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General Court expands notion of 'complex product' European Union - MAQS Law Firm Design Cancellation International procedures

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In *Cezar v Office for Harmonisation in the Internal Market* (OHIM) (Case T-39/13, October 3 2014), the General Court has annulled a decision of the Third Board of Appeal of OHIM in which the latter had upheld the cancellation of a registered Community design (RCD) based on a lack of novelty and individual character.

Cezar Przedsiębiorstwo Produkcyjne Dariusz Bogdan Niewiński registered the following design as a RCD for "skirting boards" in Class 25-02 of the Locarno Agreement:

Such skirting boards are used to cover a recess designed to accommodate electric cables or telephone lines in walls or floors.

Poli-Eco Tworzywa Sztuczne sp zoo filed an application for a declaration of invalidity of the RCD based on Article 25(1)(b), read in conjunction with Articles 4, 5 and 6, of the Council Regulation on Community Designs (6/2002). Poli-Eco argued that the contested design was not new due to the fact that identical designs had been placed on the market.

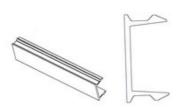
The Cancellation Division of OHIM upheld Poli-Eco's application on the ground that the contested design was not new. In essence, there was no visible difference between the contested design and the following earlier design (Design D1 from the Döllken catalogue) during its normal use when the only visible feature was its front surface:

Cezar appealed. The Third Board of Appeal of OHIM dismissed the appeal, holding that the contested design was part of a complex product as defined in Article 3(c) of the regulation, and that the only visible part of the design was the flat surface, which was identical to the flat surface of Design D1. Therefore, it was not a new design. The overall impression of the contested design was also identical to that of Design D1 and, therefore, it had no individual character.

Cezar further appealed to the General Court. The court began by assessing :

- 1. whether the contested design constituted a component part of a complex product;
- 2. if so, which parts of that design were visible during normal use; and
- 3. how those results compared to earlier designs.

With regard to the first issue, the court held that the only features that need to be taken into account when comparing designs are those that are visible during normal use, in accordance with Article 4(2)(a) of the regulation. Although Cezar maintained that the design was a multifunctional product since it can be utilised





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in a number of ways - that is, as an insert in a skirting board, wall or floor, and also as a standalone product, the court held that the latter use was a hypothetical use which could not be taken into account. Accordingly, the court found that the contested design would essentially be applied to a component part for use as an insert to cover a recess. The design thus constituted a component part of a complex product.

With regard to the second issue, the court held that the visible features of a design which constitutes a component part of a complex product must fulfil in themselves the requirements of novelty and individual character. It further held that 'normal use' means use by the end user, excluding maintenance, servicing or repair work, in accordance with Articles 4(2)(b) and 4(3) of the regulation. The court stated that the only use that can be taken into account in the present analysis was the use as an insert to cover a recess. The visibility of the contested design's features must therefore be solely assessed in the context of its use as an insert to cover a recess in a skirting board or wall, and it was only the flat surface of the contested design which remained visible when the design was used to cover a recess in a skirting board or wall. The court further held that the installation of such skirting boards was covered by the exception in Article 4(3) of the regulation. During normal use, skirting boards are removed only when the room is refurbished or when cables or telephone lines are repaired or replaced; therefore, normal use does not include the regular disassembly and inspection of the insert. The court also summarily rejected uncommon uses which allow users to view the cross-section of the skirting board, or hypothetical examples of transparent skirting boards.

With regard to the third issue, Cezar submitted that the earlier design consisted of a simple line with a short hook at each end. Since no three-dimensional product was represented in the drawing, any image of a flat surface was unclear and vague. The court held that Articles 5 and 6 of the regulation do not require the graphic representation of a design for which registration has already been sought to include a perspective view, as long as the graphic representation allows the shape and features of the design to be identified. The Board of Appeal had rightly concluded that the design and shape of the earlier design could be identified, along with the way in which it was to be used.

The court then assessed whether the earlier design was visible during normal use. The only visible feature of the design was the flat front surface; however, the design was to be attached to the back part of a skirting board. It followed that the earlier design was not visible during normal use of the complex product of which it was a part. The Board of Appeal had contended, when determining the use of the contested design, that the examples of skirting boards submitted in support of the application of invalidity consisted of a flat base part with protruding elements mounted on the wall and a skirting board attached to those elements by means of another set of protruding elements closely fitted together and located on its back surface. From this, the Board of Appeal had found that the element represented by both the contested design and the earlier design was not visible. A design constituting a component part of a complex product which is not visible during normal use of that complex product cannot be protected under Article 4(2)(a). The novelty and individual character of a Community design cannot be assessed by comparing that design with an earlier design which, as a component part of a complex product, is not visible during normal use of that product. The criterion of visibility also applies to the earlier design.

Accordingly, the court held that the Board of Appeals had made an error of assessment when comparing the two designs, since it had held that, during normal use, the front part of the product to which the earlier design was applied and which was a part of a complex product remained visible. In doing so, the Board of Appeals had failed to identify correctly the visible elements of the earlier design. An application for invalidity cannot be based on an earlier design which, as a component part of a complex product, is not visible during normal use of that product. The court thus annulled the Board of Appeals' decision and ordered OHIM to bear Cezar's costs.

This is a complicated case, but the fact that the Board of Appeals' decision was annulled does not mean that Cezar's design is enforceable, after being found invalid by the Cancellation Division and the Board of Appeal. Rather, the board erred in law in its assessment of the prior design.

This case is interesting because it sheds some light on the potential scope of the expression 'complex products', in that it was held that skirting boards are component parts of 'walls' or 'floors'. The decision may also indicate that the court is generally reluctant to acknowledge the existence of exclusive design rights in technical connecting elements, which are not visible to the general public. Although this was not mentioned by the court, it would appear that the informed user here must focus exclusively on the visible elements, and ignore the non-visible elements, in making an assessment as to whether the two designs give the same overall impression.

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