

CHAPTER 2

Industrial Design Rights: Australia

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§2.01 INTRODUCTION

[A] Highlights of New Developments in This Jurisdiction since Last Edition

The Designs Act 2003 (the 2003 Act) commenced on 17 June 2004 and replaced the Designs Act 1906 (the 1906 Act). It represented the first major overhaul of Australia's designs legislation in almost 100 years. The reason for the change was summarized by the Government: 'The Australian Government wants to give designers a much better chance of protecting their creations from copying and changes to the Act will deliver that.'¹ In particular, the new infringement test in the 2003 Act was intended to broaden the scope of protection following concerns that the previous test for infringement had become so narrow that competing designs had to be virtually identical before the courts would find infringement.²

The 2003 Act brought about changes in three main areas: the registration process, design enforcement and new eligibility and infringement tests. Some examples of these are:

- (1) The maximum term of protection is now *ten years* (under the 1906 Act the maximum term was sixteen years).

1. Comment by the Hon Warren Entsch MP, the then Parliamentary Secretary to the Minister for Industry, Tourism and Resources, on IP Australia website, <http://www.ipaustralia.gov.au/> cited in Australian Government Advisory Council on Intellectual Property. *Review of the Designs System*, Issues Paper No. 1 (2013) ('ACIP Issues Paper') 30.

2. Australian Law Reform Commission, *Designs*, Report No. 74 (1995) ('ALRC Report') [1.2], [5.23], [6.6].

- (2) A design must be *new and distinctive* (under the 1906 Act it had to be new or original).
- (3) The registrability of a design is considered in light of the *similarities* between the design and the prior art (under the 1906 Act it was considered in light of the differences between the design and the prior art).
- (4) The prior art base consists of documents *published anywhere in the world and acts done in Australia* that publicly disclose the design (under the 1906 Act the prior art base consisted of documents published in Australia and acts done in Australia publicly disclosing the design).
- (5) To establish infringement, a product must be *identical or have a substantially similar overall impression* as a registered design (under the 1906 Act a design needed to be an obvious or fraudulent imitation of a registered design).
- (6) Design applications *are registered on a formalities check only*. Substantive examination is optional, though must be requested and a design certified before an action for infringement can be brought (under the 1906 Act substantive examination occurred as a matter of course).

The change in legislation arose from the Australian Law Reform Commission's Report No. 74 *Designs* (Sydney, 1995) (the ALRC Report).³

A review of the Australian designs system was instigated in 2012 by Australia's Advisory Council on Intellectual Property (ACIP).⁴ An issues paper was published in September 2013,⁵ and an Options Paper was released in December 2014. In March 2015, ACIP released its Final Report,⁶ and recommended a number of changes to the Australian designs system, many of which are focussed on increasing harmonization with international treaties and practice in design protection. The Final Report will be reviewed by the Australian Government and, if the recommendations are accepted, amendments to Australia's Designs Act and Regulations will be proposed.

§2.02 CONVENTIONS AND LEGISLATION

Australian designs are governed by the Designs Act 2003 and the Designs Regulations 2004 (the 2004 Regulations). These apply to all designs registered and design applications made under the 2003 Act or the 1906 Act.⁷

However, for designs and design applications originally made under the 1906 Act, certain provisions of the 1906 Act continue to apply, including those relating to validity, infringement, examination, and the term of the registration.⁸

3. Explanatory Memorandum, *Designs Bill 2002* (Cth) 1.

4. Australian Government Advisory Council on Intellectual Property, *Review of the Designs System* (22 Jul. 2014) < <http://www.acip.gov.au/reviews/all-reviews/review-designs-system/> > .

5. ACIP Issues Paper, *supra* n. 1; Australian Government Advisory Council on Intellectual Property, *Review of the Designs System*, Options Paper, December 2014 ('ACIP Options Paper').

6. Australian Government Advisory Council on Intellectual Property, *Review of the Designs System*, Final Report, March 2015 ('ACIP Final Report').

7. *Designs Act 2003* (Cth) s. 151.

8. *Designs Act 2003* (Cth) ss 151–156.

The discussion in this chapter relates to the 2003 Act. There are, however, still Australian designs to which the substantive provisions of the 1906 Act apply. A number of substantial differences exist between the 1906 Act and the 2003 Act, particularly with respect to the prior art base, the test for validity, and the test for infringement. Accordingly, if considering a design to which the 1906 Act may apply, it is critical that as a threshold issue it is established whether the 1906 Act applies and, if so, in what ways it applies.

Australia is a party to the Paris Convention for the Protection of Industrial Property (1883). See §2.07[A] below for discussion on filing applications in Australia which claim priority from foreign design applications.

Australia is also a party to the Agreement on Trade-Related Aspects of Intellectual Property Rights (the TRIPS Agreement) which contains specific obligations regarding the substantive protection of 'industrial designs'.

§2.03 SUBJECT MATTER

This section addresses designs registered under the 2003 Act only. For designs registered under the 1906 Act, see §2.02 of this chapter regarding the applicability of the 1906 Act.

[A] Definition/What Constitutes a Protectable Design?

The 2003 Act requires a design to be in relation to a product.⁹ Specifically, a design in relation to a product is defined as the overall appearance of the product resulting from one or more visual features of the product.¹⁰

A 'product' is 'a thing that is manufactured or hand made'.¹¹ A product may be:

- (1) a complex product comprising at least two replaceable component parts and permitting disassembly and reassembly;¹²
- (2) a component part of a complex product, provided that component is made separately;¹³ or
- (3) a kit which, when assembled, is a particular product.¹⁴

A product may have one or more indefinite dimensions, though restrictions apply.¹⁵

9. *Designs Act 2003* (Cth) s. 8.

10. *Designs Act 2003* (Cth) s. 5.

11. *Designs Act 2003* (Cth) s. 6(1).

12. *Designs Act 2003* (Cth) s. 5.

13. *Designs Act 2003* (Cth) s. 6(2).

14. *Designs Act 2003* (Cth) s. 6(4).

15. *Designs Act 2003* (Cth) s. 6(3).

[1] Shape, Configuration

Visual features are defined by the 2003 Act to include shape, configuration, pattern and ornamentation of a product.¹⁶

The 2003 Act further specifies that the feel of a product and materials used in a product are not visual features.¹⁷ This is intended to limit design protection to the appearance of a product only.¹⁸

Where a product has one or more indefinite dimensions, the indefinite dimension itself is not a visual feature. Further, if a product with indefinite dimensions has a repeating pattern, more than one repeat of that pattern is not a visual feature.¹⁹

[2] Ornamental or Functional

A visual feature of the design is to be taken into account whether or not the feature is functional or ornamental. The 2003 Act specifically provides that visual features may, but need not, serve a functional purpose.²⁰ The ALRC Report considered and recommended against an exclusion of designs dictated by function.²¹ This recommendation was accepted by the Government.

In this regard, however, the 2003 Act requires that when assessing validity or infringement, the freedom of the creator of the design to innovate must be taken into account.²² To this end, if a feature is purely functional and defined, for example, by standardization, mechanical or physical constraints, the Designs Office or a court may give less weight to that feature when considering validity and infringement.

See §2.05[B][3] below for further discussion on how freedom to innovate influences questions of validity and infringement.

[B] Originality/Novelty**[1] Test for Originality Generally**

In order to be valid, a design must be new and distinctive over the prior art base as it existed before the priority date of the design.²³

A design will be new unless it is identical to another design in the prior art base.²⁴

16. *Designs Act 2003* (Cth) s. 7(1).

17. *Designs Act 2003* (Cth) s. 7(3)(a)–(b).

18. Explanatory Memorandum, *Designs Act 2003* (Cth) 26.

19. *Designs Act 2003* (Cth) s. 7(3)(c).

20. *Designs Act 2003* (Cth) s. 7(2).

21. ALRC Report, *supra* n. 2, [4.49], Recommendation 25.

22. *Designs Act 2003* (Cth) s. 19(2)(d).

23. *Designs Act 2003* (Cth) s. 15(1).

24. *Designs Act 2003* (Cth) s. 16(1).

A design will be distinctive unless it is 'substantially similar in overall impression' to another design in the prior art base.²⁵ The test of substantial similarity in overall impression is also used to assess infringement and is discussed in detail in §2.05[B] below.

At a general level, the substantial similarity in overall impression test is intended to account for the fact that in design small differences in visual features can have a large impact on the overall impression created. The test is intended to operate such that minor or insignificant changes to a design are of limited relevance if the overall impression remains one of substantial or significant similarity.²⁶

As discussed further in §2.05[B] below, determining whether a design is 'substantially similar in overall impression' to another design is a complex enquiry involving a number of competing considerations.

The 2003 Act requires an assessment of the *overall* impression (as noted above) and that greater weight must be given to similarities between designs than to differences between designs.²⁷

When assessing substantial similarity in overall impression, the 2003 Act further requires that:

- (1) Regard must be had to the state of development of the prior art base.²⁸ The ALRC Report stated that:

The extent to which a design is substantially different will depend on the state of the development of the prior art. A more developed prior art base will mean smaller differences will be sufficient to result in a finding that there is no substantial similarity.²⁹

See §2.03[B][2] below for further discussion on which designs form part of the prior art base. See §2.05[B][2] below for further discussion on the consideration of the state of development of the prior art base in the assessment of substantial similarity in overall impression.

- (2) Particular regard must be had to any features identified as new and distinctive in a Statement of Newness and Distinctiveness (if any such statement was filed), though still within the context of the design as a whole. If no statement was filed the appearance of the design as a whole is considered.³⁰
- (3) Where only part of a design is substantially similar to another design, regard must be had to the amount, quality and importance of that part in the context of the design as a whole.³¹

25. *Designs Act 2003* (Cth) s. 16(2).

26. ALRC Report, *supra* n. 2, [5.15].

27. *Designs Act 2003* (Cth) s. 19(1).

28. *Designs Act 2003* (Cth) s. 19(2)(a).

29. ALRC Report, *supra* n. 2, [5.23].

30. *Designs Act 2003* (Cth) s. 19(2)(b).

31. *Designs Act 2003* (Cth) s. 19(2)(c).

- (4) Regard must be had to the freedom of the creator of the design to innovate.³² See §2.05[B][3] below for further discussion.

In assessing substantial similarity in overall impression the standard of a person who is familiar with the product (or similar products) to which the design relates is applied – the standard of the ‘informed user’.³³ Further discussion of this standard is in §2.05[B][1] below.

In assessing whether a registered design is new and distinctive, the comparison is against a singular design that forms part of the prior art base. It is impermissible to ‘mosaic’ or produce a hypothetical amalgam of a number of prior art designs in order to defeat the registration of the design in issue.³⁴ The Federal Court of Australia has expressly provided that ‘a design that combines various features, each of which can be found in the prior art base when considered as a whole but not in any one particular piece of prior art, is capable of being new or distinctive’.³⁵

Although the assessment of newness and distinctiveness is made on a design-by-design basis (i.e., without mosaicing), regard is given to the state of development of the prior art base as noted above. This is intended to provide context to the analysis of the designs: a more developed prior art base will support the argument that smaller differences are sufficient to lend a design distinctiveness, while in a less developed prior art base larger differences may be necessary to confer distinctiveness on a design.

[2] Novelty

The 2003 Act provides that a design is registrable if it is new and distinctive when compared to the prior art base for the design as it existed before the priority date of the design.³⁶

[a] Prior Use

The prior art base includes designs publicly used in Australia before the priority date.³⁷

Where a design is derived from the owner (or the owner’s predecessor in title) and disclosed without authorization, that disclosure can be disregarded provided an Australian design application is filed within six months of the date of the first disclosure.³⁸

32. *Designs Act 2003* (Cth) s. 19(2)(d).

33. *Designs Act 2003* (Cth) s. 19(4).

34. *Keller v. LED Technologies Pty Ltd* (2010) 185 FCR 449, 503 [244]–[245] (Besanko J) (‘Keller’); *LED Technologies Pty Ltd v. Elecspe Pty Ltd* (2008) 80 IPR 85, 93 [12].

35. *LED Technologies Pty Ltd v. Elecspe Pty Ltd* (2008) 80 IPR 85, 93 [12], 102 [55]; *Review 2 Pty Ltd v. Redberry Enterprise Pty Ltd* (2008) 173 FCR 450, 464 [60] (‘Review 2’).

36. *Designs Act 2003* (Cth) s. 15(1).

37. *Designs Act 2003* (Cth) s. 15(2)(a).

38. *Designs Act 2003* (Cth) s. 17(1)(b); *Designs Regulations 2004* (Cth) Reg. 2.01(3).

Australian law does not provide a general grace period by which a design owner’s own disclosure can be ignored. This has been flagged as an issue for consideration in the review of the Australian designs system instigated in 2012.³⁹

Provided an Australian application is filed within six months, disclosure at an officially recognized international exhibition can be disregarded.⁴⁰

Where a design corresponds to an artistic work, Australian law also provides that in certain circumstances previous use of the artistic work can be disregarded.⁴¹ These provisions are complex, but notably, no time limit attaches to the ability to disregard previous use of the artistic work. A design corresponds to an artistic work where the design embodies visual features of shape and configuration in a product that result in a reproduction of that work.⁴² See §2.09[B] below for further discussion on the relationship between design protection and copyright in artistic works.

[b] Prior Publication

The prior art base includes designs published in a document anywhere in the world before the priority date.⁴³

The expansion of the prior art base to beyond Australia in the 2003 Act means that a design will be compared against more information, thereby raising the eligibility threshold on what constitutes a registrable design that is both new and distinctive.⁴⁴

§2.03[B][2][a] above discusses unauthorized disclosure, disclosure at an officially recognized international exhibition, and previous use of an artistic work. These provisions apply to prior publication as well as prior use.

[c] Prior Application or Registration

The prior art base includes any Australian design application with an earlier priority date (provided the application is eventually published by the Australian Designs Office).⁴⁵

Foreign design or patent applications published after the priority date of the registered design do not form part of the prior art base, even if the foreign application has an earlier priority date.⁴⁶

39. ACIP Issues Paper, *supra* n. 1, [3.2].

40. *Designs Act 2003* (Cth) s. 17(1)(a); *Designs Regulations 2004* (Cth) Reg. 2.01(1).

41. *Designs Act 2003* (Cth) s. 18.

42. *Copyright Act 1968* (Cth) s. 74(1).

43. *Designs Act 2003* (Cth) s. 15(2).

44. Commonwealth, *Parliamentary Debates*, House of Representatives, 11 Dec. 2002, 10081.

45. *Designs Act 2003* (Cth) s. 15(2)(c).

46. Foreign applications would not fall within s. 15(2)(c) because they are not a ‘design application’ as defined in the 2003 Act.

[C] Unobviousness (if Appropriate)

Not applicable

§2.04 DURATION OF PROTECTION

The maximum term for an Australian design to which the 2003 Act applies is ten years from the Australian filing date.⁴⁷ A single renewal fee is payable at five years from filing to extend the registration by an additional five years.

For designs under the 1906 Act, the maximum term is sixteen years. Given the 2003 Act commenced in June 2004, designs to which the 1906 Act applies could potentially remain in force until around June 2020.

§2.05 INFRINGEMENT

This section addresses designs registered under the 2003 Act only. For designs registered under the 1906 Act, see §2.02 of this chapter regarding the applicability of the 1906 Act.

The 2003 Act sets out the exclusive rights which the registered owner of a design has during the period of registration. The exclusive rights include the right to make or offer to make a product in relation to which the design is registered.⁴⁸

At first instance, infringement proceedings are heard by a single judge. In Australia, no juries are used in design matters. The Federal Court⁴⁹ has adopted an individual docket system in which proceedings are allocated to a particular judge from commencement. Typically, that judge is then involved in all stages of the proceeding including the final hearing.

Appeals from first instance decisions are conducted before the Full Federal Court, which is usually made up of three judges of the Federal Court (not including the judge who heard the matter at first instance). There is an automatic right to appeal single judge final (but not interlocutory) decisions of the Federal Court to the Full Federal Court, except in the case of a single judge hearing an appeal of the decision of the Registrar, in which case leave is required to appeal the single judge decision to the Full Court of Australia.⁵⁰

Parties may also seek to appeal decisions of the Full Federal Court to the High Court of Australia (which is the highest court in Australia). There is no automatic right of appeal. A party must apply for 'special leave to appeal'. Special leave is difficult to obtain and is rarely granted (although the High Court has shown recent interest in some intellectual property cases) and typically requires that the appeal involve a

47. *Designs Act 2003* (Cth) s. 46.

48. *Designs Act 2003* (Cth) s. 10(1)(a); see s. 10(1) of the *Designs Act 2003* (Cth) for the other exclusive rights.

49. The Federal Court (s. 83 of the *Designs Act 2003* (Cth)) and the Federal Circuit Court (s. 83A of the *Designs Act 2003* (Cth)) have jurisdiction to hear designs matters.

50. *Federal Court of Australia Act 1976* (Cth) s. 24; *Designs Act 2003* (Cth) s. 87(2).

genuine question of public importance, a difference of opinion between courts, or is otherwise required in the interests of justice. The appeal must also have significant prospects of success.

Infringement proceedings must be commenced within six years from the day on which the alleged infringement occurred.⁵¹

[A] Scope of Infringement Action

Under the 2003 Act, a person infringes a registered design if during the term of the registration of the design, and without the design owner's authorization, the person:

- (1) makes or offers to make a product, in relation to which the design is registered, which embodies a design that is identical to, or substantially similar in overall impression to, the registered design; or
- (2) imports such a product into Australia for sale, or for use for the purposes of any trade or business; or
- (3) sells, hires or otherwise disposes of, or offers to sell, hire or otherwise dispose of, such a product; or
- (4) uses such a product in any way for the purposes of any trade or business; or
- (5) keeps such a product for the purpose of doing any of the things mentioned in paragraph (3) or (4).⁵²

[B] Test for Infringement/Criteria to Constitute Infringement

In order to determine whether a product infringes a registered design, the court assesses whether the allegedly infringing product embodies a design that is identical to, or substantially similar in overall impression to, the registered design.

This is the same test as the one used to determine whether a design is distinctive for the purposes of registration and validity, in line with the recommendations of the ALRC Report, which said that 'the infringement and distinctiveness tests should be the same so that an infringing design is not a distinctive design and vice versa'.⁵³ The symmetry between the test used for assessing the distinctiveness of a design and the test used to determine whether a design has been infringed, has been described as broadening the scope of protection.⁵⁴

As noted in §2.03[B][1] above, the 2003 Act requires an assessment of the *overall* impression and that greater weight must be given to similarities between designs than to differences between designs.⁵⁵ This requirement arises from an accepted ALRC

51. *Designs Act 2003* (Cth) s. 71(4).

52. *Designs Act 2003* (Cth) s. 71(1).

53. ALRC Report, *supra* n. 2, [5.22].

54. *LED Technologies Pty Ltd v. Elecspeess Pty Ltd* (2008) 80 IPR 85,107 [70].

55. *Designs Act 2003* (Cth) s. 19(1).

recommendation that common elements of designs be given more weight than differences.⁵⁶

When assessing substantial similarity in overall impression, the 2003 Act further requires that:

- (1) Regard must be had to the state of development of the prior art base (see §2.05[B][2] below for further discussion).⁵⁷
- (2) Particular regard must be had to any features identified as new and distinctive in a Statement of Newness and Distinctiveness (if any such statement was filed), though still within the context of the design as a whole. If no statement was filed the appearance of the design as a whole is considered.⁵⁸
- (3) Where only part of a design is substantially similar to another design, regard must be had to the amount, quality and importance of that part in the context of the design as a whole.⁵⁹
- (4) Regard must be had to the freedom of the creator of the design to innovate (see §2.05[B][3] below for further discussion).⁶⁰

In assessing substantial similarity in overall impression, the standard of a person who is familiar with the product (or similar products) to which the design relates is applied – the standard of the ‘informed user’.⁶¹ See §2.05[B][1] below for further discussion.

In practice, the court makes a ‘studied comparison’ based upon these requirements.⁶² This comparison is between the allegedly infringing product and the registered design⁶³ and this is done in ‘the context of the whole appearance of the designs...the whole appearance is relevant as the context for the design even though, strictly, the design is only the distinctive visual features of the product. Greater weight is given to distinctive features than to other parts of the design, although still in the context of the whole of the appearance’.⁶⁴

As noted by Yates J in *Multisteps* citing Jacobs J in *Procter & Gamble Co v. Peckitt Benckiser (UK) Ltd* [2008] FSR 8 at [3]:

The most important things in a case about registered designs are:

1. the registered design;
2. the accused object; and
3. the prior art.

56. ALRC Report, *supra* n. 2, Recommendation 37: ‘The new designs legislation should give guidance to the courts in assessing distinctiveness. It should be specified that common elements are to be given more weight than differences.’

57. *Designs Act 2003* (Cth) s. 19(2)(a).

58. *Designs Act 2003* (Cth) s. 19(2)(b).

59. *Designs Act 2003* (Cth) s. 19(2)(c).

60. *Designs Act 2003* (Cth) s. 19(2)(d).

61. *Designs Act 2003* (Cth) s. 19(4).

62. *Multisteps Pty Ltd v. Source and Sell Pty Ltd* [2013] 214 FCR 323, 334 [55].

63. As required by s. 71(1)(a) of the *Designs Act 2003* (Cth).

64. *LED Technologies Pty Ltd v. Elecspeess Pty Ltd* (2008) 80 IPR 85, 108 [72].

And the most important thing about each of these is what they look like. Of course parties and judges have to try to put into words why they say a design has ‘individual character’ or what the ‘overall impression produced on an informed user’ is. But ‘it takes longer to say than to see’ as I observed in *Philips Electronics NV v Remington Consumer Products Ltd (No 1)* [1998] RPC 283 at 318. And words themselves are often insufficiently precise on their own.⁶⁵

[1] Informed User

The standard that is used is that of a person ‘who is familiar with the product to which the design relates, or products similar to the product to which the design relates’ and this is referred to as the standard of the informed user.⁶⁶ The 2003 Act introduced the notion of the informed user into Australian designs law.⁶⁷ This standard was recommended by the ALRC, and it appears that the ALRC was inspired by the developments in Europe to protect Community designs.⁶⁸

The informed user standard had been described as follows:

Although it would be dangerous to attempt some comprehensive statement of principles that might be applied to the concept, it is apparent that an *informed user*:

1. is reasonably informed; not an expert but more informed than an average consumer;⁶⁹
2. is an objective standard. However, expert evidence may still be adduced in court to assist the court in applying the informed user concept; and
3. focuses on visual features and is not concerned with internal features or features that are not visible to the naked eye.⁷⁰

In a case relating to a dress design, the Federal Court held in relation to the informed user:

Who is the informed user? Plainly, the informed user must be a person who is familiar with the product to which the design in question relates. Moreover, the informed user must be a *user* of the class of product in question, in this case, ladies’ garments, or perhaps, more narrowly, ladies’ dresses. A designer or manufacturer of such garments is not an informed user merely because he or she designs or manufactures them. Further, this user is not simply an ordinary consumer: the user must be an *informed user*.⁷¹

65. Cited by Yates J in *Multisteps Pty Ltd v. Source and Sell Pty Ltd* (2013) 214 FCR 323, 332–333 [49].

66. *Designs Act 2003* (Cth) s. 19(2)(d).

67. Whereas, the standard of the informed user had been adopted in the *Registered Designs Act 1949* (UK). This is discussed further in *Review 2* (2008) 173 FCR 450, 455–457 [19]–[27] (Kenny J); *Multisteps Pty Ltd v. Source and Sell Pty Ltd* [2013] 214 FCR 323, 335–358 [57]–[71] (Yates J).

68. ALRC Report, *supra* n. 2, [5.17], which described the informed user as ‘a person who is reasonably familiar with the nature, appearance and use of products of the relevant kind.’

69. See also *Review 2* (2008) 173 FCR 450, 457 [26]; *LED Technologies Pty Ltd v. Roadvision Pty Ltd and anor* (2011) 90 IPR 532, 549 [89] (Finkelstein J). Note, the ALRC Report provided that ‘[d]istinctiveness should be determined by users of the design rather than design experts’: ALRC Report, *supra* n. 2, [5.19].

70. *LED Technologies Pty Ltd v. Elecspeess Pty Ltd* (2008) 80 IPR 85, 105 [59].

71. *Review 2* (2008) 173 FCR 450, 455 [19] (Kenny J).

- (3) The design patent protects the design of the product itself, such as the shape or pattern of the product; while packaging and decoration protect the exterior packaging of the product, excluding the product itself.

CHAPTER 6

Industrial Design Rights: Europe

Kurt Stöpetie & Rutger Stoop

§6.01 INTRODUCTION

To properly understand intellectual property legislation in the European Union ('EU'), we should begin with a brief, general introduction to the EU. The start for deeper structural collaboration between the European countries was made in 1957, when the Treaty establishing the European Economic Community ('TEEC') was signed in Rome. Consisting of just Belgium, France, Italy, Luxembourg, the Netherlands and West Germany at the time, the TEEC mainly proposed customs measures and the creation of an internal market of goods, workers and services in its Member States. By way of the Maastricht Treaty in 1993, which deleted the word 'Economic' and also introduced provisions leading to a common currency for the Member States, the European Community was renamed to European Union¹ and its functioning was further detailed in the Treaty on the functioning of the European Union ('TFEU'),² which came into force in 2009 by the signing of the Treaty of Lisbon in 2007. As of 2013, the EU consists of twenty-eight Member States.

One of the major goals of the EU has been the harmonization of the laws of its Member States. The TFEU plays a considerable part in EU legislation on intellectual property, considering the competition implications of Articles 101 and 102 in particular. For instance, Article 101 – briefly put – declares all agreements void which have as their object or effect the restriction of competition within the internal market. Obviously, intellectual property can be a restriction on competition. However, to exclude (in

1. Despite this renaming, it is still referred to as the 'Community' where design and trademark law is concerned.
2. Treaty of Lisbon amending the Treaty on European Union and the Treaty establishing the European Community, signed at Lisbon, 13 Dec. 2007, as published in the Official Journal C 306, 17 Dec. 2007, pp. 1–271, entering into force on 1 Jan. 2009.

principle) agreements on intellectual property, a remedy is found in paragraph 3 of Article 101 for agreements which contribute to improving the production or distribution of goods or to promoting technical or economic progress. Article 102 is also relevant, because it prohibits exercising intellectual property as being incompatible with the internal market when any abuse of a dominant position by one or more companies within the internal market or a substantial part of that market affects trade between Member States.

[A] Highlights of New Developments in This Jurisdiction since Last Edition

The harmonization of intellectual property laws of the Member States of the EU has made quite a few steps in the last decade. National design laws have been harmonized by the Community Design Directive in 1998 ('CDD'),³ although full harmonization was never a goal of the CDD – only those aspects which were considered relevant to the European internal market (i.e., harmonizing the conditions for obtaining a registered design right and to that end introducing a unitary definition of the notion of design and of the requirements as to novelty and individual character).

Specifically for European design law, Council regulation (EC) No. 6/2002 of 12 December 2001 on Community designs came into force on 6 March 2002 (Community Design Regulation, 'CDR'),⁴ while Community Design Implementation Regulation (EC) No. 2245/2002 ('CDIR')⁵ entered into force later in 2002. The CDR provides a single Community-wide design right which ensures protection in all the EU Member States. However, the existence of the CDR does not affect the possibility of obtaining design protection by national applications. Where the CDD will be discussed mainly in the national chapters of individual EU Member States, the CDR will star in this European chapter.

§6.02 CONVENTIONS AND LEGISLATION

As the Paris Convention for the Protection of Industrial Property ('Paris Convention')⁶ is relevant to intellectual property in general, it is obviously relevant for industrial designs as well. The Paris Convention provides general rules for, *inter alia*, designs in

3. Directive 98/71/EC of the European Parliament and of the Council of 13 Oct. 1998 on the legal protection of designs, as published in the Official Journal L 289, 28 Oct. 1998 pp. 28–35, entering into force on 17 Oct. 1998.
4. Council Regulation (EC) No. 6/2002 of 12 Dec. 2001 on Community designs, as published in the Official Journal L 003, 5 Jan. 2002 pp. 1–24, entering into force on 6 Mar. 2002, lastly amended by Official Journal L 386, 29 Dec. 2006, pp. 14–16.
5. Commission Regulation (EC) No. 2245/2002 of 21 Oct. 2002 implementing Council Regulation (EC) No. 6/2002 on Community designs, as published in the Official Journal L 341, 17 Dec. 2002 pp 28–53, entering into force on 24 Dec. 2002.
6. Paris Convention for the Protection of Industrial Property of 20 Mar. 1883, as revised at Brussels on 14 Dec. 1900, at Washington on 2 Jun. 1911, at The Hague on 6 Nov. 1925, at London on 2 Jun. 1934, at Lisbon on 31 Oct. 1958, and at Stockholm on 14 Jul. 1967, and as amended on 28 Sep. 1979.

respect of priority rights (Article 5 Paris Convention) and regarding temporary protection at certain international exhibitions (Article 11 Paris Convention). Also, since the revision of Lisbon in 1958, parties to the Paris Convention are obliged to grant protection for industrial designs.

The Agreement on Trade-Related Aspects of Intellectual Property Rights ('TRIPs')⁷ provides for a minimum protection threshold for industrial designs (Articles 25 and 26 TRIPs). For instance, it requires parties to TRIPs to protect independently created industrial designs that are new or original. Parties to TRIPs can require that designs are not new or original if they do not significantly differ from known designs or combinations of known design features, and can also require that such protection shall not extend to designs dictated essentially by technical or functional considerations.

For substantially more important legislation on design protection in the EU, one must look to the TFEU, as the application of Articles 101 and 102 may affect the enforceability of design rights (see the introductory remarks above).

The CDR aims at facilitating the free movement of goods and services, by breaking down existing intra-Community barriers of national legislation for design protection. However, and perhaps somewhat contradictory, those barriers have not been truly broken down. The Member States' national legislation for design protection continues to exist independently of the design protection offered by CDR, albeit in a harmonized way as a result of the CDD. This is to maintain an alternative for those having only a commercial interest in design protection in only a few Member States. Those seeking protection by way of national design rights should be aware of the fact that national protection may differ between individual Member States. For more information on this, reference is made to the chapters on the individual EU countries.

The CDR provides unified Community-wide design protection; both registered (registered Community design, 'RCD') and unregistered (unregistered Community design, 'UCD'). As a consequence, a single application for an RCD results in design protection in all of the countries within the Community. A special position is assigned to Belgium, the Netherlands and Luxembourg, as these three Member States are together regarded as a single Member State (the Benelux), with a single administrative body for intellectual property: the Benelux Office for Intellectual Property ('BOIP').

Article 2 CDR appoints the Office for Harmonization in the Internal Market (Trademarks and Designs) as the central EU administrative body carrying out the tasks specified in the CDR ('OHIM').⁸ Situated in Alicante, Spain, OHIM was originally established pursuant to the Community Trademark Regulation ('CTR').⁹ The OHIM is responsible for the register of Community designs (Article 72 CDR) and publishes in the *Official Journal* as well as in its own *Community Designs Bulletin* (Article 73 CDR). The

7. The TRIPs Agreement is Annex 1C of the Marrakesh Agreement Establishing the World Trade Organization, signed in Marrakesh, Morocco on 15 Apr. 1994, and entering into force on 1 Jan. 1995.
8. As per the proposed changes in EU trademark legislation, OHIM will be renamed the European Union Intellectual Property Office ('EU IPO'). For editorial purposes, we will continue to refer to OHIM in this edition.
9. Council Regulation (EC) No. 40/94 of 20 Dec. 1993 on the Community trademark, amended by Council Regulation (EC) No. 207/2009 of 26 Feb. 2009 on the Community trademark.

Official Journal mainly covers general EU implementing dealings, and thus also EU legislation relating to designs and trademarks, as well as case law of the General Court and the EU Court of Justice. The Bulletin deals specifically with information of, and OHIM decisions on, applications of Community designs and nullity requests against Community designs.

Each Member State has designated at least one Community design court in its territory, which can hear civil proceedings, such as those for infringement and invalidity (Article 80 CDR).

§6.03 SUBJECT MATTER

[A] Definition/What Constitutes a Protectable Design?

The CDR introduces a two-tier protection system, creating two distinct types of design protection: the UCD and the RCD (Article 1(2) CDR). The former arises without the need for specific formalities, by the simple fact that the design is disclosed to the public in the manner provided for in the CDR (see also §6.04). A registered design can only be obtained by registration in accordance with the registration procedure as set out in the CDR. National design rights coexist with a Community design. However, provisions are included to ensure that all the design rights are enforced consistently.

The two Community design rights complement each other. The first, a short-term unregistered design right, is mostly of use for industries producing large numbers of designs for products with a short lifecycle. These require shorter protection with fewer formalities and do not merit the expense of registration (e.g., fashion designs). Such designs are protected for a period of three years from the date on which the design was first made available to the public. A UCD therefore offers a relatively easy and attractive way of protection within the Community. The second form of protection, a longer-term registered design right, is intended for those sectors which need greater legal certainty and longer-term protection. Apart from the complementary nature of these two different protection regimes, they can also be used intelligently in the first twelve months after a design is disclosed to the public, by initially relying on the protection of a UCD and only registering this design as an RCD with OHIM if it has proven to be a commercial success that is being imitated by third parties.

For the purpose of the CDD and the CDR, a 'design' is defined as the appearance of the whole or a part of the product resulting from the features of, in particular, the lines, contours, colours, shape, texture and/or materials of the product itself and/or its ornamentation (Article 3(a) CDR). The list of features of appearance is not intended to be exhaustive. Further, Article 4(1) CDR provides that a design shall be protected to the extent that it is new and has individual character (see further §6.03[B]).

The term 'product' includes any industrial or handicraft item including parts intended to be assembled into a complex product, packaging, get-up graphic symbols and typographic typefaces, but excluding computer programs (Article 3(b) CDR). The definition makes it clear that colours can constitute part of a design. A design can cover both two- and three-dimensional features of appearance. In any case, according to

Article 9 of the CDR, a design contrary to public policy or to accepted principles of morality is excluded from protection.

[1] Shape, Configuration

The wording 'appearance' is somewhat unclear and seems to be restricted to the *tangible* features of a design, and it seems not to include aspects like taste, sound, smell and what is known as the 'look and feel' of a design. Recital 11 of the CDD makes clear that protection is granted for those design features of a product, in whole or in part, shown visibly in an application and disclosed to the public. In clarifying the overall impression of the filed design, the *PepsiCo*-judgment held that the actual traded product to which the design is applied can be taken into account in order to confirm earlier conclusions on the characteristics of the design as shown in the registration, because the person comparing the products is not the 'average consumer' but the 'informed user' (more on this in §6.03[B][1]).¹⁰

The definition of a design makes clear that a design can also consist of the appearance of a part of a product. Pursuant to Article 3(c) CDR, a complex product means a product which is composed of multiple components which can be replaced permitting disassembly and reassembly of the product. Protection is not extended to component parts which are not visible during normal use of a product or which themselves would not fulfil the requirements as to novelty and individual character (Article 4(2) CDR).¹¹ However, component parts do not have to be visible at all times during normal use by the end user ('normal use' does not cover maintenance, servicing or repair work – Article 4(3) CDR). Having said that, it should be noted that designs for the purpose of the repair of a complex product, so as to restore its original appearance, are excluded from protection (Article 110(1) CDR).

[2] Ornamental or Functional

Functional use is not a requirement. However, it remains unclear whether designs only suitable for ornamental use can be filed for a wide range of design categories, since protection is given to a product *in concreto*. However, the fact that a design has gained a new function does not simply mean that independent design protection can be obtained.¹² No specific guidance has yet been issued by the EU Court of Justice on this point of law.

Article 8(1) CDR provides that a design right shall not subsist of features of appearance of a product which are solely dictated by its technical function. Also excluded from Community design protection are features of the appearance of a product which must necessarily be reproduced in their exact form and dimensions in

10. EU Court of Justice 20 Oct. 2011, C-281/10 P, *ECLI:EU:C:2011:679 (PepsiCo)*, para. 73.

11. General Court EU 3 Oct. 2014, T-39/13, *ECLI:EU:T:2014:852 (Niewinski/BHIM)*.

12. Court of Appeal OHIM 25 Jan. 2008, R84/2007-3 (*Ferrari/Dansk Supermarked*); Supreme Court of Judicature Court of Appeal (Civil Division) 23 Apr. 2008, [2008] EWCA Civ 358 (*Laundry balls*) and Court of Appeal The Hague 17 May 2011, *IER 59/442 (I-Drain/ESS)*, para. 10.

order to permit the product in which the design is incorporated or to which it is applied to be mechanically connected to or placed in, around or against another product so that either product may perform its function, but can subsist in a design serving the purpose of allowing the multiple assembly or connection of mutually interchangeable products within a modular system (Article 8(2-3) CDR).

[B] Originality/Novelty

[1] Test for Originality Generally

Protection is awarded to a design by the CDR to the extent that it is new and has an individual character (Article 4(1) CDR). These requirements apply equally to UCDs and RCDs. A design is considered to have individual character if the overall impression it produces on the informed user differs from the overall impression produced on such a user by any design which was disclosed to the public before the date of filing or the date of priority. In assessing individual character, the degree of freedom of the designer in developing the design is taken into consideration as well.¹³

Thus, the individual character is assessed by comparing the impression produced by the design on the informed user with the impression created by earlier designs. The informed user will make a direct comparison between the designs at issue because that type of comparison actually relates to the impression produced on that user by earlier individualized and defined designs, as opposed to an amalgam of specific features or parts of earlier designs.¹⁴

According to the *PepsiCo*-decision, the concept of an 'informed user' must be understood as lying somewhere between that of the average consumer, as defined in trademark matters, who need not have any specific knowledge and who normally makes no direct comparison between the trademarks in dispute, and the sector expert, who is an expert with detailed technical expertise and who is able to distinguish potentially minimal differences between existing designs. Thus, the concept of the informed user may be understood as referring not to a user of average attention, but to a particularly observant one, either because of his personal experience or his extensive knowledge of the sector in question.¹⁵ As regards the informed user's level of attention: although the informed user is not the well-informed and reasonably observant and circumspect average consumer who normally perceives a design as a whole and does not proceed to analyse its various details, he is also not an expert or specialist capable of observing in detail the minimal differences that may exist between the designs in conflict. Thus, the qualifier 'informed' suggests that, without being a designer or a technical expert, the user knows the various designs which exist in the sector

13. General Court EU 7 Nov. 2013, T-666/11, *ECLI:EU:T:2014:852 (Budziewska/OHIM)*. Also see General Court EU 9 Sep. 2014, T-494/12, *ECLI:EU:T:2014:757 (Biscuit)*.

14. ECJ 19 Jun. 2014, C-345/13, *ECLI:EU:C:2014:2013 (Karen Millen Fashions Ltd v. Dunnes Stores and Dunnes Stores (Limerick) Ltd)*, paras 26 and 35, with reference to ECJ 20 Oct. 2011, C-281/10 P, *ECLI:EU:C:2011:679 (PepsiCo)*, para. 55, and ECJ 18 Oct. 2012, C-101/11 P and C-102/11 P, *EU:C:2012:641 (Neuman and Others v. José Manuel Baena Grupo)*, para. 54.

15. ECJ 20 Oct. 2011, C-281/10 P, *ECLI:EU:C:2011:679 (PepsiCo)*, para. 53.

concerned, possesses a certain degree of knowledge with regard to the features which those designs normally include, and, as a result of his interest in the products concerned, shows a relatively high degree of attention when he uses them.¹⁶

[2] Novelty

The novelty test is satisfied if no identical design has been disclosed to the public before the filing date or priority date within the Community. Designs are deemed to be identical if their features differ only in immaterial details (Article 5 CDR).

Both an RCD and a UCD require such novelty. In case of an RCD, such a design is considered new if no identical design has been disclosed to the public before the date of the filing of the design application. In case of a UCD, such a design is considered new if no identical design has been disclosed to the public before the design for which protection is sought has been made available to the public.

[a] Prior Use

Neither novelty nor individual character will be prejudiced by any disclosure during the twelve months leading up to the filing of an application (Article 7(2) CDR). The designer or his successor in title is given a twelve-month grace period in which to test the market with his design, but at any time during that period he can apply for registration without fear that he will have invalidated an application for registration by his own prior use. This is particularly useful for designers who wish to expose their efforts to the public to judge their reaction before deciding whether to incur the expense of registration. The same provision applies if the prior disclosure in the one year grace period was filed by a third party who obtained his design as a result of an abuse of confidence or fraud in relation to the designer or his beneficiaries.

During this twelve-month period, designs will be awarded protection without the need for registration, and for up to three years as an unregistered design. However, it should be noted that a UCD confers on its holder only the right to prevent the use of the design by any third party if that use results from copying the UCD (Article 19(2) CDR).¹⁷

[b] Prior Publication

For the purposes of Articles 5 and 6 CDR, a design is deemed to be disclosed to the public if published, exhibited, used in trade or otherwise disclosed in the normal course of business of the relevant sector within the Community, other than under obligations

16. ECJ 20 Oct. 2011, C-281/10 P, *ECLI:EU:C:2011:679 (PepsiCo)*, para. 59.

17. According to Dutch case law, if there is sufficient similarity between the designs, copying is presumed on the basis of the earlier design having been copied unintentionally (see Dutch Supreme Court 21 Feb. 1992, *NJ 1993*, 164 (*Barbie*)).

of confidentiality. This means that a design is not rendered invalid just because there was a similar design somewhere else in the world (Article 7 CDR).

The EU Court of Justice clarified that it is possible that a design may not reasonably have become known in the normal course of business to the circles specialized in the sector concerned, operating within the EU, even though it was disclosed to third parties without any explicit or implicit conditions of confidentiality, if it has been made available to only one company in that sector or has been presented only in the showrooms of a company outside the EU.¹⁸

[c] *Prior Application or Registration*

In accordance with the Paris Convention and TRIPs, the CDR states in Article 41 that a right of priority can be obtained of six months from the date of filing of the first application. Consequently, any subsequent filing in any of the other countries that signed the Paris Convention or TRIPs before the expiration of that six-month period shall not be invalidated by reason of any acts accomplished in this period. Rights acquired by third parties before the date on which the right of priority is based, are reserved in accordance with the domestic legislation of each country that signed the Paris Convention or TRIPs (Article 4B Paris Convention).

An RCD application or registration may be invalidated based on Article 25(1)(d) CDR if it gets in conflict with a prior design which has been disclosed after the date of filing of the application or, if a priority is claimed, the date of priority of the RCD, and which is protected from a date prior to the said date by an RCD or an application for such a design, or by a registered design right of a Member State or an application for such a right, or by a design right registered under the Geneva Act of the Hague Agreement concerning the international registration of industrial designs¹⁹ or by an application for such a right.

§6.04 DURATION OF PROTECTION

For the duration of the protection of an RCD, the date of the filing of the application is determinative. The duration of the protection initially covers five years as of the filing date, but can be renewed for four additional and consecutive terms of five years, leading to a maximum protection period of twenty-five years (Article 12 CDR).

As the UCD sets a low formal threshold for obtaining such design, the maximum protection period is considerably shortened to a non-renewable three-year period. This period commences as from the date on which the design was first made available to the public within the Community (Article 11(1) CDR). Such a design is first made available to the public within the Community if it has been published, exhibited, used in trade or otherwise disclosed, except where these events could not reasonably have become

18. EU Court of Justice 13 Feb. 2014, C-479/12, ECLI:EU:C:2014:75 (*Gautzsch/Duna*), para. 36.
19. Adopted in Geneva on 2 Jul. 1999.

known in the normal course of business to the circles specialized in the sector concerned, operating within the Community (Article 11(2) CDR).

An effect of this criterion is that the moment of first global introduction does not necessarily coincide with the commencement date of the protection period for an UCD. Indeed, the design has to be made available to the public *within the territory of the Community* in such a way that, in the normal course of business, these events could reasonably have become known to the specialists in the sector concerned (see Article 11(2) in conjunction with Article 110a(5) CDR).

§6.05 INFRINGEMENT

[A] Scope of the Infringement Action

Article 19(1) CDR provides that the holder of an RCD has the exclusive right to use his design. This use covers the making, offering, putting on the market, importing, exporting or making use of a product in which the design is incorporated or to which it is applied, or stocking such a product for those purposes. This right extends to any third party who uses a design that does not produce a different overall impression on informed users, including the third party holder of a Community design registered later.²⁰ In this context, it should be stressed that RCDs are not examined on material grounds, but only on compliance with formal requirements as set out in Article 36(1) (Article 45 CDR).

The same rights are conferred on the holder of a UCD, but only if the contested use results from copying the protected design. If the contested use is the result of an independent work of creation by a designer who may be reasonably thought to be unfamiliar with the design disclosed to the public by the holder, it will not be deemed to be the result from copying (Article 19(2) CDR). The burden of proof lies with the holder of the UCD,²¹ but if the similarity between the designs is high, the Dutch courts will assume that the later design is the result of copying.²²

[B] Test for Infringement/Criteria to Constitute Infringement

If a design, which includes a design registered later, does not produce a different overall impression on the informed user, this design falls within the protective scope of the Community design (Article 10(1) CDR). Article 8 CDR provides that the protection of the Community design does not apply to the parts of the design that are the result of the technical function. According to Article 10(2) CDR, the degree of freedom of the designer in developing his design shall be taken into consideration in assessing the scope of protection of the Community design.

20. EU Court of Justice 16 Feb. 2012, C-488/10, ECLI:EU:C:2012:88 (*Celaya v. Proyectos*), para. 52.
21. EU Court of Justice 13 Feb. 2014, C-479/12, ECLI:EU:C:2014:75 (*Gautzsch v. Joseph Duna*), para. 44.
22. Dutch Supreme Court 21 Feb. 1992, NJ 1993, 164 (*Barbie*).

In determining the overall impression of both designs, only the parts of the designs visible during normal use of the product to which the design is applied are considered. It is therefore recommended to bear the use of the product in mind when determining the protective scope of the design. Non-visible elements should not be used in assessing the originality of the later design.²³

[C] Standing to Sue

Article 14(1) CDR provides that the designer or his beneficiary holds the right to the Community design. In case two designers have jointly developed a design, the right to the Community design shall vest in them jointly (Article 14(2) CDR). Article 14(3) CDR provides that, unless otherwise agreed or specified under national law, the design that is developed by an employee in the execution of his duties or following the instructions given by his employer, shall vest in the employer. The provision of Article 14(3) CDR does not apply to Community designs that have been produced as a result of a commission.²⁴

The holder of a design right can bring infringement claims against any third party that uses his design without his consent (Article 19 CDR).

[D] Remedies for Infringement

A holder of a Community design has a wide range of remedies at his disposal in case of infringement or threatened infringement. Where a Community design court finds that the defendant has infringed or threatened to infringe a Community design, it will – barring special reasons for not doing so – order the following:

- (i) an order prohibiting the infringer from continuing with the acts which have infringed or would infringe the Community design;
- (ii) an order to seize the infringing products;
- (iii) an order to seize materials and implements predominantly used in order to manufacture the infringing goods, if the owner knew the effect for which such use was intended or if such effect would have been obvious in the circumstances; and
- (iv) any further order imposing appropriate sanctions by the law of the Member State in which the acts of infringement or threatened infringement are committed, including its private international law (Article 89(1)).

Equally important is that the Community design court will take measures in accordance with national law which are aimed at ensuring compliance with the orders made, such as the forfeiture of penalties in case of non-compliance.

Notably, under the CDR, Member States are allowed to provide even more remedies to holders of a Community design than provided for in the CDR. As a

23. General Court EU 9 Sep. 2014, T-494/12, *ECLI:EU:T:2014:757 (Biscuit)*, para. 31.

24. Court of Justice EU, 2 Jul. 2009, C-32/08, *ECLI:EU:C:2009:418 (FEIA v. Cul de Sac)*, para. 79.

consequence of such national legislation and combined with national rules of procedure, right holders can to some extent cherry-pick a Member State which best suits their needs for enforcing their design rights. For example, in the Netherlands the holder of a Community design not only has many more remedies at its disposal as compared to the CDR, but an infringer will in principle also be ordered to compensate the full legal costs of the right holder. In combination with easy court access for provisional relief, this makes the Netherlands an attractive and strategically important entry for enforcement of IP-rights in the EU.

§6.06 DEFENCES TO INFRINGEMENT

Defences are mainly focussed on the validity of the invoked Community design and on non-infringement. The defences regarding the validity of the Community design are mainly the same as the test which is done in case of the application of a Community design (see §6.03).

According to Article 24(1) CDR, an RCD can be declared invalid by a Community design court on the basis of a counterclaim in infringing proceedings or on application to the Office. Even if the Community design has lapsed or has been surrendered, Article 24(2) provides that the design can still be declared invalid. The case for UCDs is slightly different. UCDs can be declared invalid by an application to a Community design court or by a counterclaim in infringement proceedings (Article 24(3) CDR). According to Article 80 CDR, each Member State has a limited number of Community design courts.

Article 25 CDR sums up an exhaustive list of grounds for invalidity. The most important ones will be discussed below.

[A] Validity

The CDR contains an exhaustive list of validity defences. Article 26(1) CDR provides that if a Community design is invalidated, it is deemed to not have had, as from the outset, the effects specified in the CDR, to the extent that it has been declared invalid.

[1] Not Novel/Original

A possible defence to an infringement claim is to challenge the Community design's required novelty. The requirements for novelty are set out in Article 5 CDR. To determine the novelty of a design, it is compared with designs that have been disclosed earlier. Likewise, if the Community design does not meet the requirements for individual character (Article 6 CDR), it is not considered to be original, and can therefore not be a valid Community design. If the overall impression of both designs is the same, the contested design lacks originality.²⁵

25. General Court EU 22 Jun. 2010, T-153/08, *ECLI:EU:T:2010:248 (Shenzen Taiden/OHIM)*, para. 75.

- (iv) Offering for sale or put in circulation products covered by a patent/design knowing they were manufactured or processed without the consent of the patent owner.
- (v) Using patented processes without the consent of the patent owner or without the corresponding licence.

CHAPTER 14

Industrial Design Rights: The Netherlands

Kurt Stöpetie & Rutger Stoop

§14.01 INTRODUCTION

Industrial designs were not protected as such in the Netherlands until 1975, when the Uniform Benelux Act on designs or models ('UBDA') came into force.¹ Until that time, design protection in the Netherlands could only be based on copyright law and unlawful act (slavish imitation). Even though these two legal grounds are still offering juxtaposed protection to designs in the Netherlands today, designs are now protected in more efficient and harmonized ways under dedicated Benelux and European law.

The UBDA introduced uniform legislation, harmonizing law on designs and models in the Benelux countries (Belgium, the Netherlands and Luxembourg). With the appointment of the Benelux Office for Designs or Models as its administrative body ('BOD', seated in The Hague), the harmonization of the trademark laws of these three countries has been ensured. The UBDA was changed by protocols three times, the last time on 20 June 2002. This change aligned the UBDA with the Community Design Directive ('CDD') of 1998.²

[A] Highlights of New Developments in This Jurisdiction since the Last Edition

As can likely be said for all Member States of the European Union, a lot has changed since the CDD and the Community Design Regulation ('CDR')³ entered into force in

1. Uniform Benelux Act on designs or models, entry into force (as between Belgium, Luxembourg and the Netherlands) on 1 Jan. 1974; entry into force of the Uniform Law: 1 Jan. 1975.
2. Directive 98/71/EC of the European Parliament and of the Council of 13 Oct. 1998 on the legal protection of designs, as published in the Official Journal L 289, 28 Oct. 1998 pp. 28-35, entry into force on 17 Oct. 1998.
3. Council Regulation (EC) No. 6/2002 of 12 Dec. 2001 on Community designs, published in Official Journal L 003, 05 Jan. 2002 pp 1-24, entry into force on 6 Mar. 2002.

1998 and 2002 respectively. Compared to where our last edition left off, Benelux legislation has changed profoundly on the back of the CDR and CDD.

§14.02 CONVENTIONS AND LEGISLATION

Although the CDD was never meant to fully harmonize the legislation of the EU Member States (see also the European chapter), the implementation of the CDD into the national law of the Member States brought substantial changes to Benelux law. Rather than the Benelux Court of Justice, the Court of Justice of the European Union ('CoJ EU') is now the highest judicial body.

Primarily for cost and legislative efficiency reasons, the UBDA and the Uniform Benelux Trademark Act ('UBTA') were replaced and merged into the Benelux Convention on Intellectual Property ('BCIP') on 1 September 2006.⁴ The BCIP also merged the BOD and the administrative body pursuant to the UBTA (the Benelux Trademark Office) into the Benelux Office for Intellectual Property ('BOIP') which is seated in The Hague. It did not, however, change any substantive law.

Because of their longtime common legislation on trademarks and designs, the Benelux countries are regarded as a single Member State in a European trademark and design context. The most telling manifestation of this in practice is the appointment in the CDR of the BOIP as the single central industrial property office for these three countries (Article 35(1)(c) CDR). Thus, while an application for a Community-wide design is made on the national level elsewhere in Europe (see also the European chapter), in the Benelux countries applicants can apply for such registered Community design ('RCD') with the BOIP (in addition to the OHIM).

Other international agreements to which the Netherlands is party and relevant specifically to industrial designs are the Hague Agreement concerning the international registration of industrial designs and the Locarno Agreement establishing an international classification for industrial designs. More general agreements on industrial property applicable to the Netherlands as well, are the Paris Convention on the protection of industrial property and the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs).

§14.03 SUBJECT MATTER

[A] Definition/What Constitutes a Protectable Design?

Under Article 3.1(1) BCIP, a design is protected to the extent that it is new and has individual character. Article 3.1(2) provides that the appearance of the whole or a part of a product is regarded as a design. The latter falls into two distinctive categories: 'designs' (two-dimensional) and 'models' (three-dimensional). The BCIP uses 'design' to cover both categories.

4. Benelux Convention on Intellectual Property (Trademarks and Designs) of 25 Feb. 2005, entry into force on 1 Sep. 2006.

Within the definition of 'design', two key elements are of interest; appearance and product. Article 3.1(3) provides that a product's appearance is determined, in particular, through the features of the lines, contours, colours, shape, texture and/or materials of the product itself and/or its ornamentation. This is not an exhaustive list. The appearance of a product has to be new and in possession of individual character (Articles 3.1(1) and 3.3 BCIP, see further §14.03[B]). According to Article 3.1(4) BCIP, a product means any industrial or handicraft item, including, for example, parts intended to be assembled into a complex product, packaging, get-up, graphic symbols and typographic typefaces (also see §14.03[B]).

[1] Shape and Configuration

The appearance of a product is pivotal for the protection of a design. Under current case law, it seems that only visual elements are protectable, and not elements like taste, sound, touch and smell.

No right to a design will be granted if the filing does not sufficiently reveal the characteristics of the design (Article 3.6(f) BCIP). The basis of protection is not the actual traded product but the appearance of the product *filed* as a design. The filing is decisive and has to demonstrate that the appearance of the product meets the requirements of protection. This does not necessarily mean that the product as marketed and sold is not significant at all. The traded product to which the design was applied can be taken into account in legal proceedings as far as this helps to clarify the filed design.

The design right can be based on the entire appearance of a product. However, the design right can also be related to a component part of a complex product (Article 3.4(1) BCIP). A complex product is defined by Article 3.4(2) BCIP as a product composed of multiple parts that may be replaced in such a way as to allow a product to be taken apart and reassembled. Designs consisting of such component parts of a complex product may be registered as a design, but they must satisfy the requirements of Article 3.4 BCIP. The first requirement is that the component part, once incorporated into the complex product, must remain visible during normal use (Article 3.4(1)(a) BCIP). Normal use means use by the end user with the exception of maintenance, servicing or repair (Article 3.4(3) BCIP). The second requirement is that the visible features of the component part must in themselves satisfy the requirements of novelty and individual character (Article 3.4(1)(b) BCIP). Both requirements are cumulative.

[2] Ornamental or Functional

Functionality is no longer required for a product since the last amendment of the UBDA entered into force in 2003. Products only suitable for ornamental use can now also be registered as a design (e.g., sculptures). However, the right to a design still has to relate to a product *in concreto*. A design that is merely filed for ornamental purposes, but which can be used for all kinds of applications, is void.

This raises the question of what impact all this has on the 'doctrine of specialty'. Before 2003 the three aspects of appearance, product and functional use could not be assessed separately. Under the doctrine of specialty, the known outer appearance of a product could be protected as an independent design right if it had a different functionality. The doctrine was developed on the basis of the Supreme Court's judgment in the *Kinderkapperstoel* case, in which a pedal car mounted on the bottom of a barber chair was considered a different product than a pedal car. The barber chair was therefore entitled to independent design protection.⁵

In their joint comments to this last amendment of the UBDA, the governments of the Benelux countries noted that, in their view, the doctrine of *Kinderkapperstoel* was still applicable, because design protection is linked to a product through the definitions of design and product. However, this view was criticized in literature.

In the Netherlands, the Hague Court of Appeal held in its *I-Drain* decision that the fact that the appearance of a product has been applied to some other product no longer implies that a design right can be obtained for that other product. The Court of Appeal acknowledged that this meant a deviation from the *Kinderkapperstoel*-doctrine, but held that the *Kinderkapperstoel* judgment was made before 2003 and that the doctrine was no longer supported by literature.⁶

Considering these divergent views, and the lack of guidance from the CoJ EU, it remains unclear what is left of the 'doctrine of specialty' under current (EU) design law.

[B] Originality/Novelty

[1] Test for Originality Generally

A design merits protection to the extent that it is new and has individual character. In assessing novelty and individual character, the filed design must be compared with earlier designs that were disclosed to the public before the date of filing.

Pursuant to Article 3.3(2) BCIP, a design is considered to have individual character if the overall impression it produces on 'the informed user' differs from the overall impression produced on such a user by any design which was disclosed to the public before the date of filing or the date of priority. In assessing individual character, the degree of freedom of the creator in developing the design is taken into consideration. Accordingly, three subtests have to be applied in determining the individual character, which will be discussed successively: the overall impression, the 'informed user' and the degree of freedom of the creator.

The 'overall impression' test requires a comparison between the design for which an application has been filed and prior designs, made from the viewpoint of the 'informed user'. If there is no similarity, the design is deemed to have individual character. Citing the CoJ EU: 'the overall impression which that design produces on the informed user must be different from that produced on such a user not by a

5. Dutch Supreme Court 10 Mar. 1995, NJ 1995, 670, (*Kinderkapperstoel*).

6. Court of Appeal The Hague 17 May 2011, IER 2011/59, p. 442 (*I-Drain*), para. 10.

combination of features taken in isolation and drawn from a number of earlier designs, but by one or more earlier designs, taken individually'. Thus, the assessment has to be based on the overall impression of the design considered as a whole.⁷

The (fictitious) 'informed user' is not the average consumer, but a particularly observant one, either because of his personal experience or his extensive knowledge of the sector in question. As regards the informed user's level of attention, the qualifier 'informed' suggests that, without being a designer or a technical expert, this user knows the various designs which exist in the sector concerned, possesses a certain degree of knowledge with regard to the features which those designs normally include, and, as a result of his interest in the products concerned, shows a relatively high degree of attention when he uses them.⁸

The third subtest is that of the degree of the freedom of the creator in preparing the design. If the creator's freedom is limited by functional requirements, even relatively small differences can contribute to the individual character of the design.

[2] Novelty

According to Article 3.3(1) BCIP, a design is considered new if no identical design has been disclosed to the public on the filing or priority date. 'Disclosure to the public' by the creator is also prejudicial to novelty. The novelty criterion must be considered objectively: the creator's knowledge is not relevant.

Designs must be deemed to be identical if their features differ only in immaterial details. The overall impression produced on the informed user is not relevant in assessing the novelty of the design. The only criterion is whether the designs are identical or not, without any reference to a specific public.

[a] Prior Use

Article 3.3(4) BCIP regulates circumstances under which 'disclosure to the public' is not prejudicial to novelty and individual character. In order to assess novelty and individual character, the disclosure of a design will not be taken into consideration if a design for which protection is claimed under a registered design right has been disclosed to the public during the twelve-month period preceding the date of filing of the application or the date of priority. This period of time is the so-called grace period, which can be characterized as an exception to the requirement of novelty.

Article 3.3(4)(a) BCIP deals with the disclosure to the public by the creator, his beneficiary, or a third person, based on information provided or acts performed by the creator or his beneficiary. This provision covers cases in which the creator markets his design without filing it first. Such marketing does not entail that the design will lose its novelty if he files the design within the twelve-month period. This period of time gives

7. European Court of Justice 19 Jun. 2014, C-345/13, ECLI:EU:C:2014:2013 (*Karen Millen v. Dunnes*), para. 26.

8. Court of Appeal The Hague 13 Aug. 2013, ECLI:NL:GHDHA:2013:3356, (*B & O/Loewe*) para. 8, with reference to ECJ 20 Oct. 2011, C-281/10 P, ECLI:EU:C:2011:679 (*PepsiCo*), paras 53 and 59.

the creator the opportunity to experiment and market his product without loss of novelty.

Whereas Article 3.3(4)(a) BCIP concerns disclosure by the creator himself, Article 3.3(4)(b) BCIP deals with designs that have been disclosed as a consequence of an abuse in relation to the creator or his successor in title. These disclosures of the design will not undermine the novelty and individual character of the design.

[b] *Prior Publication*

Pursuant to Article 3.3(3) BCIP, existing designs (also known as the 'existing design corpus'⁹) are prejudicial to novelty and individual character. In assessing novelty and individual character, a design is deemed to have been disclosed to the public if its application has been published or has been exhibited, used in trade or made public in any other way, unless such events could not reasonably be known in the normal course of business to specialists in the sector concerned, who operate within the European Community or the European Economic Area, before the filing or priority date. This does not necessarily mean that only designs that have been disclosed to the public within the Community or the European Economic Area belong to the existing design corpus. The design could also be disclosed to the relevant public outside of the Community. Further, the phrase 'reasonably be known' is aimed at taking out of the equation disclosures to an immaterial public that could not have reached the sector concerned, such as disclosures in some remote foreign area. In their joint comments to the last amendment of the UBDA, the governments of the Benelux countries also referred to the specialists in the sector concerned as the 'collective memory'.¹⁰

However, the design will not be deemed to have been disclosed to the public only because it was disclosed to a third person under explicit or implicit conditions of confidentiality.

[c] *Prior Application or Registration*

In accordance with the Paris Convention, the BCIP provides in Article 3.3(5) that it is possible to obtain a right of priority for six months for the registration of a design, as from the filing date. Consequently, any subsequent filing, in any of the other countries that signed the Paris Convention, before the expiration of the period is not invalidated by reason of any acts performed in the interval. Rights acquired by third parties before the date of the first application that serves as the basis for the right of priority are reserved in accordance with the domestic legislation of each country of the Union, Article 4B Paris Convention. The priority period starts only from the date of filing of the first application (Article 4C(2) Paris Convention).

9. As used in recital 14 in the preamble to the CDR.

10. Joint Comments of the Governments of the Benelux countries to the Protocol of 20 Jun. 2002 amending the Uniform Benelux Act on designs or models, p. 11.

Furthermore, a design can be invalidated if the design is in conflict with a prior design which has been the subject of disclosure to the public after the filing or priority date and which has been protected, since a prior date, by an exclusive right deriving from a Community design, the registration of a Benelux filing, or an international filing (Articles 3.6(a) and 3.23(1)(a) BCIP).

§14.04 DURATION OF PROTECTION

Whereas former Benelux legislation granted protection for a maximum duration of fifteen years, the CDD provides for a maximum duration of protection of twenty-five years, in line with the CDD and CDR. A registration does not immediately grant protection for the entire period of twenty-five years, but for an initial period of five years, which may be extended for four more consecutive periods of five years each (Article 3.14 BCIP).

§14.05 INFRINGEMENT

[A] *Scope of Infringement Action*

Article 3.16 BCIP is the key article regarding the infringement of a Benelux design. Under this article, the owner of the right in the design may challenge the use of a product in which the design is incorporated, to which the design is applied, or which has an identical appearance to the design as filed. In particular, this use covers the manufacture, offering, marketing, sale, delivery, hire, importing, exporting, exhibiting, use or holding for any of those purposes. Pursuant to the design right, the holder may challenge any third person using a product with an outer appearance that does not produce a different overall impression on informed users, including the third party holder of a design registered later.¹¹

The exclusive right of the holder is subject to limitations and does not imply the right to contest acts performed privately and for non-commercial purposes, acts done for experimental purposes, or acts of reproduction for the purposes of illustration or teaching, provided that such acts are compatible with fair commercial practice and do not unduly prejudice normal use of the design, and that the source is mentioned (see Article 3.19(1) BCIP).

[B] *Test for Infringement*

Whether the holder of the design right can challenge the use of a product by a third party depends on the appearance of the product. If its appearance is identical to the registered design or does not produce a different overall impression on the informed user, the use can be challenged. In determining the overall impression on an informed

11. European Court of Justice 16 Feb. 2012, C-488/10, para. 52 (*Celaya v. Projectos*).

user, the creator's degree of freedom in developing the design must be taken into account (Article 3.16(1) BCIP). It is not required that the product was intended to copy the design. An identical appearance or the same overall impression is enough to constitute an infringement.

[C] Standing to Sue

Article 3.16 BCIP allows the holder of a design right to enforce his design right if the requirements for infringement from the previous paragraphs are met. Licensees of the holder of the design may also enforce their licenses to some extent. Article 3.26(4) BCIP provides that the licensee has the right to intervene in an action brought by the holder of the design right as mentioned in Article 3.17(1)–(4) BCIP (on compensation for loss). The licensee may then seek compensation for a loss directly incurred by him or to be allocated a proportion of the profit made by the defendant. The licensee may bring independent action as mentioned in Article 3.17(1)–(4) only if it has obtained permission from the holder of the design right for that purpose. In addition, Article 3.26(5) BCIP provides that the licensee may exercise the powers mentioned in Article 3.18(1) (additional claims such as recalls or destruction of infringing goods), provided that these serve to protect the rights which it has been permitted to exercise and provided that it has obtained permission from the holder of the exclusive right in a design for that purpose.

[D] Remedies for Infringement

Besides an injunction covering the whole of the Benelux on pain of forfeiting a penalty for non-compliance, the holder of a design may claim full compensation for loss as a result of unauthorized use if the design was used after the publication of the design registration. Under Article 3.17(1) BCIP, this publication has to disclose the characteristics of the design adequately. In addition to the claim for compensation, the holder of the design may request the court to order a recall from the channels of commerce, definitive removal from the channels of commerce or destruction of the infringing goods. Where appropriate, the destruction of materials and implements principally used in the manufacture of those goods may be requested, as well as disgorgement of profits made by trading an infringing design (Article 3.18(1) BCIP).

§14.06 DEFENCE AGAINST INFRINGEMENT

As a defence against an infringement claim, the alleged infringer may challenge the validity of the registered Benelux design. Because any defence against infringement is aimed at the validity of the Benelux design, the validity checks of this section correspond with §14.03 of this chapter.

[A] Validity

At the application of a Benelux design, the Office obviously checks whether the application meets the formal requirements (Article 3.9 BCIP, see also §14.07). Besides that, it only checks whether this design is in compliance with public policy and accepted principles of morality in the Benelux countries (Articles 3.13(1) and 3.6(e) BCIP).

[1] Not Novel/Original

If a registered design does not meet the requirements for a valid design, it has been registered by the Office in breach of the requirements as set out by the BCIP. Article 3.23(1) BCIP provides that any interested party may then invoke the invalidity of that registered Benelux design. In case of an infringement action, the alleged infringer may be regarded as an interested party. One of the grounds for invalidity is the lack of novelty or individual character of the design (Article 3.23(1)(b) BCIP). For a Benelux design to be valid, it needs to be novel and in possession of individual character (Article 3.1(1) BCIP). If it lacks either of these requirements it cannot be a valid Benelux design (see also §14.03).

[2] Functional/Not Ornamental

If the features of appearance of a product are solely dictated by its technical function, these features are excluded from protection. So, even if registered nonetheless, any interested party may invoke invalidity on this ground (Article 3.23(1)(c) BCIP). In principle, the same goes for the features of appearance of a product which must necessarily be reproduced in their exact form and dimensions in order to permit the product in which the design is incorporated or to which it is applied to be mechanically connected to or placed in, around or against another product so that each product can perform its function (Article 3.2(1)(b) BCIP).

[3] Other Possible Criteria

In addition to the CDR and CDD, the BCIP provides another validity defence. Article 3.6(f) BCIP explicitly states that the filing of the design has to sufficiently reveal the characteristics of the design. If the design registration does not meet this requirement, it lacks validity. This means that, for protection to be granted, all the characteristics of the design must follow from the document filed with the BOIP.

Furthermore, if the filing of a design is invalidated because a prior trademark or copyright is used in the design without consent of the owner of that right (Article 3.6(b) and (c) BCIP), or because the design improperly uses flags or emblems of a state party to the Paris Convention (Article 3.6(d) BCIP), or because a design is contrary to morality or public policy in one of the Benelux countries (Article 3.6(e) BCIP), or, finally, if a design is invalidated based on the grounds mentioned hereinbefore under

§14.03 [A] and [B], then the filing can be maintained in an amended form. According to Article 3.24(2) BCIP, this is only possible if the amended form of the design still meets the requirements for protection and the identity of the design is retained. All the other invalidation defences apply to the design in its entirety (Article 3.24(1) BCIP). This results in the entire invalidity of the Benelux design.

[4] *Faults in Application*

In case of lack of clarity, invalidity may be invoked if the filing does not sufficiently reveal the characteristics of the design (Articles 3.23(1)(d) and 3.6(f) BCIP).

[B] *Marking*

Marking a design means that the design is marked with a design right mark to demonstrate its design right. The BCIP does not require the marking of a design to grant protection, nor does it mention the option of doing so. However, although it is not a requirement, the marking of a Benelux design can be helpful when seeking compensation in an infringement action, because the marking makes it easier to prove that the infringing party should have been aware of the fact that a product was protected by a design right and that it therefore was not allowed to copy it.

[C] *Non-infringement*

The exclusive right granted by a Benelux design is subject to limitation. Consequently, the right may not be exercised in respects of acts performed privately and for non-commercial purposes, acts for experimental purposes and acts of reproduction for the purposes of illustration or teaching (Article 3.19(1) BCIP). Furthermore, the rights may not be exercised in respect of equipment on ships and aircraft in a third country when these temporarily enter the territory of the European Community, the importation in the Community of spare parts and accessories for the purposes of repairing such craft and performing repairs on such craft (Article 3.19(1) BCIP). Because these types of use do not fall within the protective scope of the Benelux design right, such use is not considered to be an infringement.

[D] *Other Defences against Infringement*

The CDD provides for three optional defences to infringement, which are all implemented in the BCIP. The first of these defences focuses on the use of a trademark in the design. If this prior trademark is used in the design as filed without the consent of the holder of that trademark, the design registration is liable to be invalidated (Article 3.6(b) BCIP). The same goes for a design registration incorporating a work protected by copyright. If this work is incorporated in the design without the consent of the copyright owner, the registration is liable to be invalidated (Article 3.6(c) BCIP). Note

that all these defences can only be invoked by the holder of the respective prior rights (Article 3.23(3) BCIP).

Article 3.19(4) BCIP provides that the exclusive right does not entitle the holder to contest its use (as set out in Article 3.16 BCIP) if the products in which the design is incorporated or on which it is applied has been put on the market in the Community by the holder or with his consent. To this extent, the design right is 'exhausted' within the Community. This means that the holder can still challenge the use of products which are placed on the market in a country outside the Community. Unlike a Community design holder, however, the holder of a Benelux design can only enforce his right in the Benelux, but the right is exhausted when the product is placed on the market elsewhere within the Community by the holder or with his consent.

§14.07 PROCEDURES FOR FILING APPLICATION FOR REGISTRATION

The procedure for filing applications for registration is provided by the BCIP, and further specified in the practical Implementing Regulations under the BCIP. Part II of these Implementing Regulations is dedicated to the application process for design rights.

A Benelux design right in the Netherlands is obtained by application with the BOIP (Article 3.9 BCIP) and payment of the fees due. The BOIP only examines the formal requirements for application (Article 3.9(5) BCIP), along with contravention of public policy and morality (Article 3.13 BCIP), and has to register the filing without delay. If the BOIP considers – which it rarely does –, that the design contravenes public policy and/or morality, it will notify the applicant and grant a period of two months to withdraw the application. If the applicant does not withdraw its application in that time, the BOIP will notify the Public Prosecutor and ask it to commence an action to invalidate the application.

While a dedicated Benelux registration can be obtained in this way, an international registration can also be filed with designation of the Benelux at the WIPO office in Geneva (Article 3.5(1) BCIP). Such an international application results in a bundle of national registrations for the countries designated in this registration. As a result, an international registration with designation of the Benelux is governed, as regards the Benelux part, by the BCIP.

[A] *Priority*

Article 3.3(5) BCIP provides for a right of priority for applications for designs. The BCIP mirrors the definition of priority right as given in Article 4(C) of the Paris Convention, which provides for a maximum priority period of six months. This period starts the day after the date of the initial application.

The applicant must expressly claim its right to priority at the time of filing or in the month following filing by means of a special declaration. If the applicant does not do so, the right of priority will lapse (Article 3.10(2) BCIP). The Implementing

Regulations specify this special declaration further in Rule 2.4, requiring, *inter alia*, a copy of the documents supporting the right of priority.

[B] Drawings

A Benelux application may comprise either a single design (single filing), or several designs (multiple filing, Article 3.9(1) BCIP). The Implementing Regulations (Rule 2.1) further specify the requirements of the application: an image or images showing the appearance of the product, an indication of the product embodying the design and a description of the colour or colours of the design. Furthermore, a detailed description of the product embodying the design should be provided, preferably using the wording in the Alphabetical List of International Classification referred to in the Locarno Agreement Establishing an International Classification for Industrial Designs (the 'Locarno Agreement'). In a multiple filing, a maximum of fifty designs is allowed: the requirements applicable to a single filing are equally applicable to each individual design of a multiple filing.

It is important to file an application which clearly shows the protected elements of a design. Failing to do so sufficiently will, in principle, be disadvantageous to the holder of the right. It can limit the scope of the protection (e.g., design features which are not clearly shown in the drawings fall outside the scope of protection) but – and most notably – nullity might be invoked if the filing does not sufficiently reveal the characteristics of the design (Articles 3.23(1)(d) and 3.6(f) BCIP).

[C] Design Part of Another Article/Environment of Design

Neither the Implementing Regulations nor the BCIP mentions any particulars regarding the filing of a design for part of another article. Because the right to a design can easily be nullified if the filing does not sufficiently reveal the characteristics of the design (Article 3.6(f) BCIP), the importance of filing a clear application is self-evident.

Considering the harmonization of European design law, it might be advisable to take into account the Examination Guidelines of the OHIM, which in fact do state specific guidelines for the registration of a design for part of another article (see the chapter on Europe, §14.03[C]).

[D] Description of the Design (Where Required)

The Implementing Regulations state that the application should contain an indication of the product embodying the design, and a description of the colour or colours of the design. In relevant cases, the corresponding colour code can be provided as well (Rule 2.1(1) Implementing Regulations). Optionally, the application may contain a description (of at most 150 words) explaining the characteristic features of the new appearance of the product.

Rule 2.1(4) of the Implementing Regulations furthermore requires that a detailed description should be given of the product embodying the design, preferably using the

wording in the List of International Classifications referred to in the Locarno Agreement.

§14.08 EXPUNGING/CANCELLING OR VARYING REGISTRATION

Unlike the CDR, the BCIP only requires payment of the registration fees for a registration to be renewed (Article 3.14 BCIP). These fees must be paid within the six months preceding expiry of the registration. If payment is not made within these six months, the fee may still be paid within six months after the expiry date of the registration, but only if an additional fee is paid simultaneously (Article 3.14(3) BCIP).

The holder of the Benelux registration may request cancellation of his registration at any time, unless third parties have legal contractual rights which have been notified to the BOIP (Article 3.21(1) BCIP). The cancellation will have effect for the entire Benelux territory (Article 3.21(4) BCIP). A holder of the Benelux registration may cancel all or part of the designs included in a multiple filing (Article 3.21(2) BCIP).

If the Benelux design registration may be cancelled, it may yet be maintained in an amended form. The amended form of the design must then still comply with the requirements for protection and the identity of the design must be retained (Article 3.24(2) BCIP).

§14.09 OTHER

[A] Interface between Industrial Design and Trademarks

A design may also be protected as a trademark, even if it has a three-dimensional form. In the Netherlands, as well as in Belgium and Luxembourg, trademarks are also covered by the BCIP. A trademark need not be new, although it may not conflict with older trademarks designated for similar goods or services. Trademark protection may in some cases provide a suitable means of escape from the requirement of novelty of the right to a design under the BCIP. This means that, although perhaps difficult to obtain and uphold, it may be worthwhile to file a design as a trademark if it has been proven to be a commercial success.

According to Article 2.1(1) BCIP, any sign can be a valid trademark if it is capable of being represented graphically and of distinguishing goods or services of a company from those of other companies. This would include, for example, names, letter or number combinations, logos, colours, and even sounds and the shapes of products. A non-distinguishing sign is capable of being a trademark if it has acquired distinctive character (i.e., by prolonged, active and intensive use as a trademark).

However, signs consisting solely of a shape that results from the very nature of the product, which gives the product substantial value or which is necessary to obtain a technical result cannot be trademarks (Article 2.1(2) BCIP).

[B] Relationship between Industrial Design and Copyright/Design Copyright

The registration of a design does not preclude copyright protection. Accordingly, registered designs can be protected by both design law and copyright law.

Any work of literature, art or science, including works of applied art, may be subject to copyright. Abstract ideas are not protected as such; they must take some sort of form. The only test for copyright protection is that the work, as a result of creative labour, has its own original character and bears the personal stamp of the author. Copyright is obtained automatically without any formalities. Designs that are not, or no longer, protected under design law (with a maximum term of twenty-five years), but qualify as a 'work' under copyright law, may thus enjoy prolonged protection (in principle seventy years after the author's year of death). This is particularly important for a creator who has not registered his design and for a creator whose registration has expired.

In Articles 3.28 and 3.29 BCIP, the legislator has provided for convergence with copyrights to ensure that third parties will not have to deal with multiple right holders. Under Article 3.28(1) BCIP, if the creator of a work protected by copyright authorizes a third party to register a design in which that work is incorporated, this implies assignment of the copyrights in that work.

The party filing a design is presumed to also be the owner of the related copyrights but this presumption does not apply in respect of the true creator or his beneficiary (Article 3.28(2) BCIP). Furthermore, Article 3.28(3) BCIP provides that the assignment of the copyrights relating to a design results in assignment of the right in the design and vice versa, without prejudice to the application of Article 3.25 BCIP.

Article 3.29 BCIP provides that where a design is created by a worker or an employee in the course of his employment or created on commission (referred to in Article 3.8 BCIP), the copyrights relating to the design belong to the party deemed to be the creator, in accordance with the provisions of that article. This is quite remarkable, because Dutch copyright law does not entitle a party commissioning the creation of a design to the copyright in that design. The Benelux Court of Justice decided in the *Electrolux* case that this provision also relates to designs which are not registered. Otherwise, it would only be possible for a party commissioning the creation of the design to use the design after it has been registered.¹² In a more recent case, the Dutch Supreme Court found that the application of Articles 3.29 in conjunction with 3.8 BCIP does not require a 'design' which is eligible for design protection as referred to in Article 3.1(1) BCIP, but that a 'design' as provided for in Article 3.1(2) BCIP is sufficient, consisting of 'the appearance of a product or a part of a product'. This means that novelty and individual character are not required for this particular purpose, although the design does need to meet copyright requirements.¹³

12. Benelux Court of Justice, 22 Jun. 2007, IER 2007, 309 (*Electrolux/Sofam*).

13. Dutch Supreme Court 25 Oct. 2013, IER 2014/6 (*S&S/Esschert*).

[C] Relationship between Industrial Design and Unfair Competition

If a design is not, or no longer, protected by a design right, the creator may be able to rely on protection of his design against slavish imitation, which is based specifically on the principles of Dutch unlawful act (Article 6:162 Dutch Civil Code). The difference between these two regimes is that whereas design rights offer protection against the use of designs which produce a similar impression on the informed user, slavish imitation protects against imitations that cause unnecessary confusion amongst the relevant public.

Slavish imitation of another product is only prohibited if the imitated product has a distinguished position on the Dutch market and the resemblance is such that it causes a likelihood of confusion or association, while the imitation could have been shaped differently without affecting its soundness and usability.

The most important remedies available in the event of slavish imitation are injunctions and compensation of damages.

In conclusion, design is soundly protected in the Netherlands, in some ways more so than in many other European countries. Design rights are protected via the Community Design Regulation as well as the Benelux Convention on Intellectual Property, complemented by robust additional ways of protection like broad copyright protection and protection against slavish imitation. If the holder's rights are infringed, ample remedies are available, such as injunctions and the compensation of damages.