
Contributing firm
BARDEHLE PAGENBERG - Studio Legale Casucci Ferretti STP



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Legal framework

In Italy, the appearance of a product as a design can be protected through either a registered or unregistered Community design, or a registered national design. National registrations can be applied for at the Italian Patents and Trademarks Office (*Ufficio Italiano Brevetti e Marchi* – UIBM). The legal basis is provided in Articles 31 to 44 of the IP Code, which is fully harmonised with the EU Designs Directive (98/71/EC).

Registered Community designs, administered by the Office for Harmonisation in the Internal Market (OHIM), automatically cover all EU member states and are regulated by the EU Community Designs Regulation (6/2002). The regulation also provides for the protection of unregistered designs (see below). Designs can also be protected by means of copyright and three-dimensional (3D) trademark registration. A further way to protect the appearance of a product consists

of invoking the national rules related to the prohibition of unfair competition (see below).

Unregistered designs

Italian design legislation does not recognise unregistered design rights. Pursuant to Article 11 of the Community Design Regulation, a design “shall be protected by an unregistered Community design for a period of three years as from the date on which the design was first made available to the public within the Community”. The scope of protection of the unregistered design is much more limited than the registered right – a rights holder that invokes an unregistered Community design may enforce its rights only against a wilful or negligent “copy” (Article 19 of the regulation). Even in case of an identical reproduction, such act does not constitute an infringement if “it results from an independent work of creation by a designer who may be reasonably thought not to be familiar with the design made available to the public by the holder”. The notion is thus similar to the well-known ‘creative coincidence’ exception under copyright law.

In view of the ease with which a registered design may be obtained and the low fees required, it is advisable to seek protection through registered designs. Nevertheless, unregistered design rights may prove useful when prosecuting cases.

Registered designs

The requirements that must be fulfilled in order to register a national or a Community design are the same. In terms of the subject matter, any “appearance of the whole or a part of a product resulting from the features of, in particular, the lines, contours, colours, shape, texture and/or materials of the product itself and/or its ornamentation” (Article 3, Lit a of the Community Design Regulation) can be registered. The requirements for protection are novelty and individual character.

First, the relativity of these requirements (compared to the absolute nature of the novelty requirement in patent law) must be considered. In particular, in order to assess the novelty and individual character of a design, the comparison with the prior art is limited to such earlier designs which “reasonably have become known in the normal course of business to the circles specialised in the sector concerned, operating within the Community” (Article 7 of the regulation). Thus, not all disclosures are relevant.

Any disclosures made by the designer (or the successor in title) during the 12 months preceding the filing or priority date will not be taken into account. This period is referred to as the ‘grace period’. The grace period offers a great opportunity for individual designers and small companies because they can show their new designs (eg, at trade fairs) and still have 12 months in order to decide whether to register the design. However, this positive aspect is balanced by other countereffects. First, in case of infringements which happened during the grace period and which are brought before the court after the registration date, in principle the court should apply the more limited unregistered right approach in assessing infringement and damages for the period before registration. Second, not all countries accept the grace period concept. Some of them apply an absolute concept of novelty, as in the patent system (eg, China since 2009). Thus, disclosing a design without registration may be

sufficient for Europe, but prior disclosure may destroy the novelty element elsewhere.

As regards individual character, this requirement is met if “the overall impression [that the design] produces on the informed user differs from the overall impression produced on such a user by any design which has been made available to the public” (Article 6 of the regulation). The crucial issue is the determination of the ‘informed user’ in the individual case.

In *PepsiCo v Grupo Promer* the European Court of Justice (ECJ) stated that: “the informed user is not the well-informed and reasonably observant and circumspect average consumer who normally perceives a design as a whole and does not proceed to analyse its various details, he is also not an expert or specialist capable of observing in detail the minimal differences that may exist between the designs in conflict. Thus, the qualifier ‘informed’ suggests that, without being a designer or a technical expert, the user knows the various designs which exist in the sector concerned, possesses a certain degree of knowledge with regard to the features which those designs normally include, and, as a result of his interest in the products concerned, shows a relatively high degree of attention when he uses them.” Therefore, the informed user is not an imaginary person, but rather a very real one such as a professional buyer or a marketing specialist in the field concerned.

Further, “in assessing individual character, the degree of freedom of the designer in developing the design shall be taken into consideration” (Article 6(2) of the regulation). Only a real market expert can assess these criteria properly. The proper definition of a ‘real informed user’ is essential, as it is often decisive when assessing the validity of a design or its infringement. This issue becomes relevant only after registration, because no examination on the merit is made by OHIM or the UIBM when granting design registrations.

Procedures

To register a Community or Italian design, an application form must be filed. Such form must contain a representation of the design that is suited 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 the 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 (for Italian designs, a limit of 100 is applied, even though the IP Code does not state this clearly; for Community designs there is no limit, although only up to 99 can be filed online), provided that they have a common (main) class of goods. Filing multiple designs in a single application helps to reduce fees.

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

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

If these requirements are fulfilled, the design will be registered and published in the electronic *Designs Gazette*. The first five-year term of protection starts from the date of filing. For registered Community designs, after registration publication may be deferred for up to 30 months.

Community and Italian designs are not examined for novelty and individual character before registration. Thus, the potential invalidity of an asserted design right may become an issue only when it comes to litigation. Requests for a declaration of invalidity of a registered Community design may be filed only directly at OHIM. Direct requests for nullity of an Italian registered design may be filed only before the specialist IP court of the district where the registered proprietor is domiciled (this may not correspond to the legal seat of the design owner). For both Community and national design registrations, nullity can be requested via counterclaim (with EU-wide effect in case of a registered Community design) before the court with jurisdiction for the infringement issues.

Enforcement

The Community design courts have competence to hear cases involving the infringement of registered and unregistered Community designs. These are national courts designated by member states to deal with

Community design cases. Since September 2012, there are 21 Italian Community design courts, corresponding to the specialist IP courts. Cases are generally concentrated at four of these courts (Milan, Rome, Turin and Venice).

In Italy, an infringement case is rarely started by sending a warning letter. This document would allow an alleged infringer to destroy the relevant evidence and entitle it to start a declaratory action for non-infringement before any action was brought by the design owner.

The best strategy in Italy is to file an application for a description order (an *ex parte* measure for preserving evidence under Article 7 of the EU IP Rights Enforcement Directive (2004/48/EC), plus an application for a preliminary seizure and injunction (under Article 9(1) of the directive). The preliminary decision (issued by one judge within an average of one month in design and trademark cases) can be appealed. Figures show that 30% of such cases are overruled on appeal within an average of one month. Such procedural instruments seem to represent a more efficient tool to manage IP cases than ordinary proceedings.

Actions on the merits must be lodged within 20 working days or 31 calendar days of the issuance of the preliminary measures. The duration of an ordinary action is around three years. The remedies available are claims for a permanent injunction, destruction of the infringing good and three types of damages under the directive (lost profits, infringer's profits and reasonable royalty). The Court of Milan has a well-established rule according to which negotiated royalty rates are doubled, in order to provide an effective deterrent effect for the future (without being punitive). Moreover, the so-called 'moral prejudice' provided by Article 13, Lit a of the directive is generally recognised by the Court of Milan and awarded as an additional value corresponding to 50% of the economic damage ascertained as above.

An appeal against first-instance decisions may be lodged, but figures show that only 10% of appealed cases are modified in some way by the appeal court. The Supreme Court reviews only questions of law. Of the very few Supreme Court cases in this area, a substantial number have resulted in reversal of the appeals court decision.

The costs involved in design litigation usually include attorneys' fees, plus court fees

and witness expenses. It is difficult to give a general estimate of litigation costs. Usually in Italy, this issue is part of a specific estimate that the law now obliges Italian lawyers to provide to the client before starting representation.

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 make the transaction valid. Pursuant to Article 28 of the Community Design Regulation, at the request of one of the parties, the transfer of a registered Community design is 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 Italian procedures for recording a change in ownership of a registered Italian design are very similar to those applied by OHIM.

Related rights

Pursuant to Article 96 of the regulation, Community design protection is without prejudice to any provisions of Community or member state law relating to, among other things, unregistered designs, trademarks or other distinctive signs and unfair competition or copyright.

Article 2(10) of the Copyright Act provides the possibility to invoke copyright protection for industrial designs with creative character and “artistic value”. This prerequisite (not required for any other work) generated the obvious need to discriminate between industrial designs with such artistic value and others without it. For the time being, the possibility of seeking design protection in Italy through copyright law can be considered limited to very renowned or famous designs (as in the *Flos* case), as such designs have “iconic status”, considered by the Italian courts to be evidence of an artistic value. Moreover, due to the ECJ’s *Flos* decision, Italy was also obliged to recognise protection for designs created before the implementation of the Designs Directive.

As regards Italian unfair competition law, the basis for protecting product shapes against misappropriation in Italy is Article 2598 of the Civil Code, according to which “slavish imitation” is prohibited – this is traditionally

defined in case law as any imitation of a design that is well recognisable by consumers where a likelihood of confusion exists. This does not cover all other cases of evident imitation which do not cause confusion (eg, due to significant difference in term of price or the addition of trademarks). Only recently has case law considered the relevance of the unregistered right approach, allowing the enforcement of a shape that objectively imitates a previous design independently from any risk of confusion for consumers and recognising the possibility of enforcing it via unfair competition against a “non-confusing slavish imitation”.

3D and two-dimensional designs may also fulfil the requirements for trademark protection. In particular, this requires distinctiveness in the trademark sense, either inherent or acquired through extensive use on the market. In addition, none of the exclusions must apply. Among these, the technical necessity clause in Article 3(1), Lit e(ii) of the EU Trademark Directive (2008/95/EC) or Article 7(1), Lit e(ii) of the Community Trademark Regulation (207/2009) is relevant, as well as the exclusion of shapes which confer “substantial value” on the product, as provided for in Article 3(1), Lit e(iii) of the directive and Article 7(1), Lit e(iii) of the regulation. In view of these clauses, many designs which are attractive for consumers (eg, lamps, tables) are unlikely to be protectable as Community or national trademarks. However, other designs, such as logos, may qualify for both design and trademark protection. [WTR](#)

Contributor profiles
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Giovanni Francesco Casucci is particularly skilled in matters of patent litigation and technology transfers – for example, advising the Technology Transfer Office of the Polytechnic University of Milan on various licensing programmes. Another important specialisation relates to design issues, on which Mr Casucci advises the Italian Association for Industrial Designs. He also acts as the coordinator of the Design Commission of the Italian Anti-counterfeiting Authority. He represents leading corporations in technically and legally complex infringement cases before the Italian courts, covering a wide range of technological fields. Mr Casucci is a regular author and speaker on patent, design and trademark law.