



Design Law

les Nouvelles

Special Issue: LESI Design Study

March 2020

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Special Issue: LESI Design Study



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LESI Design Study

les Nouvelles Covers

Our plan is to rotate the globe a quarter turn with each issue. The current view on the cover will be presented in every March issue of the Journal. We have worked hard to be sure that no country is slighted as we move around the globe. For your reference, the graphics below represent our view of the LESI globe each quarter.

Publications Committee -

Bruno Vandermeulen and Russell Levine, Board Liaison, and Larry Plonsker, Editor@lesi.org.



March



June



September



December

LESI Dispute Resolution Committee: LESI Design Study—A Comparative Study

By Dr. Philippe Kutschke

Throughout the last decades, it has been recognized that inventors and companies protect their innovations more comprehensively than in the past, even adequately protecting the appearance of their products. This can be achieved most effectively by way of registered design rights. Fortunately, in our globalized world we have a certain extent of common international standards for obtaining design protection. However, it is to be noted that the specific national requirements, options and procedures still differ to a significant degree, which makes the field of design law very lively and subject to continuous developments.

The present study intends to shine a spotlight on the obscure aspects regarding the prerequisites and options in nine of the most relevant industries worldwide, namely Canada, China, Germany, India, Japan, Korea, Turkey, the United Kingdom and the United States. As regards the United Kingdom, the authors already provide helpful guidance on the situation after BREXIT. Moreover, the study also covers multinational design protection, namely advice on European Community

Designs to be filed with the EUIPO as well as International Design Registrations to be filed with the WIPO.

All authors are experienced in the field in question and, thus, the study goes far beyond only repeating the law. To the contrary, the main goal of this study is to provide the reader with insights into the daily work of practitioners. In order to make it easier for readers to compare best practices in different jurisdictions regarding prosecution as well as litigation, each national chapter follows the same structure. We trust that this comparative study will help to better understand the individual legal systems, avoid unpleasant pitfalls when practicing abroad, and to better understand how design protection may help keep innovations one of a kind. ■

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LESI Design Study—EU

By Philippe Kutschke and Eva Maierski

(I) Introduction

The history of a design legislation on the European level goes back less than 30 years and started with the presentation of the *Green Paper of The Legal Protection of Industrial Design* by the European Commission in June 1991. The goal of the *Green Paper* was to harmonize the (at that time, inconsistent) national design legislations in the member states in order to ensure free internal market conditions within the EU, but also to create a design right having effect throughout the EU. Since then, there have been significant changes: First, the national design laws of the different member states were harmonized to a large extent by means of the Directive 98/71/EC of the European Parliament and of the Council of 13 October, 1998, on the legal protection of designs (Designs Directive). The harmonization particularly concerned the requirements for protection, the scope and term of protection as well as the validity of designs. In addition to the harmonization of the national laws, and after more than 12 years of legislation history, the Council Regulation (EC) No 6/2002 of 12 December 2001 on Community Designs (Community Design Regulation, or CDR) came into force. This autonomous and supranational regulation will be the subject-matter of the present chapter.

As in other parts of the world, with an ever-expanding range of available products, consumers in the EU are increasingly paying attention to the design of a product—especially if there is a variety of qualitatively equal products available to them. Design-intensive industries already play a vital role in the EU economy, which makes design protection more and more important for individual designers, companies and consumers. As a result, the numbers of filings of registered Community designs are constantly growing.

(II) Design Protection

(1) Basics of Design Law

The cornerstone of the European design right system is the CDR, which provides two pan-European design rights: the registered Community design (RCD) as well as the unregistered Community design (UCD). In addition, the European design system comprises the Community Design Implementing Regulation, which contains further provisions regarding, *inter alia*, the registration of RCDs and the proceedings before the EUIPO, as well as the Community Design Fees Regulation. Any issues not covered by the afore-mentioned regulations may be regulated by the national laws of

the member states. Besides the afore-mentioned regulations, the EUIPO also provides regularly updated guidelines on its website, which reflect the EUIPO's current design practice.

The CDR provides protection for both a registered Community design and an unregistered Community design. Registered Community designs must be registered with the European Union Intellectual Property Office (EUIPO). In order to obtain protection by way of an unregistered Community design, the simple disclosure of the respective product within the EU is sufficient. Different than registered Community designs, the protection of such unregistered right is limited to intentional copies. Notably, there currently is a referral pending with the European Court of Justice (ECJ) that deals with the question whether an UCD can also be attained if the product has been presented for the first time on a tradeshow outside the EU of which, however, the circles specialized in the sector concerned could become aware in the normal course of business (*Beverly Hills Teddy Bear Company v PMS International Group plc* [2019] EWHC 2419 (IPEC)).

A RCD is initially valid for five years from the date of filing. It can be renewed four times to a maximum of 25 years. An UCD is only protected for three years from the date on which the design was first made available to the public within the EU. The term of protection of an UCD cannot be extended.

(2) Application Procedure

Applications for a RCD can be filed directly with the EUIPO or through the International Bureau of the World Intellectual Property Organization (WIPO) designating the EU. The quickest and easiest way is to submit the application via the online system of the EUIPO. Examination is basically limited to formal requirements, the question of whether the design is a design according to the definition of the CDR (in this context, the examiner, *inter alia*, examines the consistency of the representation, *i.e.*, whether all representations of the design concern the same embodiment of a product) and the question of whether the design is contrary to public policy or morality. Novelty and individual character are not examined. Registrations and publication usually can be attained within 10 working days. The EUIPO also offers the option of a so-called “Fast Track procedure that reduces the duration to two working days.

(3) Formal Requirements and Fees

Applications for a RCD must be filed in one of the 24

official languages of the EU and must contain (1) a request for registration, (2) information identifying the applicant, (3) an indication of the products in which the design is intended to be incorporated or to which it is intended to be applied and (4) at least one representation of the design which is suitable for reproduction. The latter also requires that the representation clearly shows what the protection is sought for and, if several representations are filed, that they are not contradictory. When filing an application for a RCD, the applicant also has to pay the registration fee and the publication fee, which are significantly lower than for national patents (There is a EUR 350.00 office fee in total for a single design or the first design of a multiple application. Reductions apply for further designs of a multiple application).

(4) Protectable Subject Matter and Substantive Requirements

The subject matter of protection of the CDR is a “design,” which is defined as the appearance of the whole or a part of a product. Any industrial or handicraft item (or parts thereof) including packaging, but also ornamentations, logos, graphic designs and typefaces qualify as a product. By contrast, colors *per se*, mere verbal elements, sounds, living organisms and computer programs cannot be protected by a design.

In order to obtain protection by a Community design, the design must be new and of individual character. By contrast, the design does not need to have any aesthetic quality or “eye appeal” in order to be protectable as a Community design. A design is considered “new” if no identical design has been made available to the public before the filing date or, if priority is claimed, before the priority date (in case of a RCDs) or before the date the design has first been made available to the public for the first time (in case of an UCDs), respectively. If two designs differ only in immaterial details, however, they are still deemed to be identical. A design is considered to have individual character if its overall impression differs from the overall impression of any prior design—thus any design that has been made available to the public before the filing date or priority date (in case of a RCD) or the date of its first publication (in case of an UCD), respectively. Whereas the test for novelty is an objective one, the individual character of a design is to be assessed from the perspective of an “informed user.” The concept of the “informed user” must be understood as lying somewhere between that of the average consumer and the sectoral expert. More precisely, the informed user refers to a user of the respective product of average attention, but to a particularly observant one, either because of his personal experience or his extensive knowledge of the sector in question. Finally, when as-

sessing the individual character of a design, the degree of freedom of the designer in developing the design shall be taken into account, which basically depends on technical constraints and the design density within the prior art within the product sector concerned. The more limited the freedom of the designer, the more easily differences lead to a different overall impression. Notably, neither the Locarno classification of a design, nor the indication of product limit the relevance of prior art.

Contrary to some other jurisdictions, the CDR provides a 12-month grace period of novelty. This means that, if a design is published by, or on behalf of, the designer or his successor in title during the 12-month period preceding the filing date or priority date of a RCD, the publication remains unconsidered from the prior art. The same applies if a publication by a third person was the result of information provided or action taken by the designer or his successor in title.

Finally, in order to qualify for a Community design, a design shall not be contrary to public policy or to accepted principles of morality.

Finally, in order to qualify for a Community design, a design shall not be contrary to public policy or to accepted principles of morality.

(5) Protectability of Technical Features

According to the CDR, a Community design shall not subsist in features of appearance of a product which are solely dictated by its technical function (hereinafter: “solely functional features”). The question of how to determine whether a feature is “solely dictated by technical function” was subject to a long-standing debate in the EU, which was (at least in parts) resolved by the ECJ in 2018. The ECJ held that a feature of a product is solely dictated by its technical function if the technical function was the only factor which determined the designer’s choice in favor of this feature. Such an assessment must be made having regard to all the objective circumstances relevant to each individual case, *e.g.* the particular use of the product and the existence of alternative designs that fulfil the same technical function.

Whether individual features of a design are solely functional is not examined by the EUIPO during the registration procedure, but may be invoked as a ground for invalidity by third parties. However, provided that the design is still new and of individual character when ignoring the solely functional features, the design may

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still be valid. Only the solely functional features are excluded from protection. For this reason, these solely functional features can also not serve to substantiate an infringement.

In addition to the above, the CDR also contains a so-called “must fit” exception that deals with a specific type of functional features. According to this provision, a Community design shall not subsist in features of appearance of a product, which must be necessarily reproduced in their exact form and dimensions in order to fit into another product so that either product may perform its function (*e.g.*, the shape of a battery). Again, the exclusion of protection only concerns the “must fit”—element, but not the other features of appearance (*e.g.* the graphical design of a battery).

(6) Filing Strategy

Single Application/Multiple Applications Available?

Several designs may be combined in one multiple application for RCDs, provided that the products in which the designs are intended to be incorporated or to which they are intended to be applied all belong to the same Locarno (main) class. The number of designs that may be combined in a multiple RCD application is unlimited, and the individual designs remain independent from each other, *i.e.* they are examined and may be renewed, enforced, licensed, etc. separately from each other. Notably, significant fee reductions apply from the second design of a multiple RCD application onwards (EUR 175.00 for the second to the 10th, and only EUR 80.00 from the 11th design application onwards).

Protection of a Part of a Product Available?

Protection can also be sought for a part of a product, whereby the part of the product must not necessarily be independently marketable or reversibly separable from the rest of the product. However, design protection for component parts of a complex product is limited in two respects: First, a design for a component part of a complex product is only considered to be new and to have individual character if the component part—when incorporated into the complex product—remains visible during normal use of the latter and to the extent that those visible features themselves fulfil the requirements as to novelty and individual character. Second, designs for component parts of complex products used for the purpose of the repair of those complex products so as to restore their original appearance, cannot be protected as a Community design (so-called repair clause).

Admissible Types of Lines/Meaning of the Lines

The application for a RCD must comprise at least one representation that should display all features of the design for which protection is sought. Applicants can file up to seven protected views (plus three non-pro-

TECTED views). Drawings, photographs, computer-made representations (*e.g.* CAD) or any other graphical representation are accepted, and the set of representations may be made either in black and white, in grey-scale or in color.

The EUIPO accepts a couple of visual disclaimers in order to exclude individual elements from protection—*e.g.* broken lines, color shading and blurring. In the alternative, boundaries may be used for outlining features of the design which shall not be protected. By using separations, the applicant can indicate that the precise length of the design is not claimed. By contrast, the representations must not contain any explanatory text, wording or additional graphical explanations. Anyhow, neither the indication of product nor any explaining of the representations included in the application affects the scope of protection of the design.

As regards different types of lines, the EUIPO guidelines presently only mention solid lines and broken lines, but no other types of lines as, for example, officially accepted by the USPTO. However, the EUIPO nonetheless also accepts other types of lines to indicate different meanings, *e.g.*, shaded lines for showing contours, dot-dashed lines for surrounding features for which protection is sought, dot-dashed broken lines for unclaimed boundaries, etc. Even broken lines must not necessarily stand for a disclaimer, but may, as long as clear from the representations, also be interpreted differently (as *e.g.*, stitching on clothes).

Amendments of Representations Admissible?

In general, the representations submitted with the RCD application can neither be replaced by other representations nor be withdrawn after the filing. The only exception is when the EUIPO expressly asks for amendments. For example, in the event that the representations do not clearly show what the protection is sought for, the applicant will be asked to send a clear representation of the design. The EUIPO may also invite the applicant to replace representations in case that they provide additional references as, for example, used for drawings of a patent application. Finally, if the views submitted are inconsistent with each other, the applicant will be asked to remove or exchange the mismatching view(s) from the application or divide the filed design into separate applications with consistent views, respectively. Such approach is only admissible, if the resulting designs would not enjoy a broader scope of protection than the filed design.

In all of these situations, the filing date will be deferred to the date on which the EUIPO receives the new representation(s)/the information about the withdrawn representation(s). It is therefore crucial to examine the representations from the beginning in order to secure the earliest possible filing date.

Deferred Publication Available?

With the design application, it is possible to request the publication to be deferred for a maximum period of 30 months. In that case, only very basic details are published, whereas the representations, the indication of product and the classification remain confidential. It is up to the holder to request the full publication and pay the publication fee at any time before 27 months have expired, otherwise the RCD will not be published and will be lost. In case of a multiple RCD application, each design may be treated differently by the owner. Unless the deferred design is not fully published, it is merely protected against intentional copies (as in case of unregistered Community designs).

(7) Owner of a Design

In principle, the right to a Community design vests in the designer or, in the event that two or more persons have jointly developed a design, in those persons jointly. If the design was developed by an employee in the execution of his duties or following the instructions given by his employer, the employer is entitled to the Community design, unless otherwise agreed or specified under national law. As regards the ownership of a RCD, there is a presumption in favor of the registered holder of the design. However, if a RCD has been applied for or registered in the name of an illegitimate person, the person entitled to it may claim to become recognized as the legitimate owner or request cancellation of respective design. The person entitled to an UCD is likewise entitled to claim for recognitions of his ownership.

(8) Possible Attacks on the Validity of a Design

The CDR provides for invalidity proceedings against both UCDs as well as RCDs. It should be noted though that RCDs can only be challenged once registered. An UCD can exclusively be declared invalid by the so-called Community design courts, *i.e.*, the competent national courts, either on application or on the basis of a counterclaim within infringement proceedings. By contrast, the validity of RCDs can be challenged on different levels—either based on a counterclaim within infringement proceedings before the national Community Design courts or by way of proper invalidity proceedings before the EUIPO.

Regardless of the respective type of proceedings, however, the possible grounds for invalidity are the same: Any natural or legal person can invoke that the design is not a design according to the definition of the CDR or that it does not fulfil the substantive requirements stipulated in the CDR (most commonly regarding novelty or individual character). The person who is entitled to the Community design may invoke that, by virtue of a court decision, the rights holder is not entitled to the Community design. Furthermore, the applicant for or holder of a potential earlier right may

invoke that: (1) The Community design is in conflict with his prior Community design (application) or registered design of a Member State; (2) His distinctive sign is used in the subsequent design, provided that EU law or the law of a Member State confers on the right holder the right to prohibit such use; or (3) The design constitutes an unauthorized use of his work protected under the copyright law of a Member State.

An application for the declaration of invalidity must be filed with the EUIPO, and the respective (comparably low) fee must be paid upon filing. The application must indicate the grounds on which the application is based as well as a reasoned statement including supporting arguments, facts and evidence. In this respect, it should be noted that the examination carried out by the Invalidity Division of the EUIPO is restricted to the facts, evidence and arguments provided by the parties. Thus, the application should be well reasoned. The Invalidity Division sends the application to the RCD holder, who is granted the possibility to reply. If the RCD owner decides not to reply, the Invalidity Division decides based on the application as filed. If the RCD owner replies, the observations are communicated to the applicant immediately. If there is sufficient information, the Invalidity Division renders a decision that concludes the proceedings. If not, a further round of correspondence might be exchanged. Usually a decision is rendered without an oral hearing, but an oral hearing may be held at the request of the Invalidity Division or any of the parties. Each party has the right to appeal a decision that affects it adversely.

(9) Design Protections Statistics of the Past Three Years

Despite the slight decrease in the total number of received designs in 2018 (In 2016, there were 90,890; in 2017, 95,992; and in 2018, 93,409), the statistics published by the EUIPO reflect the increasing importance of design protection in the EU. The amount of design applications is increasing from year to year. In 2016, there were 24,608; in 2017, 26,064; and in 2018, 26,336). Based on the number of design applications in the first half of 2019, even higher filing numbers can be expected for 2019. In 2018 the most RCD applications were filed by right holders from Germany (19.4 percent), the U.S. (11.7 percent), Italy (11.0 percent), China (9.5 percent) and France (6.5 percent).

(Source: EUIPO Statistics of Community Designs 2003-01 to 2019-07 Evolution, available under: https://euipo.europa.eu/tunnel-web/secure/webdav/guest/document_library/contentPdfs/about_euipo/the_office/statistics-of-community-designs_en.pdf)

(III) Design Enforcement

(1) Available Reliefs

The CDR offers the rights holder the following rem-

edies against infringers:

- A cease and desist claim,
- The seizure of infringing goods and
- The seizure of materials of construction.

As regards further remedies, the CDR references to the law of the Member States in which the acts of infringement have been committed. Thus, the availability and requirements for any accessory claims are a matter of national Design Law. German national design law, for example, offers the rights holder the following additional claims:

- Damage claims
- Information claims
- Destruction claim
- Right to recall

When determining the member state where an infringing action has taken place in case of cross-border infringement actions (in order to then determine the applicable national law with regard to the accessory claims), the ECJ recently decided that an overall assessment of the infringing actions needs to be taken, rather than an individual “mosaic approach.” Within such an overall assessment, the place of origin of the infringing actions has to be determined, and the national law of that country would then be applicable. The competent court of that member state then has the authority to decide about the accessory claims on the basis of one applicable national law but with EU-wide effect (rather than on the basis of several different national laws, as would be necessary when taking an individual, mosaicked approach). This previous individual mosaic approach” led to the situation that claimants used to have to submit extensive expert opinions about the legal situation in the different member states. Since the decision of the ECJ, this time-consuming and expensive step is no longer necessarily required.

(2) Strategic Options (Offensive and Defensive)

There are several strategic options available to the rights holder when it comes to the enforcement of the above-mentioned claims. The same applies to defensive measures, which are available to potential infringers when confronted with such claims. The available and advisable measures, however, decisively depend on the member state the claimant decides to initiate court proceedings in. This is true since, according to Art. 82 CDR, the following courts have international jurisdiction when it comes to the enforcement of Community designs:

- The national courts of the Member State in which the defendant is domiciled or, if not domiciled within the EU, the Member State he has an establishment in;
- The national courts of the Member State in which

the claimant is domiciled or, if not domiciled within the EU, the Member State he has an establishment in (provided that the defendant is neither domiciled nor has an establishment in any of the Member States);

- The national courts of the Member State in which the EUIPO is located (thus: Spain), if none of the parties are domiciled or have an establishment in any of the Member States;
- The national courts of the Member State(s) the infringing action(s) took place in.

So, Community design disputes take place before the respective national courts of the member states of the European Union under the respective national procedural law and within the respective national court system. The strategic options, therefore, cannot be given unitarily, but rather vary from member state to member state.

The following points hence mainly include an exemplary reference to the national law within Germany. Only special procedural aspects provided by the CDR will be outlined in detail.

Warning/Notice Letters

A warning letter prior to initiating court proceedings is common in most of the member states of the EU. The requirements, the content and the legal effect, however, may differ from state to state.

Preliminary Relief

The CDR explicitly sets out the possibility of preliminary injunction proceedings in respect of a Community design before the national courts of a member state insofar as such preliminary measures are available under the respective national law. Further to that, the CDR provides an extended special competence of any national courts of the member states for such preliminary injunction proceedings, irrespective of whether they would also be competent within main proceedings or not.

With regard to the validity of the asserted RCD, the CDR grants a presumption rule to the benefit of the rights holder according to which courts have to consider an RCD—even though being an unexamined registered intellectual property right—to fulfill any validity requirements. The same applies to UCDs provided that the rights owner names the features of the UCD which differ from the prior art. Within preliminary injunction proceedings, the defendant can object to the validity of the Community design. This is different to main proceedings, where the defendant, as a general rule, can only attack the validity of the asserted Community design by a proper invalidity-counterclaim.

The procedural requirements and the process of preliminary injunction proceedings differ from member

state to member state. This also applies to potential remedies to the defendant.

Protective Letters

The mechanism of submitting a protective letter (as a preventive measure against feared *ex parte* preliminary injunctions) exists in few member states, *inter alia* in Germany.

Main Proceedings

The procedure of main proceedings likewise depends on the national law of the member state, the claimant initiates court proceedings in.

Within main proceedings, the defendants can defend themselves by attacking the validity of the asserted design by way of an invalidity-counterclaim within the same infringement proceedings. The defendant is limited to this counterattack. If he does not file an invalidity-counterclaim, the court must regard the asserted design as being valid. The only exception applies where the defendant can refer to an own prior design right. In this case, the defendant may merely object to the validity of the asserted design without initiating a proper counterclaim.

Customs Seizures

Rights holders of Community designs are entitled to initiate customs seizures of infringing products that are being imported and/or exported into or out of the EU.

In order to do so, the rights holder must file an application to the national customs office of the Member States identifying the Community design upon which the claim is based. The application should include as much information on the identification of the original product as possible, as well as features which are frequently identified in its counterfeits (with according illustrations, if available). It is likewise advisable to conduct regular training courses in order to sensitize customs officers even more efficiently towards potential counterfeits. The seizure of the infringing products is conducted by the national customs authorities. In order to enable the offices to link the application processes followed in all Member States, the European Commission has provided an EU-wide information database for the national custom authorities (named COPIS).

Once a potential counterfeit has been seized by a customs office, the importer/exporter has the opportunity to oppose this seizure. If he does not oppose it within 10 days, the seized goods are destroyed. If he opposes it, the rights holder is forced to initiate court proceedings in order to establish the infringement within 10 days (extendable for further 10 days). If court proceedings haven been initiated in time, the customs office stores the potential infringing products until a final court decision exists.

From a practical perspective, customs seizures are a helpful instrument for identifying unknown counterfeits. Furthermore, seized goods may put additional pressure on defendants in combination with court proceedings.

(3) Procedural Aspects

As outlined above, Community design disputes take place before the respective national courts of the Member States of the European Union under the respective national procedural law and within the respective national court system. The following procedural aspects, therefore, cannot be answered unitarily, but rather decisively depend on the member state, the claimant initiates court proceedings in.

(a) Court System, Instances & Specialization

The court system, the instances and potential specializations of the courts depend on the procedural law of the member state the claimant initiates court proceedings in.

(b) Who Can Sue?

Besides the owner of the registered design, the licensee is also entitled to initiate infringement proceedings. The latter (whether exclusive or non-exclusive), however, needs formal confirmation from the rights owner to enforce claims in his own name. Such confirmation is not required if the rights owner does not initiate court proceedings himself upon request of the exclusive licensee. Finally, each licensee may join court proceedings initiated by the rights owner in order to assert compensation for their own damages.

(c) Who Can Be Sued?

Anyone who uses the design concerned (*e.g.*, manufactures, offers, imports, exports or possesses the design concerned for these purposes) without the consent of the rights holder infringes the design and can be sued. This, in any case, includes the perpetrators.

The CDR itself does not provide provisions on the liability of participants (*e.g.*, instigators or assistants) or other third parties, which has to be determined by national law of the member states.

(d) Basis of Claims

When enforcing rights out of a Community design before national Community design courts, claims can be based on:

- A European design registration (before the EUIPO) or
- An international registration with protection in the EU (before the WIPO).

Both design registrations have the identical effect, and are both treated as Community designs according to the Community Design Regulation.

(e) Admissibility of Evidence

The admissible evidence depends on the procedural law of the member state the claimant initiates court proceedings in.

(f) Structure and Timing of the Proceedings

The structure of the proceedings depends on the Member State the claimant initiates court proceedings in.

The duration of court proceedings obviously varies from member state to member state, thus likewise depends on where the claimant initiates court proceedings.

(g) Costs & Cost Reimbursement

The costs and cost reimbursement for court proceedings depend on the legal provisions of the member state the claimant initiates court proceedings in.

(h) Enforcement of Decisions

The requirements for enforcing a decision and the different options of enforcement measures depend on the procedural law of the member state the claimant initiates court proceedings in.

(i) Legal Remedies

The legal remedies against a court decision, likewise depend on the procedural law of the member state the claimant initiates court proceedings at.

(j) Service Abroad

When it comes to the service of court decisions and writs to defendants in other countries, there are basically two supranational regulations that apply: the EU Service Regulation in case of services within the EU and the Hague Service Convention (an international treaty among 75 states) in case of services outside the EU. Both regulations provide different options for the service and oblige the contracting states to determine

a local central authority that regulates service requests coming from abroad.

Nevertheless, a necessary service abroad can significantly slow down proceedings and is a factor, which, in terms of facts, plays an important role when deciding about initiating court proceedings against foreign defendants. The duration of a service abroad largely depends on the country of destination. Within Europe, one can expect time frames of around three months (in some cases, however, even longer). Services outside Europe usually take significantly longer (*e.g.* around six to nine months in the U.S.A.).

The situations where a formal service of writs is necessary likewise depend on the procedural law of the member state, the claimant initiates court proceedings in.

(4) Influence of Foreign Decisions

National Community design courts are generally not bound to foreign decisions in any way. However, especially where open legal questions have not been subject to discussion within jurisprudence of the respective member state yet, it is advisable to introduce the arguments within foreign decisions if a party wants to rely on it. The potential influence is even more likely, if the decision comes from a court of another EU state (since national Design Law is harmonized throughout the EU). ■

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LESI Design Study—Germany

By *Philippe Kutschke and Eva Maierski*

(I) Introduction

Brief History of Design Law/Protection of Appearance of a Product

In Germany, the first signs of design law emerged in the textile industry in the middle of the 18th century. About a century later, in 1837 and 1845, two federal decisions created the first possibilities for design protection on a copyright basis that were not limited to specific industries. The development finally picked up speed with the Act on Copyright in Patterns and Models of January 11, 1876, which was also called “Aesthetic Models Act” (in German: “Geschmacks-mustergesetz”). The term reflected that, historically, designs needed to have a specific aesthetic quality in order to be protectable as an “aesthetic model” in Germany. The Aesthetic Models Act was, apart from minor amendments in 1974, in force for more than 100 years. However, as in copyright law, it only protected the rights owner against the copying of the design. A major change in German design law then took place in 2004, when the German legislator implemented the Directive 98/71/EC of the European Parliament and of the Council of 13 October 1998 on the legal protection of designs (Designs Directive) into national law. From this point in time, the rights owner was protected against any unlawful use of his design. Moreover, an aesthetic quality was not a requirement for protection anymore either. Finally, in the course of a further revision of the Aesthetic Models Act in 2014, the term “Registered Design” (in German: “eingetragenes Design”) replaced the linguistically outdated term “aesthetic model.” Since then, the national law is called “German Design Act” (in German: “Gesetz über den rechtlichen Schutz von Design,” short: “Designgesetz”).

In Germany, the importance of designs is likewise growing steadily. Nevertheless, the number of applications for German Registered Designs did not increase during the past 15 years, and even decreased in some years. This is mainly due to the possibility of obtaining EU-wide design protection through Community designs. The Registration of a Community design is not significantly more expensive. At the same time, Community designs and German registered designs have to face the identical prior art territory wise (*i.e.*, there is no limitation of the prior art to German publications in case of a German design registration). Thus, registrations of Community designs are often preferred to German registered designs. However, if a design owner is afraid that a competitor may rely on a prior right to use the design based on internal preparation measures, filing a national design may still make sense under specific cir-

cumstances. This is true since the Federal Court of Justice requires serious preparation measures in Germany in order to be able to rely on such prior right to use. Preparation measures outside Germany do—different than in case of prior disclosures—not count.

(II) Design Protection

(1) Basics of Design Law

On a national level, design protection in Germany is afforded by the German Design Act. The Act is supplemented by the Design Ordinance (in German: “Designverordnung”), which primarily contains regulations on the application procedure before the German Trademark and Patent Office (GPTO) and the design register. In addition, some general regulations on the proceedings before the GPTO can also be found in the GPTO Ordinance concerning the German Patent and Trade Mark Office.

The Design Act only provides for the protection of designs by Registered Designs. It does not recognize national unregistered design rights. However, if a design is first disclosed in Germany, this automatically establishes protection as an unregistered Community design, which is, of course, also effective in Germany.

The maximum term of protection for Registered Designs is 25 years from the filing date. Protection is initially granted for five years and can be extended for another four, five-year periods. The maintenance of protection must be effected by the timely payment of the respective renewal fees, whereby the GPTO—contrary to the EUIPO regarding RCDs—informs the holder in case he missed the deadline and invites him to pay an (increased) renewal fees. If not extended, the registered design will be cancelled from the register.

(2) Application Procedure

Applications for German Registered Designs may either be filed directly with the GPTO or through the International Bureau of the World Intellectual Property Organisation (WIPO) designating Germany. Before the GPTO, the application can either be filed on conventional paper forms or electronically via the website of the office. Upon receipt of an application, the GPTO

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checks whether the application meets all formal requirements. Furthermore, it is examined (1) Whether the subject matter of the application actually constitutes a design according to the German Design Act; (2) Whether the design is contrary to public policy or the accepted principles of morality; and (3) Whether the design constitutes an improper use of any State emblems or other signs of public interest. By contrast, the GPTO does not examine any further substantive requirements, *e.g.*, novelty and/or individual character of the design. If the application fulfils the aforementioned requirements, the design is recorded in the design register—usually within two to four weeks after receipt of the application fee. On the next day, the registration is published in the electronic register, a month later in the *Design Gazette* (in German: “*Designblatt*”).

(3) Formal Requirements and Fees

An application for a Registered Design must contain (1) a request for registration, (2) information identifying the applicant, (3) at least one representation of the design that is suitable for publication, and (4) an indication of the products in which the design is incorporated to. Further, applicants who neither have a domicile nor a registered office or a subsidiary in Germany need to indicate a patent attorney or attorney-at-law licensed in Germany as representative. Lastly, the application fees must be paid within three months from the filing date. The GPTO’s application fee for an electronically filed individual application amounts to EUR 60.00, for an electronically filed multiple application to EUR 6.00 per design (minimum fee also in this case: EUR 60.00).

(4) Protectable Subject Matter and Substantive Requirements

According to Sec. 1 no. 1 of the German Design Act, the subject matter of protection of a Registered Design is “a design,” which is defined as any two- or three-dimensional appearance of the whole or a part of a product resulting from features like, in particular, the lines, contours, colors, shape, texture or materials of the product itself or its ornamentation. A “product” can be any industrial or handicraft item, including packaging, graphic symbols, typographic typefaces, but excluding computer programs. The German Federal Court of Justice recently overruled its longstanding earlier case law and expressly stated that the subject matter of a Registered Design must be the appearance of “one” design (instead of several designs). Consequently, design registrations with several representations showing different embodiments of a product (thus: several different designs) are now considered invalid (whereas the court previously interpreted the representations by determining the overlapping features of the different embodiments as the subject matter of the design registration). Hence, applicants for a Registered Design should be careful to ensure that all

representations filed with a design application show the appearance and embodiment of only one product. Different embodiments of a product should be protected by separate design registrations, which may be bundled by way of a multiple application.

The two basic substantive requirements for protection of a Registered Design are novelty and individual character. By contrast, as mentioned above, designs do not need to have any aesthetic quality anymore in order to be protectable by a Registered Design.

A design is considered as new if no identical design (only differing in immaterial details) has been made available to the public before the filing date of the design application (or the priority date, if applicable). However, the German Design Act also provides for a 12-month grace period of novelty. This means, if a design is published by, or on behalf of, the designer or his successor in title during the 12-month period preceding the filing date or priority date of the Registered Designs, the publication remains unconsidered from prior art. date of filing of the application, the publication remains unconsidered. The same applies if a publication by a third person was the result of information provided or action taken by the designer or his successor in title.

A design is considered to have individual character if its overall impression differs from the overall impression of any prior design—thus any design that has been made available to the public before the filing date or priority date. Whether a design has individual character has to be assessed from the perspective of an “informed user.” The “informed user” is neither an average consumer nor a sectoral expert, but somewhere in between (please also see the respective section in the EU chapter). Furthermore, when evaluating the individual character of a design, the degree of freedom of the designer in developing the design needs to be taken into consideration. The freedom of the designer in developing the design may be restricted by a design density within the prior art within the product sector concerned and/or technical constraints. The more the design freedom of the design is limited, the lower are the requirements for individual character.

(5) Protectability of Technical Features

Pursuant to Sec. 3 (1) no. 1 of the German Design Act, features of the appearance of a product, which are solely dictated by the technical function of the product (hereinafter: “solely functional features”), are excluded from design protection. However, as this provision only excludes individual design features from design protection, a Registered Design is only invalid if every (essential) feature of the Registered Design is solely functional, or, in the alternative, if, after the exclusion of the solely functional features, the remaining part of the design is not new and/or does not have individual character.

In order to assess whether a design feature is solely functional, German courts traditionally followed the so-called “multiplicity of forms theory” and asked whether there was an alternative design feature available in order to perform the product’s technical function in at least the same way. However, in 2015, the Regional Court of Düsseldorf deviated from this established rule and held that a design feature was also solely functional if its technical function was the only relevant factor which determined the designer’s choice in favor of this feature. This so-called “no aesthetic considerations test” was followed, *inter alia*, by the Third Board of Appeal at the EUIPO and also in certain member states of the EU. Thereupon, the Higher Regional Court of Düsseldorf referred the case to the European Court of Justice (ECJ) requesting a decision regarding the appropriate test for determining whether a design feature is solely functional (as the relevant provision in the German Design Act is based on Art. 7 no. 1 of the Designs Directive, it must be interpreted in accordance with EU law). The ECJ ruled in favor of the “no aesthetic considerations test,” stating that the assessment must be made having regard to all the objective circumstances relevant to each individual case, *e.g.* the particular use of the product and the existence of alternative designs that fulfil the same technical function (ECJ, Decision of March 8, 2018, C-395/16—*DOCERAM v. CeramTec.*).

In addition to the above, the German Design Act contains a so-called “must fit” exception. According to Sec. 3 (1) no. 2 of the German Design Act, design protection shall not subsist in features of appearance of a product which must be necessarily reproduced in their exact form and dimensions in order to fit into another product so that either product may perform its function (*e.g.*, the shape of a battery). Again, the exclusion of protection only concerns the “must fit”-element, but not the other features of appearance (*e.g.*, the graphical design of a battery).

(6) Filing Strategy

Single Applications/Multiple Applications Available?

Up to 100 designs may be combined in one multiple design application, whereby the included designs (different than in case of multiple Community design applications before the EUIPO) do not necessarily need to belong to the same Locarno class. The individual designs remain independent from another, but substantive fee reductions apply. A multiple design application can be divided by the GPTO at a later stage either ex officio or on request of the design owner. However, in the latter case, the additional application fees must be paid by the owner.

Protection of a Part of a Product Available?

Protection can also be sought for a part of a product. In general, such part of a product does not necessarily need to be independently marketable or reversibly sepa-

rable from the rest of the product. Nevertheless, a design for a component part of a complex product is only considered to be new and to have individual character if the component part—when incorporated into the complex product—remains visible during normal use of the latter and to the extent that those visible features in themselves fulfil the requirements as to novelty and individual character. Designs for component parts of a complex products, which are used for the purpose of the repair of those complex products are currently also protectable under the German Design Act. However, there is an ongoing legislative initiative in order to include a so-called “repair clause,” which would exclude repair parts from design protection.

Admissible Types of Lines/Meaning of the Lines

When applying for a Registered Design, at least one representation of the design must (and up to ten representations of the design may) be submitted. Photographs, drawing or other graphical representations are accepted. The representations should only show one embodiment of a product (not several embodiments) without any further objects and in front of a neutral background. In the event that only a part of a product shall be protected by the Registered Design, the unprotected parts must be clearly marked by way of a graphical disclaimer. Insofar, the GPTO explicitly recommends the use of broken lines but also accepts color shading, blurring and outlining as graphical disclaimers.

Amendments of Representations Admissible?

The representation(s) of the design must be filed together with the application and, in general, can neither be amended nor be withdrawn afterwards. However, in response to a respective objection by the GPTO, the applicant has the opportunity to exchange or amend representations in order to remedy its deficiencies (provided that this correction does not lead to an extension of the scope of protection). However, in some cases, such subsequent amendments and corrections might entail the postponement of the filing date. Hence, applicants should pay particular attention to the representations from the beginning on and, if possible, seek advice from experts when applying for a Registered Design.

Deferred Publication Available?

With the design application, it is possible to request the publication. When applying for a Registered Design, the applicant may request the deferment of publication for up to 30 months. The deferment of the publication has two main advantages: First, only the bibliographic data of the registration (not the representations) will be fully published. Thus, the design can be kept secret, *e.g.*, until the corresponding product is introduced on the market. Second, fee reductions apply, as protection is initially limited to 30 months. During this 30-month period, the owner of the design may decide whether the representations shall be pub-

lished, and the term of protection shall be extended to five years. Hence, deferment of publication is particularly beneficial for designs in fast moving industries such as the fashion industry. It should be noted, however, that, during the deferment period, the owner is not protected against any unlawful use of the design, but only against intentional copies.

(7) Owner of a Design

As a rule, the right to a Registered Design vests in the designer (or his successor in title) or, if two or more persons have jointly developed the design, in those designers jointly. If the design was developed by an employee in the execution of his duties or following the instructions given by his employer, the employer is entitled to the Registered Design, unless contractually agreed otherwise. However, regardless of the substantive ownership of a design, the applicant or the registered owner of the design, respectively, shall be deemed to be entitled and obliged in proceedings concerning a Registered Design

(8) Possible Attacks on the Validity of a Design

The invalidity of a Registered Design can either be claimed within invalidity proceedings before the GPTO or by way of a counterclaim within infringement proceedings before the competent civil courts. The possible grounds for invalidity are the same, whether the Registered Design is challenged before the GPTO or before the civil courts.

The grounds for invalidity of a Registered Design can be divided into two categories: absolute grounds for invalidity, which can be invoked by any natural or legal person, and relative grounds for invalidity, which can only be invoked by the owner of the respective earlier right. Absolute grounds for invalidity are the following: (1) The appearance of the product is not a “design” in accordance with the German Design Act; (2) The design lacks novelty or individual character; or (3) The design is excluded from design protection because, for example, every essential feature of the design is solely dictated by the technical function of the product, or the design is contrary to public policy or the accepted principles of morality. As relative grounds for invalidity, the owner of the respective earlier right may invoke that (1) The design constitutes an unauthorized use of a work protected by copyright law; (2) The design is in conflict with a prior Registered Design or a prior Registered Community Design; or (3) An earlier distinctive sign is used in the design, and the owner of the sign has the right to prohibit such use.

An application for the declaration of invalidity must be filed in written form with the GPTO. Upon filing, the prescribed official fee in the amount of EUR 300.00 must be paid. The application must specify the grounds for invalidity and comprise all necessary facts and supporting evidence. Furthermore, the conflicting

earlier designs or other rights must be indicated precisely. This is of particular importance since the GPTO is bound to the asserted grounds for invalidity stated in the application. The Design Unit of the GPTO serves the invalidity application on the owner of the challenged design, who may contest the application within one month. If the owner does not contest, the Design Unit declares the Registered Design to be invalid. If the owner does contest, the Design Unit continues the proceedings and decides on the basis of the facts and evidence submitted by the parties. In the event that the Registered Design is found to be invalid, it will be cancelled from the register and will be deemed void from the beginning. The decision of the Design Unit of the GPTO can be appealed to the Federal Patent Court. Under specific circumstances, even a further appeal to the Federal Supreme Court is available.

(9) Design Protection Statistics of the Past Three Years

As can be seen from the statistics made available by the GPTO, the number of applications for Registered Designs is declining steadily. Whereas, in 2016, the total number of Registered Design applied for was 57,309, the number fell to 46,741 in 2017 and even further to 42,670 in 2018. Against the background of the growing importance of designs in general, the declining numbers of national design applications can mainly be traced back to the possibility of obtaining EU-wide design protection through Community designs, which is often preferred—particularly by foreign applicants. The largest part of applications for Registered Designs is filed by applicants from Germany (in 2018, approximately 88 percent of all applications).

(Source: GPTO; Current Statistical Data for Designs, available under: https://www.dpma.de/english/our_office/publications/statistics/designs/index.htm)

(III) Design Enforcement

(1) Available Reliefs

German design law offers the rights holder the following remedies against infringers:

- Cease and desist claim
The cease and desist claim includes the infringer’s obligation to eliminate the current infringement as well as to refrain from using the design in the future.
- Damage claim
Provided that the infringer acted either intentionally or negligently, the rights holder is entitled to assert claims for damages. The rights holder can choose from three options for the calculation of damages: (1) Surrender of the infringer’s profit; (2) Compensation of the rights holder’s lost profit and; (3) An appropriate remuneration according to the so-called license analogy. The latter does not necessarily require an established license practice by the rights holder, but is rather based on a fictional cal-

ulation. The advantage of this fictional calculation (for both sides) can be the fact that internal figures do not need to be disclosed.

- Information claims

The rights holder can ask the infringer for extensive information about the origin and distribution channels of the infringing goods. This includes, *inter alia*, information about the manufacturers, suppliers and commercial buyers, as well as the number of goods ordered, received and distributed, including purchase prices and sales prices. In the case of obvious infringements, the rights holder is likewise entitled to assert these information claims against third parties such as those in possession of infringing goods or service providers whose services have been used in the course of the infringing action.

In order to be able to calculate damages, the rights holder may further ask for the rendering of accounts about realized turnovers and profits.¹

- Destruction claim

The infringer must destruct any infringing goods he owns or possesses. This also includes any objects that have primarily been used for manufacturing the infringing goods. As an alternative, the rights holder may ask the infringer to hand over the infringing goods in exchange for appropriate remuneration (limited to the construction costs).

- Right to recall

The rights owner is likewise entitled to ask the infringer to recall the infringing goods from their distribution channels. This does not include a recall from private consumers. According to recent case law of the German Federal Supreme Court, the lack of adequate recalling measures may even constitute a violation of cease and desist obligations.

- Cost compensation for attorneys' fees

If an attorney becomes active on the rights holder's side by way of a pre-procedural warning letter, the infringer is also obliged to compensate the rights holder for the attorneys' fees incurred. The amount of these fees is legally determined and, in the end, depends on the so-called value in litigation.

(2) Strategic Options (Offensive and Defensive)

There are several strategic options available to the rights holder when it comes to the enforcement of the above-mentioned claims. The same applies to potential defensive measures which are available to potential infringers when confronted with such claims:

Warning/Notice Letters

As a first step, the rights holder can assert his claims

against the infringer extrajudicially by way of a warning letter. A warning letter primarily includes the request to fulfill the cease and desist claim by signing a cease and desist declaration (but usually also includes any accessory claims). Adequate cease and desist declarations contain a legally binding declaration (including a penalty claim in case of violation) according to which the infringer undertakes not to infringe the design concerned in the future.

Sending a warning letter, thus, generally provides the opportunity for an extra-judicial settlement without costly and time-consuming court proceedings. At the same time, the infringer is being warned and may initiate potential counterattacks (which may lead the rights holder to the strategic decision to skip this step and initiate court proceedings right away). Although a warning letter is not required in advance of potential court proceedings, foregoing this pre-procedural step bears certain risks: If the infringer acknowledges the claims later asserted by way of court proceedings right away without having received a warning, the right holder has to bear the complete costs of the proceedings (despite winning the case). Furthermore, German courts are generally rather restrained when it comes to issuing (*ex parte*) preliminary injunctions without a prior warning letter. This development could already be observed over the last years but is to be even more expected due to a recent decision of the German Federal Constitutional Court,² which considered an *ex parte* preliminary injunction issued without a prior warning letter to the defendant to be unconstitutional.

However, in order to avoid any risks that may derive from sending an unlawful formal warning letter, the right holder may choose a softer approach by sending a so-called soft warning letter, in which he would not ask the alleged infringer to cease and desist from further use of the challenged design/product, but ask why he is entitled to use respective design. This could be a reasonable approach, for example, in case a design has been acquired by a third company, and the right holder is not absolutely sure if the other side owns a license (or is the true owner, designer respectively).

Preliminary Relief

In urgent cases, German Procedural Law offers the rights holder the opportunity to assert certain claims by way of expedited proceedings, *i.e.*, preliminary injunction proceedings. The benefit of preliminary injunction proceedings lies within the possibility to obtain a (preliminarily enforceable) restraining order against the infringer within a significantly shorter amount of time compared to main proceedings—*i.e.*,

1. According to established common law, this so-called dependant information claim follows from principle of good faith stipulated in Sec. 242 German Civil Code.

2. German Federal Constitutional Court, dec. of Sept. 30, 2018, 1 BvR 1783/17.

within a few days in case of *ex parte* injunctions (*i.e.*, without prior oral hearing of the defendant) and even a few weeks in case of *inter parte* injunctions (*i.e.*, including an oral hearing before issuing a decision). However, as already mentioned above, considering the recent decision of the German Federal Constitutional Court such *ex parte* injunctions without a prior warning are excepted to become the very rare exception.

At the same time, preliminary injunction proceedings must be initiated within a certain deadline starting from the first awareness of the infringing action concerned. The exact deadlines have been established by settled German case law and vary between the different court districts. Whereas the Higher Regional Court of Munich, for example, only grants a deadline of one month as of first knowledge, other Higher Regional Courts such as Berlin and Düsseldorf accept broader deadlines of up to two months. If the rights holders miss this urgency deadline, they disprove their need for an urgent decision, and their enforcement possibilities remain limited to main proceedings. Thus, the different urgency deadlines sometimes even affect the choice of the court.

Preliminary injunction proceedings primarily serve to enforce cease and desist claims, but may, under certain circumstances, also be available for the assertion of information claims (about the origin of the infringing goods)³ and custody claims (in order to preliminarily secure destruction claims). Rights holders must substantiate their claims with facts—and thus demonstrate why the alleged infringing design constitutes an infringement of their design. These facts have to be substantiated through *prima facie* evidence (instead of full proof as required in main proceedings).

With regard to the validity of the asserted design, German design law grants a presumption rule to the benefit of the rights holder, according to which courts have to consider a Registered Design—even though being an unexamined registered intellectual property right—to fulfil any validity requirements. Nevertheless, many courts ask for the presentation of the relevant prior art before issuing a preliminary injunction (*ex parte*). In most cases, the defendant has brought up such prior art within their pre-procedural reply to a warning letter (such responses should be presented to the court as well). If not, it is advisable to present a range of the relevant prior art within the request for a preliminary injunction right away. This particularly applies to designs by the rights holders themselves, if part of prior art.

As a served preliminary injunction is preliminarily enforceable, it is generally advisable to comply with

3. Sec. 46 (7) German Design Act, which requires an “obvious infringement” as requirement for enforcing this information claim within preliminary injunction proceedings.

the included rule or prohibition (unless the defendant does not want to risk enforcement measures such as fines or penalty payments). At the same time, the defendant has the following possibilities to react to a preliminary injunction issued against them:

- (1) *Object* to the decision (in case of an *ex parte* preliminary injunction), which would then be reviewed by the court including an oral hearing (the decision, however, remaining in force and being preliminarily enforceable during opposition proceedings). Generally, there is no deadline for such objection (despite forfeiture);
- (2) *Appeal* against the decision (in case of an *inter parte* preliminary injunction), which would then be reviewed by the next judicial instance;
- (3) Force the applicant to conduct ordinary *main proceedings* (the preliminary decision, however, remaining in force until the determination of main proceedings);
- (4) Request to annul the decision due to *changed circumstances*;
- (5) *Accept* the decision as final and binding between the parties by way of a so-called final declaration (this final declaration including a waiver of the judicial remedies, thus terminating the proceedings between the parties).

Protective Letters

When expecting a rights holder to file a request for a preliminary injunction (most likely after having received a warning letter), the (potential) defendant has the possibility of filing a so-called protective letter. This preventive defensive measure allows (potential) defendants to present their counterarguments to the court and, thereby, prevent a preliminary injunction (*ex parte*) without fair hearing. The court then decides on the basis of the filed preliminary injunction request and protective brief whether to (1) reject or (2) grant the preliminary injunction request or rather (3) schedule an oral hearing before its decision.

Protective letters must be filed electronically via a central register for protective letters (so-called “zentrales Schutzschriftenregister” [ZSSR]) and are valid for six months.⁴ This central register is binding for all (ordinary) German courts, which are obliged to check the central register for a potential protective letter before issuing a preliminary injunction. Filing a protective letter, thus, naturally underlies a special time pressure which is determined by the need to file faster than the rights holder.

Main Proceedings

Main proceedings are an alternative to preliminary injunction proceedings (but may even run simultane-

4. zssr.justiz.de.

ously). Within main proceedings, rights holders are able to enforce any of their claims, including further information claims about turnover, damage and cost reimbursement claims (not being enforceable within preliminary injunction proceedings).

Counterattack on Validity of Asserted Design

Within main proceedings, the defendant can defend themselves by attacking the validity of the asserted design. There are two options for this counterattack: in the course of an invalidity-counterclaim within the same infringement proceedings before the same court or by way of separate invalidity proceedings before the GPTO. In the first case (invalidity-counterclaim), the court uniformly decides about the validity of the asserted design as well as its infringement. If found invalid by unappealable court decision, the Registered Design will be deleted from the German Design Register (the infringement claim, as the logical consequence, being rejected). In the second case (separate invalidity proceedings before the GPTO), the court may suspend infringement proceedings according to its discretion (and: must suspend proceedings, if the court itself considers the design to be invalid).

Within main proceedings, the respondent is limited to these two optional counterattacks regarding the validity of the asserted design. If he neither files an invalidity-counterclaim nor initiates separate invalidity proceedings, the court must regard the asserted design as being valid.

Within preliminary injunction proceedings, nullity-counterclaims or suspensions of preliminary injunction proceedings due to separate invalidity proceedings are not available to the defendant. As a defensive measure, it is nevertheless advisable to present relevant prior art in order to object to the assumed validity or at least weaken the scope of protection of the Registered Design. Some courts, however, even require the initiation of invalidity proceedings before the GPTO by the defendant in order to (merely) grant the defendant the option to oppose the validity of the asserted design within preliminary injunction proceedings.

Customs Seizures

In accordance with German design law, rights holders are entitled to initiate customs seizures of infringing products that are being imported and/or exported into or out of Germany. In order to do so, rights holders must file an application to the customs office, identifying the Registered Design upon which the claim is based and pay a security deposit up front. Besides this, the application should include as much information on the identification of the original product as possible, as well as features which are frequently identified in its counterfeits (with according illustrations, if available). It is likewise advisable to conduct regular training courses in order to sensitize customs officers even

more efficiently towards potential counterfeits.

Once a potential counterfeit has been seized by a customs office, the importer/exporter has the opportunity to oppose this seizure. If he does not oppose it within two weeks, the seized goods are destroyed. If he opposes it, the rights holder is forced to submit a successful court decision within two weeks (*i.e.*, a preliminary injunction), which confirms that the seized goods constitute an infringement of the Registered Design upon which the claim is based.

From a practical perspective, customs seizures are a helpful instrument for identifying unknown counterfeits. Furthermore, seized goods may put additional pressure on defendants in combination with court proceedings. Since customs seizures based on German Registered Designs are, however, solely executed in cases of “apparent infringements” (meaning that an obvious violation of the Registered Design is apparent), customs seizures based on Registered Designs are predominantly suitable for preventing the import/export of classic product piracy, rather than similar designs from competitors, which require some margin of judgement.

(3) Procedural Aspects

(a) Court System, Instances and Specialization

Legal disputes within Design Law are handled by up to three instances:

- First instance proceedings before Regional Courts

In Germany, there is a special competence for design disputes of overall 18 Regional Courts (“Landgerichte”), determined by the 16 different federal states (“Bundesländer”). Within these Regional Courts, specialized chambers decide about the initiated design disputes. The chambers either consist of one professional and two lay judges (in case of a chamber of commerce) or three professional judges (in case of a civil chamber). Before Regional Courts, it is mandatory for the parties to be represented by a licensed German attorney.

Out of these Regional Courts, the claimant can choose whether he wants to initiate court proceedings before the court in whose district the defendant is domiciled or, alternatively, before the court(s) in whose district(s) the infringement action(s) took place.

- Second instance proceedings before Higher Regional Courts

The losing party can challenge the first-instance decision by appeal before the competent Higher Regional Court (“Oberlandesgericht”). The court re-evaluates if (1) the first instance decision has been based on a violation of law, or if (2) the underlying facts would justify another decision.

- Third instance before the German Federal Supreme Court.

As a potential third instance, the German Federal Supreme Court reviews the decision of the Higher Regional Court. The German Federal Supreme Court, however, deals exclusively with questions regarding the law, its interpretation and its application.

The Higher Regional Court gives leave to appeal to the German Federal Supreme Court, if the case at hand is of general relevance or if its outcome may lead to changes in German jurisprudence. If the Higher Regional Court refuses to give leave to appeal, the parties are still able to challenge this refusal before the German Federal Supreme Court directly (by way of a so-called *Nichtzulassungsbeschwerde*).

Both parties must be presented by a licensed attorney being explicitly approved before the German Federal Supreme Court.

(b) Who Can Sue?

Besides the owner of the Registered Design, the licensee is also entitled to initiate infringement proceedings. The latter (whether exclusive or non-exclusive), however, needs formal confirmation from the rights owner to enforce claims in their own name. Such confirmation is not required if the rights owner does not initiate court proceedings himself upon request of the exclusive licensee. Finally, each licensee may join court proceedings initiated by the rights owner in order to assert compensation for their own damages.

(c) Who Can Be Sued?

Anyone who uses the design concerned (*e.g.*, manufactures, offers, imports, exports or possesses the design concerned for these purposes)⁵ without the consent of the rights holder infringes the Registered Design and can be sued. This includes perpetrators, but also participants (such as, *e.g.*, instigators or assistants). In the case of obvious infringements, the rights holder is even entitled to assert information claims on the origin of the infringing goods against third parties (such as those in possession of infringing goods or service providers whose services have been used in the course of the infringing action).

Over and above this, German case law has established an additional form of liability (so-called “*Störerhaftung*”) according to which anyone who contributes to third parties’ infringement actions in any other way—*i.e.*, without being perpetrator or participant—may also be liable under certain circumstances. This applies for example to platform operators who—upon

being informed about a third party’s infringement action on their platform (so-called notice-and-take-down-request)—are not only obliged to remove the respective infringement, but also to prevent similar infringing actions in the future.

(d) Basis of Claims

When enforcing design rights before German courts, claims can be based on:

- Registered German Designs or
- Registered or Unregistered Community Designs or
- International Registrations designating Germany or
- International Registrations designating the EU.

Whereas claims based on Registered Designs as well as International Registrations designating Germany are *per se* limited to Germany (territory wise), claims based on Community Designs generally extend to the whole EU. Provided that the defendant is domiciled within Germany, or, if outside the EU, the claimant is domiciled within Germany, German courts also have the authority to decide for the whole EU. An exception applies where the defendant’s office is registered outside Germany, and where the international competence of German courts is merely based on the place of infringement. In such cases, the authority of the courts to decide is limited to the respective member state thus Germany.

(e) Admissibility of Evidence

Within German civil procedure, both parties must introduce the facts and offer supporting evidence that forms the basis of their claims and arguments. There is no further investigation by the court (as, by contrast, within German criminal or administrative proceedings). Accordingly, the court examines only the evidence provided, if the corresponding facts are contested by the other party. If not, the court must treat these facts as true.

According to German procedural law, the following five forms of evidence are admissible:

- Hearing of a witness,
- Hearing of the parties,
- Opinion of an expert,
- Visual inspection and
- Documents / certificates.

Within preliminary injunction proceedings, facts merely have to be substantiated through *prima facie* evidence (instead of full proof as required within main proceedings). Here, affidavits are admissible as evidence (instead of the hearing of witnesses).

(f) Structure and Timing of the Proceedings

German court proceedings basically progress as follows (in the case of main proceedings):

- Filing the Complaint

5. See Sec. 38 (1) German Design Act, which lists as examples the forms of use that exclusively belong to the rights holder.

As a first step, the claimant files a complaint to the court. However, as a rule, further facts and arguments may also be provided at a later stage.

The claimant must also pay the court fees upfront. Otherwise, the complaint will not be served to the defendant.

- **Service of the Complaint**

The complaint is then formally served to the defendant or, if applicable, to the defendant's attorney.

In case the defendant is domiciled abroad (and not yet represented by a German attorney), it is advisable to supplement the complaint with a certified translation from the beginning.

- **Notification and Substantiation of Defense**

The defendant must file his notification of defense to the court within two weeks of receiving the complaint. If the defendant misses this deadline, the court may, at the request of the claimant, issue a (contestable but preliminarily enforceable) judgement by default.

Within an extendable deadline of two further weeks, the defendant must substantiate his defense with facts and arguments.

- **Further Rounds of Writs**

There is usually at least a second round of writs, which allows claimant and defendant to react to the other side's arguments.

- **Oral Hearing**

After the written procedure, the oral hearing takes place (which usually takes only few hours). As throughout the entire proceedings, both parties must be represented by their attorneys.

At the end of the hearing, the court usually announces the date the ruling will be given.

- **Court Decision**

The issued court decision is served to the parties.

- **Appeal Proceedings**

Within one month of receipt of the decision, the losing party can initiate appeal proceedings. Appeal proceedings likewise start with at least two rounds of writs followed by an oral hearing.

Preliminary injunction proceedings progress as follows:

- **Filing Preliminary Injunction Request**

As a first step, the applicant files his preliminary injunction request including a complete substantiation of the asserted claims. In contrast to the practice in main proceedings, the court fees do not have to be paid upfront.

- **Decision of the Court**

Based on the preliminary injunction request and a potential protective letter, the court decides

whether to (1) reject or (2) grant the preliminary injunction request or rather (3) schedule an oral hearing before its decision, whereby, according to recent case law of the German Constitutional Court, rendering a preliminary injunction before hearing the defendant before, should be the exception. The following steps then depend on the court's decision.

- **Oral Hearing**

An oral hearing within first instance proceedings only takes place if the defendant opposes an issued *ex parte* preliminary injunction, or if the court considers an oral hearing as necessary before issuing a preliminary injunction.

- **Service of the Issued Preliminary Injunction**

Once the court has issued the preliminary injunction (either immediately upon request of the applicant or after an oral hearing), the applicant must serve the decision to the defendant.

- **Appeal Proceedings**

The losing party can initiate appeal proceedings within one month of receipt of the issued decision.

Timing Including Preparation

The duration of first instance main proceedings varies from court to court, but usually takes around nine to 12 months before a decision is issued by the Regional Court. Appeal proceedings usually take slightly longer, *i.e.*, around one-and-a half years before a decision is issued by the Higher Regional Court.

Preliminary injunction proceedings are significantly less time-consuming. In the case of *ex parte* injunctions (*i.e.*, without an oral hearing and involvement of the defendant), a preliminarily enforceable first instance decision is issued within few days sometimes hours, in case of *inter parte* injunctions, within few weeks. Appeal proceedings take approximately three months.

(g) Costs and Cost Reimbursement

Within German court proceedings, the losing party has to bear the costs of the proceedings (and therefore also compensate the winning party for their costs of the proceedings). In the case of a partial success/loss, the parties bear the costs of the proceedings on a respective percentage basis. The total costs of the proceedings comprise court fees, both parties' attorneys' fees, as well as any further necessary expenses (such as the costs for travelling, translations, test purchases, the hearing of witnesses or postal services).

The actual amount of these court and attorneys' fees are each legally prescribed and decisively depend on the so-called value in litigation. The value in litigation, again, is estimated by the court and decisively depends on the size of the defendant and the claimant, the economic success of the claimant's product and the potential harmfulness caused by the infringing prod-

uct. Deriving from average ranges of 100,000 EUR to 250,000 EUR, first instance proceedings lead to costs of 12,000 EUR to 20,000 EUR, and respective second instance proceedings, to additional costs of 15,000 EUR to 25,000 EUR (*i.e.*, statutory fees).

Nevertheless, most law firms in Germany charge their clients on an hourly basis, whereby law requires that attorneys have to charge at least aforesaid statutory fees for court proceedings. Consequently, even if you win court proceedings, the costs compensated may not cover all of the costs actually incurred.

(h) Enforcement of Decisions

Once a decision is legally binding (*i.e.*, not attackable with any legal remedies), the claimant can legally enforce the claims included in it in full. This is the case where either the defendant does not attack a first instance court decision at all (whereby it thus comes into legal force) or where the highest available instance has ruled a decision (thus no further legal remedy is available). During appeal proceedings, the claimant likewise has the possibility of enforcing a successful first instance decision, but only provisionally, and, in most cases, only upon the provision of a security payment. Preliminary injunctions are always provisionally enforceable without any provisions of security. However, claimants should bear in mind that they are liable for any damages resulting from their preliminary enforcement measures if the appeal overrules the first instance decision.

The enforcement measures available basically depend on the respective claims and comprise *e.g.*, fines (in the case of a violation of a cease and desist order), penalty payments (*e.g.*, in the case of refusing to fulfill information claims), seizure measures (*e.g.*, in the case of refusing to hand out infringing goods or in order to fulfill payment claims) or the order of custody (instead of imposed payments).

(i) Legal Remedies

The losing party can challenge the first instance decision of the Regional Court by appeal. This also applies to partial losses (for both parties).

In order to initiate appeal proceedings, the losing party must file its appeal with the Higher Regional court within one month after reception of the first instance decision. Within a further (extendable) deadline of one month, the party must substantiate its appeal. Appeal proceedings continue with a second round of writs for both parties which allow them to react to the other side's arguments, followed by an oral hearing.

The grounds for appeal can be that (1) The first instance decision is based on a violation of the law or that; (2) The underlying facts justify another decision. However, new facts, which have not been introduced within first instance proceedings, are accepted only under very strict conditions within appeal proceedings.

(j) Service Abroad

When it comes to the service of court decisions and writs to defendants outside Germany, there are basically two supranational regulations that apply: the EU Service Regulation⁶ in the case of services within the EU and the Hague Service Convention⁷ (an international treaty between 75 states) in the case of services outside the EU. Both regulations provide different options of service and oblige the contracting states to determine a local central authority that regulates service requests coming from abroad.

Nevertheless, the necessity of service abroad can significantly slow down proceedings and is a factor, which, in terms of facts, should play an important role in the decision of whether to initiate court proceedings against foreign defendants. The duration of the service of a writ abroad largely depends on the country of destination. Within Europe, one can expect time frames of around three months (in some cases, however, even longer). Service outside Europe usually takes significantly longer (*e.g.*, around six to nine months in the U.S.A.).

There are essentially two situations where the formal service of a writ is necessary: First, a complaint must be served to the defendant (executed by the German court) in order to officially institute pending main proceedings. Second, preliminary injunctions must be served to the defendant (executed by the applicant) in order to become (preliminarily) effective. Only if the foreign defendant is officially represented by a German lawyer from the beginning, does a service abroad become redundant. This is rather rare in the case of main proceedings (in order to delay proceedings, defendants' lawyers often only declare their power of representation when necessary, thus, after service of the claim), as well as in *ex parte* preliminary injunctions (*i.e.*, without prior oral hearing).

(4) Influence of Foreign Decisions

German courts are not bound to foreign decisions in any way. However, especially where open legal questions have not yet been subject to discussion within German jurisprudence yet, German courts consider the arguments in foreign decisions. Such a decision should, however, be introduced by the party that wants to rely on it. The potential influence is even more likely, if the decision comes from the court of another EU state (since national design law is harmonized throughout the EU). ■

Available at Social Science Research Network (SSRN): <https://ssrn.com/abstract=3519282>

6. EU Regulation No. 1393/2007 of 13 November 2007 on the service in the Member States of judicial and extrajudicial documents in civil or commercial matters.

7. Hague Service Convention November 15, 1965 on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters.

LESI Design Study—WIPO

By *Philipe Kutschke and Eva Maierski*

(I) Introduction

Brief History of WIPO

As early as 1883, a first big step on the road to help creators protecting their intellectual works in foreign countries was taken with the adoption of the Paris Convention for the Protection of Industrial Property (Paris Convention). The Paris Convention contains provisions dealing with industrial property in the widest sense, *inter alia*, industrial designs. In 1893, the two secretariats that initially were established to administer the Paris Convention and the Berne Convention for the Protection of Literary and Artistic Works (Berne Convention), were united and formed the United International Bureaux for the Protection of Intellectual Property—the predecessor institution of the World Intellectual Property Organization (WIPO). WIPO was then established by way of the WIPO Convention that was signed in 1967 and entered into force in 1970. WIPO is an intergovernmental organization having its headquarters in Geneva, Switzerland and being one of the specialized agencies of the United Nations (UN).

The Hague System

WIPO administers a multitude of multilateral treaties, *inter alia*, the Paris Convention, the Berne Convention and the WIPO Convention. Moreover, WIPO also administers treaties specifically related to the protection of industrial designs, such as the Locarno Agreement Establishing an International Classification for Industrial Designs (Locarno Agreement concluded in 1968) and the Hague Agreement Concerning the International Registration of Industrial Designs (Hague Agreement, adopted in 1925). Currently, two Acts of the Hague Agreement are in operation—the Hague Act of November 28, 1960 (Hague Act) and the Geneva Act of July 2, 1999 (Geneva Act). Seventy-one countries and two intergovernmental organizations (the European Union [EU] and the African Intellectual Property Organization [OAPI]) are parties to the Hague Act, the Geneva Act, or both (hereinafter: “Contracting Parties”). A list of the Contracting Parties can be found on the WIPO website under <https://www.wipo.int/export/sites/www/treaties/en/documents/pdf/hague.pdf>.

The Hague Agreement establishes an international filing system—the Hague System—that offers the possibility of obtaining design protection in up to 90 countries by means of a single application (hereinafter: “international application”). Such application must be filed with the International Bureau of WIPO, which is located in Geneva, Switzerland. Contrary to

the international registration of a trademark (Madrid), no base application or registration in one of the Contracting Parties is required. Furthermore, the Hague System simplifies the management of a multitude of design registrations. For example, each Contracting Party agreed on common requirements regarding the representations (which may differ from the individual national requirements of the Contracting Parties). As for the U.S.A., one of the benefits is also that the owner attains provisional rights for Hague-filed designs and will also not face issues regarding priority documents. One advantage for Japan is that, contrary to national filings, multiple designs can be filed together.

It must be stressed, however, that the Hague System is merely an agreement for international procedure. Thus, the International Bureau itself only conducts a formal examination. As the substantive requirements for design protection are entirely governed by the domestic legislation of the Contracting Parties, which may vary from country to country, any substantive examination can only be carried out by the domestic authority responsible according to the domestic law of the respective Contracting Party (hereinafter: “Office”).

(II) Design Protection

(1) Basics of Design Law

Legislative Framework of the Hague System

As mentioned above, the Hague Agreement is currently constituted by two international treaties: the Hague Act and the Geneva Act. The application of the London Act of June 2, 1934 (London Act) was frozen as of January 1, 2010, so that no new registration or designation could be made under the London Act as of that date. The Hague Act and the Geneva Act are autonomous and independent of each other. A potential Contracting Party may decide to become party to either one of the Acts, or to both. While the Geneva Act is open to any WIPO Member State and to certain intergovernmental organizations, the Hague Act remains open only to States that are party to the

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Paris Convention. The application of the Geneva Act and the Hague Act is supplemented by the Common Regulations Under the 1999 Act and the 1960 Act of the Hague Agreement (Common Regulations) and the Administrative Instructions for the Application of the Hague Agreement (Administrative Instructions).

Term of Protection

International registrations are valid for an initial period of five years and can be renewed for one or more five-year periods. The maximum term of protection depends on the domestic law of each designated Contracting Party. Requests for renewals must be submitted to the International Bureau together with the respective renewal fees and may be made for all or only a part of the designated Contracting Parties. Conveniently, renewal requests can be filed electronically via the electronic renewal interface available on the WIPO website.

Entitlement to File an International Application

In order to be entitled to file an international application under the Hague Agreement, an applicant must: (1) Be a national of a Contracting Party; or (2) Have a domicile in the territory of a Contracting Party; or (3) Have a real and effective industrial or commercial establishment in the territory of a Contracting Party. Additionally, but only under the Geneva Act, an international application may be filed by an applicant having a habitual residence in a Contracting Party.

Where Can Protection be Obtained?

Protection can only be sought for those Contracting Parties that are party to the same Agreement as the Contracting Party the applicant belongs to. However, an applicant enjoying multiple and independent entitlements (*e.g.*, by being a national of a state that is only party to the Hague Act and having a habitual residence in a state that is only party to the Geneva Act) may cumulate these in order to obtain protection on a broader geographical scale.

(2) Application Procedure

International applications may be filed directly with the International Bureau of the WIPO or—if the applicant's Contracting Party has not notified the International Bureau that international applications may not be filed through its Office—indirectly through the respective Office of the applicant's Contracting Party. In the case of indirect filing, transmittal fees may apply. The easiest, cheapest and fastest method of filing an international application with the International Bureau is to file online (E-filing). The E-filing interface also has the advantage of providing a real-time checking of certain formalities, which is particularly helpful in view of those formal requirements that differ between the Contracting Parties.

Upon receipt of an international application, the

International Bureau merely conducts a formal examination. By contrast, a substantive examination is—at all—exclusively carried out at a later stage by the Offices of the designated Contracting Parties. If the international application does not comply with all formal requirements, the International Bureau invites the applicant to make the required corrections within three months. If the international application does fulfil all formal requirements, it is registered in the International Register—usually within two to three months—and published in the *International Designs Bulletin*, which is published weekly on the WIPO website. Generally, the publication takes place six months after the international registration date. However, the applicant can also request immediate publication or deferment of publication.

Once the *International Designs Bulletin* is published, each Office is obliged to identify the international registrations in which it has been designated. The Office can then proceed with the substantive examination provided for by its domestic legislation (if any). If the Office finds no grounds for refusing protection, it may issue a statement of grant of protection. If the Office, by contrast, finds that the international registration does not comply with the substantive requirements for design protection, it may refuse protection in its territory. As regards the formal requirements, however, the national Office is bound by the decision of the International Bureau. A refusal of protection—either based on the result of the *ex officio* examination by an Office or based on an opposition lodged by a third party—must be notified to the International Bureau within six months following the publication of the international registration. Under the Geneva Act, this regular refusal period of six months is, in specific cases, replaced by a refusal period of 12 months. In the event of a refusal, the applicant can challenge the decision of the national Office by way of the same remedies that would be available according to the national design application procedure in the respective Contracting Party. If no refusal is notified to the International Bureau by the Office within the refusal period, the international registration has effect as a grant of protection in the respective Contracting Party, under the law of that Contracting Party.

(3) Formal Requirements and Fees

The filing of an international application does not require any prior national design application or registration. Thus, protection for an industrial design can be sought by an international application for the first time.

An international application must be filed in English, French or Spanish and on the official form, either in paper or online. It must contain, *inter alia*, the prescribed particulars concerning the applicant, a reproduction of the industrial design for which protection

is sought complying with the formal requirements (for details, please see below), an indication of the product which constitutes the design or in relation to which it is to be used, as well as the designation of the Contracting Parties in which the design shall be protected. Moreover, with regard to the designation of some Contracting Parties, additional requirements may apply, *e.g.*, that the international application must contain indications regarding the identity of the creator of the design, a brief description of the reproduction(s) or of the characteristic features of the design and/or a claim.

Furthermore, international applications are subject to the payment of prescribed fees. These fees comprise a basic fee, a publication fee and, in respect of each designated Contracting Party, either a standard fee or an individual designation fee. The Hague System Fee Calculator, available on the WIPO website (<https://www.wipo.int/hague/en/fees/calculator.jsp>) helps to quickly estimate the application or renewal fees. All payments to the International Bureau must be made in Swiss francs.

(4) Protectable Subject Matter and Substantive Requirements

The Hague System is merely an agreement for international procedure. The requirements regarding the protectable subject matter and the substantive requirements for design protection are entirely governed by the domestic legislation of the Contracting Parties.

(5) Protectability of Technical Features

Whether or not technical features of a design may be protected, is also a substantive requirement for design protection, which, therefore, is exclusively governed by the domestic legislation of the Contracting Parties. The Hague System does not lay down any requirements in this regard.

(6) Filing Strategy

Single Application/Multiple Applications Available?

The Hague System allows applicants to register up to 100 different designs in a single international application, provided that all designs belong to the same Locarno class.

Protection of a Part of a Product Available?

Whether design protection can also be sought for a part of product is governed by the domestic legislation of the respective designated Contracting Party.

Formal requirements regarding reproductions/Admissible Types of Lines/Meaning of the Lines

The reproductions filed with an international application must comply with the formal requirements stipulated in the Administrative Instructions. Otherwise, the International Bureau may treat the international application as irregular. However, even if the reproductions fulfil these requirements, the Office of

a Contracting Party may find that the reproductions do not fully disclose the design and may, therefore, refuse the protection of this design on its territory. In this respect, it should be noted that the criteria for sufficient disclosure may differ from one jurisdiction to another. While the different requirements cannot be discussed in detail here, the WIPO—in consultation with the Examining Offices under the Hague System—issued a “Guidance on Preparing and Providing Reproductions in Order to Forestall Possible Refusals on the Ground of Insufficient Disclosure of an Industrial Design by Examining Offices,” which is available on the WIPO website. In the following, an overview of the most important formal requirements stipulated in the Administrative Instructions is given:

According to the Administrative Instructions, the reproductions of the industrial design for which protection is sought may be in the form of photographs or other graphic representations. In the latter case, the graphic representations may include shading and hatching to indicate relief. By contrast, technical drawings which show the respective article in section or in plan are not accepted. The reproductions may be in black and white or in color. The reproductions should depict the industrial design, or the product in relation to which it is to be used, alone. No other object, accessory, person or animal should be visible.

As far as the Administrative Instructions are concerned, there is no limit on the number of reproductions per design included in an international application. Most importantly, the applicant should ensure that all features of the design for which protection is sought, are fully represented. Therefore, the WIPO recommends to file at least six orthogonal views of a three-dimensional product from different angles (front, back, top, bottom, right side and left side), or two views (front and back) of a two-dimensional product (*e.g.*, postcard, fabric, etc.).

Parts of a product and/or features of a design which are shown in a reproduction, but for which no protection is sought, may be indicated by means of dotted or broken lines or coloring, and/or explained in the description. As dotted or broken lines may have a variety of meanings in the different Contracting Parties, it is recommendable to provide an explanation in the description. (For example, it may be unclear whether the broken lines indicate a disclaimed part of the design or stitching on a garment).

Amendments of Representations Admissible?

In general, as regards the procedure before the International Bureau, the reproductions submitted with the international application cannot be amended after the filing. However, in the event that the International Bureau considers the reproductions to not comply with the formal requirements, it gives the applicant the opportunity to make the required cor-

rections within three months. If the reproductions are not corrected within this time limit, the international application is considered abandoned. Furthermore, as the case may be, the domestic laws and practices of some Contracting Parties may allow the amendment of the reproductions (for example, the submission of additional views) in proceedings before the Office of this Contracting Party. In such a case, the Office will inform the International Bureau of the amendment and the amendment will be published in the International Designs Bulletin.

Deferred Publication Available?

Upon request of the applicant within his application, the publication of the designs can be deferred for a maximum period of 12 months (under the Hague Act) or 30 months (under the Geneva Act) from the filing date or priority date, respectively. However, under the Geneva Act, a Contracting Party may declare that no deferment is allowed or that only a shorter period of deferment is available. The Contracting Parties which have made such a declaration as well as the respective applicable deferment period are indicated on the application form and the E-filing interface.

(7) Possible Attacks on the Validity of a Design

The validity of an international registration cannot be challenged as a whole, but only with regard to the individual designated Contracting Parties. The proceedings are entirely governed by the domestic law of the respective Contracting Party. Hence, the grounds for invalidity as well as the proceedings as such may differ significantly in the different jurisdictions. In any case, it should be noted that an invalidation decision rendered by an authority of a designated Contracting Party only affects the validity of the international registration on the territory of this particular Contracting Party. In the event that an international registration is invalidated in a designated Contracting Party and the decision is no longer subject to any review or appeal, the respective Office notifies the International Bureau accordingly. The International Bureau then records the invalidation in the International Register.

(8) Design Protections Statistics of the Past Three Years

The global trend of the growing importance of industrial designs is also reflected in the statistics re-

garding international applications under the Hague System. In 2018, the total number of international applications grew by 3.3 percent, reaching 5,443 applications (in 2016, 5,580 applications were filed, in 2017, 5,256 applications). The total number of designs contained in international applications slightly decreased by two percent after 11 years of uninterrupted growth (total number of designs contained in international applications in 2016: 18,802; in 2017: 19,745; in 2018: 19,441).

However, the use of the Hague System is still highly concentrated on a few Contracting Parties. Combined, the top 10 Contracting Parties accounted for almost 80 percent of all designs in 2018. Applicants based in Europe accounted for 71.1 percent of all designs in 2018, with Germany—as in the 32 years before—being the largest user of the Hague System, based on designs count (20.3 percent). Switzerland (12.2 percent), the Republic of Korea (7.5 percent), France (7.5 percent) and the Netherlands (7 percent) follow on positions two to five. While following the accession of Japan and the Republic of Korea, the share of Asian countries has increased from 2.7 percent in 2008 to 20.4 percent in 2018, the combined share of African countries lies under 0.5 percent.

The EU was the most designated Contracting Party in international applications in 2018, with 3,649 designations containing 14,812 designs, followed by Switzerland (8,786 designs), Turkey (5,745 designs), the U.S. (5,012 designs) and Norway (3,195 designs).

(Sources: Hague Yearly Review 2015-2019: https://www.wipo.int/edocs/pubdocs/en/wipo_pub_930_2019.pdf; WIPO IP Statistics Data Center: <https://www3.wipo.int/ipstats/pmindex.htm?tab=hague>)

(III) Design Enforcement

(1) Available Reliefs

The International Registration leads to a bundle of national/territorial (EU/OAPI) rights. Thus, enforcement of each of these national design rights follows the respective national prerequisites. ■

Available at Social Science Research Network (SSRN): <https://ssrn.com/abstract=3519444>

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George Hwang

Tilman Müller-Stoy

Patrick Terroir

Madelein Kleyn

Charmaine Koo

Stefan Völker

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Martha Laura Lopez Orue

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Jose Miguel Lissen

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