

Germany

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1. Summary of design protection

This chapter will give a brief overview of the protection of industrial designs as design patents specifically under the German Act on the Protection of Designs and Models ('the Design Act') – a law which has quite recently been changed twice:

- with effect as of 2014 with a set of modernising changes one of which is a change from the previous law's title and subject-matter '*Geschmacksmuster*' (a German term which is difficult to translate) to the internationally common term of 'design'; and
- in 2016 in order to facilitate electronic exchange with the Patent Office and to implement European Regulation 608/2013 of June 2016 with a view to strengthen border seizure measures.

As regards the protection of an industrial design under Council Regulation (EC) 6/2002 of December 12 2001 (the Community Design Regulation) – which includes protection in the territory of Germany – reference is made to the chapter on Italy.

Other legal means to protect industrial designs (like trademark and/or copyright protection) will be touched upon briefly but are not at the focus of this chapter.

In general, design patents cover designs related to two- or three-dimensional products, which are specified by the features of their lines, contours, colours, shape and surface structure, or by their materials or decoration. To give a few examples, the designs of mobile phones, web pages, computers, other technical devices, chairs, cars, glasses and baby equipment can be protected as design patents under the German Design Act.

In 2015 roughly 55,200 design patents had been registered in Germany. This is an increase of 12.2% over the last five years. Roughly 44,000 of these registrations were of domestic origin. The proportion of design patents filed by applicants based in foreign countries amounted to 20.5 % in 2015. The majority of the design patents applied for by foreign applicants stem from China (7.4 %), followed by Italy (4.4 %) and Austria (4.1 %). The largest numbers of design patents (16.5 %) were filed in class 06 'furniture'.¹

These numbers illustrate that industrial designs are of growing importance in a world that not only looks for the best available technological devices but has also come to demand outstanding design for such devices. Apple's Ipad is one of the

1 presse.dpma.de/presse-service/publikationen/jahresberichte/index.html.

example of this, and while industrial designs rarely generate cases that get much attention, the Oberlandesgericht (Higher Regional Court) Düsseldorf decided on January 31 2012 a land-mark case of *Apple v Samsung* concerning the latter's Galaxy tablet device and confirming an earlier preliminary order against Samsung to cease and desist from further selling the Galaxy tablet in Germany.² This case nicely illustrates the growing importance of industrial design protection in current commercial life.

1.1 Design protection under German Law

In Germany, industrial designs can, in principle, be protected not just by a design patent, but also under trademark, copyright or under unfair competition law.

(a) *Design patents*

First and foremost, protection for industrial designs can be achieved under the Design Act which came into force on March 12 2004. The Design Act governs the requirements for protection of designs in Germany, in particular the registration procedure, the scope of protection, infringement claims and remedies. The Design Act is supplemented by the Regulation on the Protection of Designs and Models ('the Design Bylaw') which contains further detailed provisions regarding the application and registration procedure in line with the more general provision of the Design Act. Unlike in other jurisdictions, registration is mandatory for protection of a design under the Design Act, and the mere publishing of a design is not sufficient to obtain any protection under the act. However, where a design has been published, but not (yet) registered, it is possible that the design can enjoy protection as an unregistered Community design under the Community Design Regulation.³ Once registered, a design patent can enjoy protection under the German Design Act for up to 25 years.

(b) *Trademarks*

Moreover, a design can be protectable as a trademark. In order to obtain trademark protection in Germany, one can either register a German trademark with the German Patent and Trademark Office (which is also possible through international proceedings through the World Intellectual Property Office, WIPO) or a European trademark with the European Union Intellectual Property Office (EUIPO), formerly the Office of Harmonisation for the Internal Market (OHIM). Trademarks can, among other things, cover three dimensional designs such as the shape of goods or their packaging and other getups. One key requirement for trademark protection is that the design must be capable of distinguishing the goods or services of one company from goods or services of other sources. In addition to the possibility of registration, protection as a German trademark can also be achieved through actual usage, without any formal requirements (see also below). Once trademark protection is granted, the owner has the exclusive right to use and exploit the trademark (such as

2 Oberlandesgericht Düsseldorf, January 31 2012, case: I-20 U 175/11 (court of lower instance: Landgericht Düsseldorf, September 9 2011, case: 14c O 194/11).

3 For further details, please refer to the chapter on Italy.

through the grant of licences), although this is limited to the classes of goods and services for which protection has been granted. The term of protection of a registered German trademark begins with the filing date and lasts for 10 years. It may be renewed for further periods of 10 years by payment of renewal fees.

(c) **Copyright**

A design can also enjoy protection under copyright law if the design is the result of a personal and intellectual creation. No further formal or other requirements must be fulfilled for protection. In particular, the German Copyright Act does not require registration of the copyright-protected work. Copyright in a work continues for a term of 70 years after the creator's death.

(d) **Unfair competition**

Where a design is not specifically protected under intellectual property law as a design patent, trademark or copyright, the creator of the design can, in principle, not prohibit third parties from copying and using the design for their own purposes.⁴ However, where the use of a copied design would constitute an act of unfair competition, the creator of the design (or its successor or licensee) could, subject to further requirements, object to such use and claim damages and other remedies under the German Unfair Competition Act. To this end, it is necessary that further conditions be fulfilled along with the mere copying of an otherwise unprotected design. This can be the case, for example, where a competitor offers goods or services that imitate goods or services of a third party and where:

- such use avoidably misleads consumers as to the corporate origin of such goods or services;
- such use constitutes an unfair use of, or otherwise damages the reputation of, the goods or services imitated; or
- the competitor has gained the knowledge or documents necessary to imitate the goods or services in bad faith or through illicit acts.⁵

These requirements do pose particular challenges regarding proof of the limited circumstances under which unfair competition law offers protection. While Section 4 of the Unfair Competition Act is, in principle, not definitive and further circumstances could also be introduced that amount to violations of the act, its use can be considered a last resort in defending against illicit copying.

(e) **Order of precedence**

To sum up, a design can enjoy protection under a design patent, and as a trademark and a copyrighted work at the same time. Claims resulting from its status as any of these can be raised in one legal action at the same time; it must however be noted, that the functional competence of courts is different, which has to be borne in mind when deciding on legal strategies in an upcoming court case. The additional

⁴ Piper, Ohly and Sosnitza, *German Unfair Competition Act*, 6th edition (2014), line item 80.

⁵ Section 4(3) of the Unfair Competition Act.

protection which may be offered by the Unfair Competition Act is of secondary importance and will apply to the use of copied designs only in cases where the design is not specifically protected under intellectual property law.

2. Registered design rights

2.1 Nature of rights

A design can be protected for a limited period of time by design law. For the territory of Germany, such protection can be obtained under the Design Act and under the Community Design Regulation. The Design Act came into force in 2004 in order to transpose the Directive 98/71/EC into German law; the act replaced the old German Design Act which was first enacted in 1876 – one of the oldest pieces of statutory law in Germany. Under the Design Act, the protection of a design is limited to the territory of Germany. In 2002, the Community Design Regulation came into force which now makes it possible to obtain protection for designs in all 27 member states of the European Union. Since the costs for the registration of a Community design are relatively low, the Community design has become more and more popular, while design protection under the Design Act has lost some of its importance.⁶

2.2 Qualification

In order to register a design under the Design Act, the design must qualify as a 'design' as defined therein. That means that the design must be:

... the *two-dimensional or three-dimensional appearance of the whole or part of a product resulting from the features of, in particular, the lines, contours, colors, shape, texture or materials of the product itself or its ornamentation.*⁷

Furthermore, the design must be new and must have an individual character.⁸

(a) Novelty

The requirement of novelty is met when no identical design has been made available to the public before the date on which the application is filed. Designs are considered to be identical if they either do not differ at all or if they differ only in immaterial details.⁹ The disclosure of a design to the public before application is not relevant for the question whether a design is new or not if that disclosure was made within a period of 12 months before the date of application (or the date of priority) either by the creator of the design, by his successor, or, in limited cases, even by a third person.¹⁰ Hence, the creator can test a design in the relevant market before he decides whether to apply for design patent registration or not. For the assessment whether a design is new or not, each element of the design will be compared with prior art separately without assessing the overall impression.

6 Klett/Sonntag/Wilske, *Intellectual Property Law in Germany*, 1st edition of 2008. Chapter 4.

7 Section 1 of the Design Act.

8 Section 2 of the Design Act.

9 Klett, Sonntag and Wilske, *Intellectual Property Law in Germany*, 1st edition (2008), Part 1, Chapter 4, B, I. 2.

10 Section 6 of the Design Act.

(b) Individual character

Furthermore, a design needs to have an individual character to be eligible for protection under the Design Act.¹¹ This requires that the appearance of the design differs from the appearance of other designs which were available before the date of filing. Such assessment will only be based on the overall impression which the design invokes on an 'informed user'. A design has an individual character if the overall impression it produces differs from the overall impression produced by other designs available to the public in the same business sector before the filing date (or the date of priority). Accordingly, it is necessary to take into account all other designs which were published at the date of filing in the same business sector (the '*vorbekannter Formenschatz*' or 'known body of designs') as a basis of comparison. Where there are no, or only a limited number of, known designs in the same sector, it can be the case that the design must meet stricter requirements compared to situations where the number of known designs in the same sector is very high. In other words, the more known designs exist the easier it is for slight deviations to be considered sufficient to create an individual character.¹² The reasoning underlying this approach is that an informed user might attach more value to slight deviations where there is already a great variety of existing designs. Moreover, the nature of the product to which the design relates and the sector in which the design will be used will be taken into account in the assessment. The question whether a design has an individual character or not will be answered based on the overall impression of the appearance of the design, but not on the appearance of the particular elements of the design.

2.3 Registration procedure

For protection of a design under the Design Act, an application must be filed with the German Patent and Trademark Office (DPMA). The DPMA will then conduct a formal examination which will not go too much into detail. In particular, it will not examine whether the design is new and individual. The law leaves it with the owners of other designs or relevant rights to attack the application or registration when they become aware of the new design.

In order to file an application, the applicant must use the application form published by the DPMA, as required by Section 4 of the Design Bylaw, which is available on the DPMA website.¹³ The application can be filed by mail, electronically via the online service *DPMAdirect*, or physically at the offices of the DPMA in Munich, Jena or Berlin and at a number of patent information centres. Applications can also be filed via fax. However, due to the loss of quality caused by fax transmissions, the DPMA explicitly advise against the use of a fax. The application form must in particular include the following documentation and information:

- the application form, which requires formal information regarding the applicant, its representative, date of the application and information on the product(s) for which the design will be used;

11 Section 2 of the Design Act.

12 Klett, Sonntag and Wilske, *Intellectual Property Law in Germany*, 1st.edition (2008), Part 1, Chapter 4, B., I. 2.

13 Available at: www.dpma.de/design/anmeldung/index.html.

- a copy of the design in a publishable form; and
- a list of attachments if more than one application is being filed.

While not required by law, it is advisable to commission a legal adviser, such as a patent attorney, to support and control the filing of an application.

The DPMA will only conduct a formal examination of the application, to ensure that:

- the design is a 'design' for the purposes of the Design Act;
- the application contains the required documentation and information and all other formal requirements (signature, payment of fees and so on); and
- the design does not contain elements which:
 - form part of the design exclusively for technical reasons;
 - must be copied without variation for technical reasons to allow for assembly with other parts or products;
 - are contrary to public policy; or
 - are contrary to accepted principles of morality.¹⁴

If these formal requirements of the application are fulfilled, the DPMA will register and publish the design as a design patent. Costs for registered designs are relatively low.¹⁵ The basic application fee is €70 for an application covering one design to be protected for five years. For collective applications (of up to 100 designs per application), an additional fee of €7 for each design becomes payable, with a minimum fee of €70. The fee for the first renewal of a design (from year five to year 10), at €90 per design, a bit higher than the initial application fee. For the second renewal (for year 11 to year 15) the renewal fee is €120 per design, for the third renewal (for year 16 to year 20) it is €150 per design, and for the final renewal (for year 21 to year 25) it is €180 per design.

The registration process in Germany takes an average period of between two and three months and is comparatively fast. Accordingly, filing a design application in Germany first can be helpful in order to use the priority of the design for further applications regarding the same design in other jurisdictions by way of the international application procedure.

2.4 Term of protection; rights granted

The protection of a design under the Design Act starts with registration and ends, subject to payment of the renewal fees, after 25 years.¹⁶ Once registered, the rights holder has the exclusive rights in the design patent, including the exclusive rights to manufacture, offer, distribute, import, export and use the products for which the design is being used (in line with the registration).¹⁷ The rights holder of the design patent is also entitled to grant exclusive and non-exclusive licences thereunder

14 Section 16 of the Design Act.

15 Klett, Sonntag and Wilske, *Intellectual Property Law in Germany*, 1st edition (2008), Part 1, Chapter 4, C., I.

16 Section 27 of the Design Act.

17 Section 27 of the Design Act.

18 Section 38 of the Design Act.

within Germany or even only within parts of Germany. Furthermore, the rights holder has the right to prohibit third parties from using the design in Germany.¹⁸

As regards compulsory licences, the Design Act does not provide for any obligation to grant a licence under a design patent. Where a rights holder in a design patent hinders competitors seeking to enter into a certain market and excludes them from competition, such competitors may however seek, subject to further requirements, a compulsory licence under the provisions of antitrust law. Such a compulsory licence will be imposed only in exceptional cases, such as where a rights holder stops the distribution of spare parts, claims unfair prices in turn for their delivery or refuses to distribute spare parts to certain repair shops on unreasonable grounds.¹⁹ The mere refusal to grant a licence under a design patent, however, is not sufficient for the imposition of a compulsory licence under antitrust law. It is hard to imagine a case, and in fact so far there are none, where compulsory licences have been or could have been imposed in order to allow the use of a protected industrial design.

The protection under a design patent covers only such parts of the design as were disclosed in the application process. Any changes made to the design thereafter do not enjoy protection, unless a second application is filed (and granted) for the changed design. Where the person who registers a design is not the creator or its successor and is not otherwise entitled to make the registration, the actual rights holder under the design patent – the creator or its successor – can claim correction of the register.²⁰ This right to claim correction is limited in time to a period of three years after publication of the design, except in cases where the person registering the design acted in bad faith. In the latter case, the correction of the register can be claimed with no time limit applying.

Where an employee has created a design within the scope of his employment or upon instruction of his company, all rights in the design vest in the company, unless the parties have explicitly agreed otherwise.²¹ Therefore, it is important for companies whose business involves creating industrial designs to ensure transfer of full ownership by describing the scope of employment and the employee's tasks accurately in the employment contract, and to document the projects in which the employee is involved. To ensure the full transfer of ownership in designs created by freelancers it is important for the company commissioning the freelancer to include an appropriate transfer provision in the commissioning agreement with the freelancer (although it is not required by law).

This is an extract from the chapter 'Germany' by Moritz Hüsch and Katharina Scheja in International Design Protection: A Global Handbook, Second Edition, published by Globe Law and Business.

19 EU Court of Justice Case 53/87 *CICRA v Régie nationale des usines Renault*, [1988] ECR 9039, para.18.
 20 Section 9 of the Design Act.
 21 Section 7(2) of the Trademark Act.