

## A Trend Emerges - Enforcing Community Designs in Germany

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Since a few months now, national courts have had to deal with the enforcement of claims against potential Community Design infringements, Art. 19 Community Design Regulation (EU) no. 6/2002 of the Board of December 12, 2001 regarding the Community Design, particularly those on the grounds of a non-registered design. While this period certainly is too short for issuing any representative results, some first tests at selected courts in Germany show a clear tendency: The Community Design is going to be accepted as a strong tool against product imitations, provided that the detailed requirements for protection laid down in the Design Regulation are fulfilled in a more or less literal sense. This tendency seems to promise legal security, predictability and stability above all – something competitors used to miss when enforcing unregistered design protection under German unfair competition law during the most recent years. Claims based on registered or non-registered 3-D-marks also appear to slightly lose importance in light of the notable chances the Design Regulation provides [see Claus Eckhartt's comment in the same issue].

To begin with a first practical finding, German courts accept to grade up the rights of the **non-exclusive licensee** who – different from the German unfair competition law – is now entitled to bring infringement proceedings with the right holder's consent, Art. 32 (3). Accordingly, the owner of a simple distribution license is authorized to pursue infringements of the Community Design if he obtained the agreement of the owner of the rights. German courts tend to accept as sufficient copies of the relevant license contract as well as further written declarations, e.g. issued in an affidavit to demonstrate the necessary consent of the right holder – at least as far as preliminary proceedings are concerned.

Regarding the question of whether the Community Design is dictated by its **technical function**, Art. 8 (1), German courts show a tendency to rely for the right answer on the plurality of prior designs as revealed by the relevant field of competition. Hence, the right holder should be prepared for investigating and demonstrating the competitive environment, although this is not explicitly required by the wording of the Design Regulation. However, it is difficult to predict at present to which extent this field of competition should be disclosed. Two options appear to be possible: Either courts will focus on a strictly European perspective as regulated by Art. 7 (1) and Art. 11 (1) or widen their view in terms of a worldwide prospect as could be implicated by Art. 5 (1) and Art. 6 (1).

Coming to the fundamental and complex criteria of **disclosure**, Art. 7, German courts tend not to over-stretch the pertinent requirements. However, doubts were raised whether a petitioner's affidavit, according to which the design had been made accessible to the public by delivery to commercial purchasers, was concrete and, therefore, sufficient enough in the eyes of the court. Given this, right holders should be prepared to record meticulously every step of disclosure to prove when exactly the design was made accessible to an unlimited or large circle of people.

Closely related to the above is the **question of ownership**. In case the right holder (or its licensee) is relying on a design having been developed "by an employee in the execution of his duties or following the instructions given by his employer", Art. 14



(3), the right to the design shall vest in the employer. This is why the history of the development of the design should be recorded meticulously as well, whereby the presentation of corresponding affidavits is deemed to be sufficient – again, at least as far as interim proceedings are concerned. In this context of ownership one can conclude that, according to German case law, it is not disadvantageous for the plaintiff if the disclosure of the design has not been effected by the right holder but by its licensee, as long as the latter is acting under the owner’s agreement when disclosing the design.

The core of every design litigation is the dispute about the **novelty of the design**. In this respect, Art. 4 (1) in conjunction with Art. 5 (1) is particularly being interpreted against the background of Art. 7 (2). As a rule, German courts appear to accept the means of an affidavit to render credible that a specific design has not been priory known. This subjective evidence should be combined with a presentation of the above-mentioned field of competition, so that the discrepancy between design and prior art can be judged not only in textual, but also in chronological respect.

As the case may be, the claimed novelty might be overturned by prior citations being published only days before the design was disclosed. Should this occur, all depends on whether such citations were **published priory without a misuse** in the sense of Art. 7 (3). In this respect, German courts have revealed a tendency, at least in interlocutory proceedings, to accept “hints” (instead of evidence) affirming that certain citations have been known and marketed earlier. This might also include, for instance, the circumstance of a prior US patent application being published after disclosure of the design, albeit it appears to be questionable whether such citation from outside the European Community are in line with the requirements of Art. 7 (2) in conjunction with Art. 7 (1). In fact, Art. 7 (1) expressly refers to what could “reasonably have become known in the normal course of business to the circles specialised in the sector concerned, operating within the Community”. This purport might be understood in that the related, rather unspecified events of disclosure – *i.e.* “published following registration or otherwise, or exhibited, used in trade or otherwise disclosed” – should have a strong link to the European market. Or, to put it conversely: Are the so-called “circles specialised in the sector concerned operating within the Community” assumed to visit exhibitions in Far East or elsewhere “in the normal course of business” (or to check published US applications)? Again, the courts obviously will be called to clarify these important details.

Last but not least, the necessary **individual character of the design**, Art. 4 (1) in conjunction with Art. 6 (1), is also to be judged against the priory-known field of competition, according to German courts, in order to learn whether there was a design scope for the designer of the design which was sufficient for a community design protection.

Switching from the owner’s perspective to the one of the allegedly infringing party, much depends on Art. 19 (2), according to which “the contested use shall not be deemed to result from copying the protected design if it results from an independent work of creation by a designer who may be reasonably thought not to be familiar with the design made available to the public by the holder”. It follows from this wording, argue the German courts, that the respondent bears the burden of proof for the **obviousness of the development** of the infringing design. This shall include the presentation of own drafts etc. of the infringing design to make plausible and credible its independent development.

In the procedural respect, according to German case law, the right holder basically is entitled to make a request for cease and desist of further distribution actions from the respondent, notably by way of **temporary relief**. The corresponding injunctive



claim, being directed at an order to cease and desist of the use of a community design, requires the material danger of a first or a repeated infringing act which is covered by Art. 89 (1). As any further details of this precondition of the claim to cease and desist are not substantiated in the Design Regulation, it is additionally necessary to fall back to the decisive national law, Art. 88 (2). The same applies to the applicability of the relevant rules of procedure, Art. 88 (3). For this reason, German courts already ruled that the decisive criteria of urgency in interlocutory proceedings are subjected to German case law and its particular, mostly unwritten requirements.

With hindsight, the new Community Design has been very much appreciated by the related competitors and lawyers right from the beginning. The first slight steps show a strong interest in increasingly working with this instrument. In case specific requirements such as “normal course of business”, Art. 7 (1), are not defined in more detail by the Design Regulation, the courts appear to be called to provide for a terminology which is more precise. A set of basic questions will have to be answered within the next years by both the national courts and – finally – also the European Court of Justice. The relationship to other forms of protection under national law (Art. 96) will be one of the most exclusive of those questions.

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