refusing to apply a choice of jurisdiction clause ruling in favour of such Courts.

Due to a long-standing commercial relationship, the parties exchanged different documents containing different choice of jurisdiction clauses (purchase orders, general terms and conditions etc.) over an extended period of time. As its former French and UK co-contractors infringed its Community design rights and had suddenly terminated their well-established commercial relationship, the claimant sued them before the Paris Judicial Court. The UK defendant challenged the jurisdiction of the Paris Court on the basis of the choice of jurisdiction clause contained in its general terms and conditions, in favour of the courts of the United Kingdom.

The Court dismissed the defendant's arguments on the basis that : (i) the defendant failed to adequately evidence that said terms and conditions had been agreed upon between the parties; (ii) had it been the case, such clause would be neutralized by its contradiction with the other contractor's terms and conditions; (iii) finally and most importantly, as this court action included Community design infringement claims, it could not be brought before non-EU Courts, including the United Kingdom as the United Kingdom is no longer a member of the European Union. This decision, although perfectly logical, might entice claimants to include EU registered IP rights claims along with their other claims, if they wish to issue proceedings under the jurisdiction of an EU Court.

Paris Court of Appeal, Pôle 5, 1st chamber, 2 November 2022, 20/18672

Isabel M and IM Production SAS v.
H&M - Hennes et Mauritz SARL

In France, the author of a copyright-protected work is allocated benefits as a result of a presumption of ownership of related rights. In a recent decision, the fashion designer Isabel Marant opposed H&M's rights over a star-studded jacket. The Paris Court of Appeal confirmed that a similar presumption applied in the field of unregistered Community designs.

Quoting Article 14 and 15 of Regulation (EC) No 6/2002 on Community designs, the Court stated that, failing any claim of ownership by the designer, the legal person having unequivocally marketed a design under its name was presumed to be the owner of the unregistered Community design when considering potential infringement. This decision is undoubtedly good news for companies that often struggle to demonstrate that they have acquired ownership of unregistered Community design rights.

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Germany

A part or component of an unregistered Community design can be considered to have individual character if it is capable of creating an "overall impression" on an individual basis and is not completely lost in the overall product.

German Federal Court of Justice (BGH), decision dated 24 March 2022, – I ZR 16/21

Schneidebrett

The plaintiff, the owner of a registered design for a cutting board with a drip tray, claimed that the defendant, an online trader, had infringed its registered design by selling a similar cutting board. The case hinged on the interpretation of the scope of protection of the registered design. The lower courts had declared the design invalid, but the BGH overturned their decision and referred the matter back to the Court of Appeal for reexamination of the substance of the design application.

The BGH's decision clarified that the intersection of common design features is relevant when determining the subject matter of protection, however, such an intersection is irrelevant if the representations show different versions of the product. This is because one must consider whether the representations depict several versions of a product or one combined product. If protection is sought for a combined product, the aesthetic coordination and/or functional connection should be apparent in the representations of the designs filed, or else the design may be invalidated.

The decision highlights that divergent representations within a design, created to achieve the largest possible scope of protection, are not without risk for the applicant. The applicant is responsible for the ambiguity of a design representation and risks the design being invalidated if representations are not clear.

German Federal Court of Justice (BGH), decision dated 10 March 2022 – I ZR 1/19

Front kit II

Ferrari sued a manufacturer of tuning parts for selling front kits that altered the appearance of the Ferrari 488 GTB to resemble the Ferrari FXX. Ferrari claimed that the marketing of the tuning kit constituted an infringement of the rights conferred by one or more of its unregistered Community designs based on the publication of two photographs.

The lower courts denied the validity of the unregistered Community design, as the individual parts in question were not specifically emphasized in the disclosure. Ferrari appealed on a point of law before the German Federal Court of Justice (BGH), which referred the questions to the CJEU for a preliminary ruling. The CJEU decided that the publication of images of a product, such as photographs of a car, tally up to making a design of a part of that product, available to the public, provided that the appearance of that part is clearly identifiable at the time the design is made available.

Applying these criteria, the BGH ruled that the validity of an unregistered Community design cannot be denied on the grounds that the design lacks a certain independence and unity of form. The respective part or component could be considered to have individual character if it is capable of creating an "overall impression" on an individual basis and was not completely lost in the overall product.

This decision is in line with the criteria established by the CJEU and considerably strengthens the protection afforded to the unregistered Community design. Partial protection for an unregistered Community design only requires publication of the overall product, and the individual components need not be published separately in independent illustrations. However, the protection of the unregistered Community design ends three years after the first publication in the EU, and to establish partial protection for complex products in the long run, the only remaining option is to apply for registration of additional Community designs or national designs for individual parts or components within the one-year grace period.

Works of applied art will regularly enjoy limited protection due to technical constraints and a large catalogue of pre-known elements which narrow scope.

Germany (continued)

German Federal Court of Justice (BGH), decision dated 15 December 2022, – I ZR 173/21

Vitrinenleuchte

The plaintiff relied on copyright over lamp designs, which were created by the managing director of the plaintiff and subsequently licensed to the plaintiff. During a pitch, the plaintiff provided the lamp designs as well as a prototype to a franchise retail store chain. One year later, the franchise stores were furnished with similarly designed lamps manufactured by a third party.

The judges of the Court of First Instance sided with the plaintiff and affirmed that the lamps used in the retail stores infringe the plaintiff's copyright. However, this ruling was overturned by the Court of Appeal, which stated that the lamps were not sufficiently similar to constitute a copyright infringement.

The decision by the BGH was centred on the question of the level of standard which must be placed on works of applied art when it comes to protection under copyright laws and, subsequently, the extent of scope of protection of such works.

The BGH confirmed the well-established case law of the CJEU which states that all types of works are subject to the same legal standard; as such, it is not possible to set a higher threshold with respect to works of applied art in comparison to other works. Further, the BGH relied on the particulars of the individual case and whether the allegedly infringing lamps incorporated the original elements of the plaintiff's design and, as a result of this incorporation, create a similar overall impression. The BGH confirmed the Court of Appeal's conclusion that the lamp design of the plaintiff enjoys – at best – a very narrow scope of protection, as the individual features of the lamp design are neither original by themselves and/or previously unknown. Accordingly, the protection of the work would be limited to the concrete combination of the elements in the plaintiff's lamp design. Further, it must be taken into account that design elements which are dictated by the technical function cannot be considered original.

The BGH's judgement is in line with the Court's and the CJEU's decisions regarding the copyright of work of applied arts within the last decade. While they are subject to the same legal standards as other works, works of applied art will regularly enjoy limited protection due to technical constraints and a large catalogue of pre-known elements often narrows the scope of the individual work. In particular where the protection is limited to the concrete combination of elements, the overall impressions of opposing works come into focus.

Germany (continued)

Dusseldorf Higher Regional Court, judgment dated July 07, 2022, I-20 U 23/22

Staubsaugerdüse

This case concerns the interpretation of Community designs and the assessment of the individual character of a design based on an overall evaluation. In particular, the Court held that the Applicant's design for its vacuum cleaner was not invalid under Art. 25 I lit. b CDR due to lack of individual character. The design was characterized by the combination of a transparent and slender nozzle enclosed at its rear end by an opaque, protruding, and circular collar. As such, the Applicant's design was significantly different to existing designs.

The Court's decision illustrates how important it is to give particular care when selecting the illustrations to be filed as part of a design application. It is up to the applicant to determine the scope of protection of their design through their choice of reproduction. Abstract illustrations lead to a broader scope of protection. An application in color might narrow the scope of protection. Applicants may consider filing an additional application for a black &white variant of their design whenever a use of the product in this form cannot be ruled out. This applies in particular in the case of a highly saturated product market.

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Hamburg Higher Regional Court, judgment dated August 31, 2022, 5 U 60/22

Grübchenflasche

In summary, the case involves a dispute over the shape of a fruit juice bottle and whether a competing supermarket chain's bottle design (“Albi”) infringes on the applicant's trademark and design rights. The Hamburg Regional Court initially granted an injunction, but the Hamburg Higher Regional Court overturned this after finding that the Albi bottles did not convey a similar enough overall impression to the applicant's bottles to cause confusion or deception of origin. Even if the Applicant's bottles had a high degree of competitive distinctiveness, the challenged Albi bottles would convey a different overall impression. The Albi bottles also did not have a bulbous shape with the dimples of a pineapple, unlike the applicant’s design. In addition, the labeling of the juices with the Albi trademark, which is also well-known on the (German) market, would exclude any deception of origin.

The decision highlights the difficulties of enforcing three-dimensional trademarks and designs, particularly when other word marks are involved. It also emphasizes the importance of paying close attention to the concrete representation of a design when seeking protection, as all visible features, including brand names, are considered in the assessment of protection.

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Designers may have several routes available in a potential infringement action: on the basis of industrial property protection, Copyright Law and/or on the basis of unfair competition.

Italy

By decision no. 30331/2022 dated 14 October 2022, the Supreme Court has intervened once again on the interpretation of Article 2, no. 10, of the Law no. 633/1941 ("Copyright Law")

According to Article 2, no.10, of the Copyright Law, in addition to the protection granted by the Industrial Property Code, industrial designs are eligible for copyright protection, provided that they have creative character and artistic value. However, as clarified by the Supreme Court in decision no. 30331/2022, the artistic value must be derived from objective parameters, such as:

- recognition of the design's aesthetic and artistic qualities by reference to its cultural environment;
- creation of the design by a well-known artist;
- publication of the design in trade magazines;
- exhibition of the design in art shows and museums;
- awarding of prizes; and
- the fact that the products incorporating the design have a market value that is not linked to their functionality.

In the same decision, the Supreme Court confirmed that the owner of a design, when attempting to enforce their rights, also has recourse under the rules contained in Article 2598 of the Civil Code, governing unfair competition acts. This is in addition to the rules under the Industrial Property Code and Copyright Law. Indeed, the reproduction of a design by a third party can be qualified as slavish imitation according to Article 2598 of the Civil Code.

As pointed out by the Supreme Court, in order to ascertain the existence of slavish imitation, it is necessary to (i) identify the existence of a risk of confusion between the products incorporating the design that would induce the average consumer to believe that the imitated product comes from the same source as the original product, and (ii) that such a risk is assessed based on a comparison between the two products.

Furthermore, according to the Court, such a comparison shall not take place through an analytical and separate examination of the individual characteristics of each of the products. Instead, any comparison shall be an artificial assessment of the products as a whole, that shall take into account that when a customer chooses the product considered to have lesser market importance, this may be because the customer is more likely to be drawn to the product by their immediate perceptions and the preferential appeal of the product, rather than by data requiring a deep attention.

Therefore, designers who believe that their industrial designs may have been infringed have several routes available to rely on to prove infringement: either through the Industrial Property Code, the Copyright Law (should the design meet the above criteria) and/or through the Civil Code, if slavish imitation is proven.

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Spain

Decision 580/2022 of the High Court of Justice of Madrid, on October 7, 2022

Appeal 436/2021

The industrial design application no. D531874, consisting of several costumes, was rejected for variants 4, 9, 12, 19, 20, 23, 30, 31, 43, 45 and 48 due to a lack of unique character of the design.

The Spanish Patent and Trademark Office (SPTO) upheld the opposition of Warner Bros and DC Comics based on previous designs of various fictional characters (Batwoman, Harley Quinn, Flash, Joker, Annabelle, Pennywise, Superwoman and Superman).

The High Court of Justice of Madrid ruled in favour of the SPTO, arguing that the overall impression of the designs is practically identical to the industrial designs registered by the opponent, given that the differences in colours, shapes or accessories do not give the industrial designs a unique character.

Decision 1229/2022 of the Court of Appeal of Alicante, on October 11, 2022

Appeal 1780/2021

The Court of Appeal of Alicante confirmed the decision of the Commercial Court of Alicante, which stated that concerning a design of blister packets for stationery products,

(i) the industrial design was invalid; and

(ii) the infringement of a prior industrial design right occurred.

The Court of Appeal of Alicante determined that the industrial design lacked own and different ornamental elements that contribute to give the design a unique character, in particular, the elements that are common for this kind of product:

(i) rectangular shape;

(ii) cardboard base; and

(iii) plasticized cavity for the product.

However, the Court revoked the decision regarding the unfair competition action which was filed as an alternative claim.

When considering the overall impression of designs, differences in colours, shapes or accessories may not be sufficient to add unique character to a design.

Elements that are common for the kind of product in question may not be sufficient to add unique character to a design.

Spain (continued)

Decision 1401/2022 of the Court of Appeal of Alicante, on November 29, 2022

Appeal 304/2022

The Court of Appeal of Alicante considered that the defendant, when manufacturing and commercializing a group of urban furniture products titled “MODO 21” was infringing the industrial design of an urban chair and an urban bench, named together “HARPO”.

Most of the elements of “MODO 21” were acquired from the claimant, excluding the chair and the bench. However, “MODO 21” included a chair and a bench very similar to those included in the “HARPO” collection.

The Court of Appeal of Alicante indicated that the final user would be the person choosing the urban furniture, not a person using it on a daily basis, considering that people primarily use the products for the purpose of resting and not based on the design or external appearance.

Based on the similarity of both designs and the perception of the informed user, the Court confirmed that the defendant infringed the industrial design right of the claimant.

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UK

Marks & Spencer Plc v Aldi Stores Limited [2023]

EWHC 178 (IPEC)

The Court found that Aldi's light up gin bottle products infringed four of Marks and Spencer Plc's registered designs, finding that Aldi's products did not produce a different overall impression to M&S's corresponding designs. The Court particularly stressed that the differences between the designs, such as Aldi's use of colour in their products and the "Infusionist" branding were differences of a "relatively minor detail".

A key element of M&S' design was the inclusion of an LED light in the base of the bottle, which illuminated the contents when turned on. Usually where the image is a photograph of a product, the design claimed consists of the features e.g. lines, shapes and textures. However, the Court believed that this case was an exception as the effect of the light was only demonstrated in the images of two of the four registered designs. This is particularly relevant to determining whether to register the design of a physical product using a drawing or photograph. The judgment also warns those searching the register that written descriptions may create a smokescreen, as the scope of registered design protection will ultimately be determined by images.

The case highlights the importance of including product-specific and accurate images in a registered design application.

Lutec (UK) Ltd v Cascade Holdings Ltd [2021]

EWHC 1936 (IPEC)

This case concerned the design of exterior light fittings. Lutec registered two Community designs and relied on UK registered community design-equivalent rights that were formed as a result of Brexit. The Court confirmed that the line drawings contained in the claimant's designs did not create an impression which suggested that there was an absence of surface decoration on the fixtures. Cascade attempted to rely on their light fixture's ridged surface effect as a means of differentiating their designs from Lutec's registered designs.

The Judge confirmed that it would be a very unusual case in which a line drawing in a registered design claimed an absence of surface decoration, and that in his judgment this was not such a case. He interpreted the registered designs as a claim to shape, depicting the overall shape of two exterior lights. The differences between the designs were not such as to produce a different overall impression on an informed user.

The distinct features of Lutec's designs were not created as a result of technical function alone and the design constraints were relatively limited, giving the designer a considerable degree of freedom. This meant that an allegedly infringing design needed to look characteristically different to the registered design in order not to infringe, especially when compared to a product the designer of which has limited design freedom. Therefore, the Court stated that the designs were entitled to a wide scope of protection.

When seeking registered design protection, it is important to include accurate and product-specific images.

UK (continued)

UK address for service

01. Hague Designs designating the UK – new UKIPO practice

The UKIPO (UK Intellectual Property Office) has recently changed its practice relating to the service of documents outside of the UK in proceedings in which the validity of International (Hague) Designs designating the UK is challenged.

Under the new practice, if a Hague Design designating the UK is challenged before the UKIPO, and no valid UK address for service has been provided, the UKIPO will send communication to either the (non-UK) address of an overseas representative as held by WIPO or to the holder's own address. The communication will be sent using Royal Mail's Signed-For service, using whichever contact details are available to the UKIPO at that time. The UKIPO will set a short window of only one month for an address for service in the UK to be appointed. Crucially, correspondence setting the deadline will be sent by post.

Failure to appoint a representative with a UK address by the **one-month deadline** may result in the invalidity of the design registration. This risk can be avoided by appointing a UK representative at an early stage.

Please find our Law Now article with further information on this topic here.

In design application proceedings in which the UKIPO may raise objections to a Hague design application designating the UK, the UKIPO will request a UK address for service if and when objections are raised which result in a notice of provisional refusal.

02. Re-registered designs (deriving from RCDs) – end of transitional arrangement: 31 December 2023

This practice only applies to Hague Designs designating the UK. However, the transitional arrangement of 3 years during which EU representatives can remain address for service at the UKIPO for re-registered designs (deriving from RCDs) ends on **31 December 2023**. From 1 January 2024 onwards, a UK address for service will be required.

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