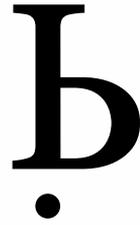


Designs 2015

Germany
Henning Hartwig
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Legal framework

Design law in Germany consists of the Designs Act, harmonised to a substantial degree with the EU Designs Directive (98/71/EC) and the EU Community Designs Regulation (6/2002), which protects registered and unregistered Community designs. German design registrations are administered by the designs unit of the German Patent and Trademark Office (GPTO) located in Jena, Germany; registered Community designs are administered by the Office for Harmonisation in the Internal Market (OHIM) in Alicante, Spain.

Key requirements for establishing design protection are novelty and individual character, as provided in Articles 5 and 6 of the Community Designs Regulation, the parallel provisions of the Designs Directive and Section 2 of the Designs Act. To establish novelty, a design must vary in more than just immaterial details from any prior design. Whether a design has individual character depends on whether it creates the same overall impression on the informed user as an earlier design.

According to the General Court, this imaginary informed user is a person who is particularly observant and who has some awareness of the previous state of the art (ie, the previous designs relating to the product in question that had been disclosed as of the date of filing of the design). The status of ‘user’ implies that such person uses the product in which the design is incorporated, in accordance with the purpose for which the product is intended. The qualifier ‘informed’ suggests in addition that, without being a designer or a technical expert, the user knows the various designs which exist in the relevant sector, possesses a certain degree of knowledge with regard to the features which those designs normally include and, as a result of his or her interest in the relevant products, shows a relatively high degree of attention when he or she uses them (*Kastenholz v QwatchMe*).

Unregistered designs

At EU level, rights in designs can be acquired through registration and disclosure. Protection through disclosure as an unregistered Community design is provided



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for a period of three years from the date on which the design is first made available to the public within the European Union, pursuant to Articles 11 and 110a of the Community Designs Regulation. Protection by way of an unregistered Community design does not require any kind of use; the design must simply be disclosed in such a way that, in the normal course of business, the disclosing event could reasonably have become known to the circles specialised in the relevant sector, operating within the European Union. First disclosure outside of the European Union creates no such rights in Europe (German Federal Supreme Court in *Bakery Press*).

German law provides protection for registered designs only. However, if a design is filed in Germany and publication of the registration constitutes first disclosure of the design, this establishes – automatically and simultaneously – protection as an unregistered Community design for three years, which will co-exist with the registered German design right.

Different from registered design rights, an unregistered Community design protects only against use resulting from copying the protected design (Article 19(2) of the Community Designs Regulation), allowing the accused infringer to demonstrate that the contested use resulted from an independent work of creation by a designer who may be reasonably thought to be unfamiliar with the design made available to the public by the rights holder (corresponding questions have been referred by the German Federal Supreme Court to the European Court of Justice for a preliminary ruling in *Garden Pavilion*).

Moreover, according to the German Supreme Court in *Bolero Jacket*, the owner of an alleged unregistered Community design must prove (without any privilege of legal presumption) that the asserted rights vest in the claimant, providing clear evidence covering disclosure of the design and, in case of non-identity between designer and claimant, transfer of rights, which may cause major problems in practice.

Registered designs

To register a German or Community design, an application form must be filed, containing a representation of the design that is suitable for publication and an indication of at least one product in which the design is intended to be incorporated or to which it is intended to be applied. The goods are classified in accordance with an international classification system established by the Locarno Agreement, administered by the World Intellectual Property Organisation. A multiplicity of designs can be included in one multiple application (up to 100 for German designs; no limit for Community designs, but up to 99 in case of online filing), provided that they have a common (main) class of goods.

Filing multiple designs in a single application helps to save fees: the German design application fee is €7 per individual design, with a minimum fee of €70 per application. In case of a single Community design application, the applicant must pay a registration fee of €230 and a publication fee of €120; in case of a multiple application, this is reduced to €115 (registration) and €60 (publication) for the second to 10th designs and to €50 (registration) and

€30 (publication) from the 11th design onwards. Since March 1 2010 the GPTO has offered online application, as does OHIM. For electronic filing with the GPTO, the application fee is €6 per design with a minimum fee of €60 per application (the fees for electronic filing with OHIM are the same as for filing paper applications.)

German design law provides protection for a ‘design’, meaning the two or three-dimensional appearance of the whole or a part of a product resulting from the features of, in particular, the lines, contours, colours, shape, textures and/or materials of the product itself and/or its ornamentation. ‘Product’ means any industrial or handicraft item, including parts intended to be assembled into a complex product, packaging, get-up, graphic symbols and typographic typefaces, but excluding computer programs. ‘Complex product’ means a product which is composed of multiple components which can be replaced, permitting disassembly and re-assembly of the product.

Whether and to what extent spare parts – particularly car spare parts – should be protected by design law is still not clarified under European design law. There are some major obstacles to the protection of spare parts. In order for a spare part to qualify for design protection, it must be visible during normal use, which a large number of spare parts are not. No protection is granted for a spare part that requires a particular appearance or shape in order for it to fit or connect with another product (ie, if it is purely functional and/or classified as a ‘must-fit’ product). Where a design is required in order for a spare part to match the rest of a car, a design right subsisting in an identical spare part cannot be enforced to prevent such use for repair purposes. This is known as the ‘must-match’ exception. However, contrary to Community design law, the right to prevent use for the purpose of repair is still provided by some national design laws. For instance, Germany provides this right, which is successfully enforced by design owners.

Procedures

After filing the application form, the GPTO or OHIM examines whether:

- the application contains formal defects;
- the design complies with public policy and accepted principles of morality; and
- the design applied for is eligible for design protection.

If these requirements are fulfilled, the design will be registered and published in the electronic *Designs Gazette*. A registered German or Community design initially has a life of five years from the filing date and can be renewed for five-year terms up to a maximum of 25 years from the filing date. For this purpose, renewal fees must be paid.

The renewal fees for each registered German or Community design (including multiple applications) amount to:

- €90 for the second term of protection;
- €120 for the third term of protection;
- €150 for the fourth term of protection; and
- €180 for the fifth term of protection.

If protection is not maintained, the term of protection expires and the registration is cancelled from the Designs Register.

German and Community designs are not examined for novelty and individual character before registration. Thus, the potential invalidity of an asserted design right is of utmost importance when it comes to litigation. Unlike in trademark cases, according to common practice, in more or less all design infringement cases the accused defendant argues that the design in suit is invalid due to lack of novelty or individual character.

Requests for a declaration of invalidity of a registered Community design may be filed directly with OHIM or by way of a counterclaim in infringement proceedings. Challenges to registered German designs are not dealt with by the GPTO, but may be brought before a competent civil court directly or as a counterclaim to an infringement action. Even where the validity of the design in suit is not challenged, the infringement court is called to assess the scope of protection of the asserted design right, which corresponds to the design’s individual character (concept of reciprocity).

Enforcement

Infringement of Community designs (whether registered or unregistered) falls under the competence of the Community design courts. These are national courts designated by the EU member states to deal with Community design cases. In Germany, an infringement case is usually commenced by sending a warning letter with a cease-and-desist declaration, containing a contractual penalty in case of violation. Should the matter not be resolved as a result of such a warning letter, the proprietor of a trademark, design or copyright will usually file proceedings for a preliminary or permanent injunction.

The legal tools at the disposal of the claimant in infringement proceedings include claims for:

- cease and desist (injunctive relief);
- destruction of the infringing products;
- detailed information and rendering of accounts about infringement activities by the defendant; and
- damages, which may be recovered as either the defendant's profits, the claimant's actual loss or the equivalent of a reasonable royalty.

Punitive damages are not awarded

In Germany, many contentious matters are decided in preliminary proceedings. District court decisions may be appealed to the courts of appeal. There is no further appeal in such cases to the Federal Supreme Court. German courts are prepared to grant a preliminary injunction *ex parte* if the petitioner can present evidence as to ownership and validity of its design right, sufficient likelihood of infringement and urgency of the matter. The claimant must therefore request preliminary relief shortly after becoming aware of the allegedly infringing activity (one or two months at the most), calculated from the time when it first obtained knowledge of all relevant circumstances.

Following implementation of the EU IP Rights Enforcement Directive (2004/48/EC) into German law, preliminary proceedings in general allow for the assertion of claims for preservation of evidence, inspection or securing damages (submission of bank, financial or commercial documents).



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Henning Hartwig's practice includes the prosecution and litigation of IP rights in trademark, design, copyright and unfair competition law. He focuses on national and international industrial design law – in particular, multinational design infringement proceedings and invalidity proceedings before the Office for Harmonisation in the Internal Market and the European courts.

As editor of the four-volume casebook *Design Protection in Europe*, Dr Hartwig has unique access to unpublished decisions on Community and national design law. Clients in this field include manufacturers of computers, electronic games, fitness equipment and clothing.

Dr Hartwig frequently publishes and speaks on design matters.

German courts tend to grant preliminary injunctions on the grounds of unregistered rights if specific requirements are fulfilled. This applies in particular to unregistered Community designs. The petitioner may assert claims for cease and desist, the disclosure of information about the infringing act and a preliminary seizure order. However, the preliminary enforcement renders the petitioner potentially liable for any damage suffered by the defendant as a consequence of the preliminary enforcement if the case is later decided against the petitioner. For this reason, the petitioner is sometimes ordered to provide a bond (cash or bank guarantee) to cover this risk before the preliminary enforcement can take place. The amount

of this bond is determined by the court, depending on the value in litigation and potential damages which may be caused by preliminary enforcement.

The length of proceedings in design infringement cases may differ from court to court and may vary depending on the court's workload. Main proceedings for design infringement are likely to take between six and nine months at first instance, from filing of the complaint until rendering of the judgment. Depending on the practice of the court, there may be one or two hearings in a typical case. If the court orders the taking of evidence, there may be one further court session to hear witnesses or experts; in such case the proceedings will typically take an additional three months. Appeal proceedings are likely to take approximately between nine and 12 months on average, with usually only one court hearing. Again, if evidence is taken at the appeal stage, approximately three months should be added. If a further appeal to the Federal Supreme Court is admitted, the proceedings before that court are likely to take between 18 months and two years.

Ownership changes and rights transfers

Changes in the ownership of design rights (assignment or other transfer) require no specific formalities to be met in order to be valid. Pursuant to Article 28 of the Community Designs Regulation, at the request of one of the parties, transfer of a registered Community design shall be entered in the register and published. Until such time as the transfer has been entered in the register, the successor in title may not invoke the rights arising from registration of the Community design. The procedures in Germany for recording a change in ownership of a registered German design are similar to those applied by OHIM.

Related rights

Pursuant to Article 96 of the Community Designs Regulation, Community design protection is without prejudice to any provisions of Community law or of the law of EU member states relating to unregistered designs, trademarks or other distinctive

signs and unfair competition or copyright, among other things. There is a fundamental difference between design protection on the one hand, and protection against deception of origin on the other (German Federal Supreme Court in *Jeans I*).

The appearance of the whole or a part of a product may be protected by (unregistered or registered) design rights and simultaneously qualify for protection under other IP rights, particularly under copyright and trademark law. For example, a figurative mark may also be registered as a design (if new and individual); the three-dimensional appearance of a product, which can be protected as a design, may also be registered as a trademark (provided that it is distinctive). Likewise, in principle, logos can be protected as designs and trademarks.

Designs may also be protected under copyright law. Whether they qualify for protection depends on the applicable law of the relevant EU member state. In contrast to design and trademark law, no EU-wide copyright law exists and the requirements for copyright protection for designs or works of applied art have not been harmonised. As a rule, for a design to constitute a 'work' protected under copyright law, the design must be the result of a personal intellectual creation, containing the imprint of its author's personality. In principle, this implies a higher standard of originality than the individual character requirement for design protection. **WTR**



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