



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 21.02.1996  
COM(96) 66 final - COD 464

Amended proposal for a  
EUROPEAN PARLIAMENT AND COUNCIL DIRECTIVE  
on the legal protection of designs

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(presented by the Commission pursuant to Article 189a(2)  
of the EC Treaty)

## EXPLANATORY MEMORANDUM

### GENERAL PRESENTATION

In January 1994, the Commission submitted to the Council and the European Parliament proposals ("the Proposals") for a Regulation on the Community design<sup>(1)</sup> ("the Regulation") and for a Directive on the legal protection of designs<sup>(2)</sup> ("the Directive").

The Economic and Social Committee adopted a first opinion on 6 July 1994<sup>(3)</sup> and an additional opinion on 22 February, 1995<sup>(4)</sup>.

The European Parliament decided to discuss the proposal for the Directive first and to conduct the second reading when it adopts a position on the proposal for a Regulation. Following this decision, Parliament adopted its opinion on the Directive during its plenary session of 9 - 13 October 1995<sup>(5)</sup>.

In its opinion, Parliament followed the opinion of industries in endorsing the Commission's initiative. This positive opinion is, however, subject to 13 amendments.

Parliament concentrated mainly on the definition of design, the requirements for protection, the exclusion from protection of certain elements to promote interoperability of products and, in particular, on reproduction for repair purposes. The solutions chosen to resolve these issues are also of major importance for the future Regulation, where most material provisions must of course be identical to those found in the Directive.

The purpose of this amended proposal is to take account of these amendments and to clarify, where necessary, the wording of a number of provisions.

The Commission was able to adopt all amendments proposed by the European Parliament except one, which concerned the introduction of the idea of a legal assumption of novelty in infringement cases before national Courts. In concrete terms, the amendment stated that, in such cases, the burden of proof on the existence of a previous and identical design should always be assigned to the infringer. Such a provision is not appropriate in the context of the Directive, because the latter concerns national registration procedures, and because Member States are left free to decide whether they wish to let examining Offices establish the novelty of a design prior to registration or not. Where Member States do have an examining Office, such a provision would be superfluous at best, because novelty would have been established *ex officio*. Furthermore, and irrespective of the existence of such Offices, the provision would make unwarranted inroads on Member State rules on court procedure. Both reasons render the provision undesirable in the context of the Directive.

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(1) OJ No C 29, 31.1.1994, COM(93) 342 final.

(2) OJ No C 345, 23.12.1993, COM(93) 344 final.

(3) OJ No C 388, 31.12.1994.

(4) OJ No C 110, 2.5.1995.

(5) Not yet published.

As regards one other amendment, namely that relating to the requirement of individual character (Article 5, paragraph 1), the Commission has only with some reluctance been able to follow Parliament, because the amendment reduces the "threshold" for protection. Moreover, the amendment also has some bearing on the second paragraph of Article 5. This provision, which introduced a limitation of the designs with which a comparison was to be made when assessing the individual character of a design, was intended to alleviate the effect of the relatively high threshold originally proposed by the Commission and to avoid a situation where access to protection would have become unduly difficult. As the provision has become superfluous after the lowering of the "threshold" requested by Parliament, it was deleted in the amended proposal.

## **EXPLANATIONS AS TO THE RECITALS**

The only Parliament amendment relating to the recitals is a proposal for a new recital which, in turn, is linked to the abovementioned proposal for a provision introducing a procedural assumption. As the Commission cannot, as mentioned above, accept that amendment, it can only reject the recital referring to it as well.

The Commission has, on the other hand, introduced six new Recitals: Recital 12a, which clarifies the amendment referring to the protection criteria for parts in Article 3(3), Recitals 16a, 16b, 16c and 16d, which refer to Article 14 and, more specifically, to the remuneration right introduced by Parliament's amendment to Article 14, and, finally, Recital 16e, which states the grounds for the new provision relating to a right to information, which was included in the amendment proposal as Article 16a, following an amendment by the European Parliament.

For an explanation as to Recitals 12a, 16a, 16d and 16e, reference is made to the explanation given in this memorandum in relation as to the Articles to which they refer. Recitals 16b and 16c are clarified hereunder.

### **Recital 16b**

This Recital clarifies one aspect in the application of the repair clause with a remuneration system. In some cases, an agreement between the right holder and the third party as to the amount of money which can, in a specific case, be deemed to represent a "fair and reasonable remuneration" may be lacking. If the application of the repair clause were to be made preconditional upon such an agreement, the third party would sometimes have to wait for a considerable amount of time before an agreement is reached and before being able to use a design for repair purposes. Where, in some cases, the remuneration would have to be fixed through litigation or arbitration over the course of several years, the repair clause would have been rendered ineffective. The purpose of this Recital is to avert this danger.

Notwithstanding this Recital, the right holder remains protected against mala fide third parties through the safeguard provision introduced in Article 14, paragraph 4.

## **Recital 16c**

This Recital has been introduced to make it clear that the use of the repair clause does not in any way establish a relationship between the right holder and the third party which can be compared to that existing between a licensor and a licensee. The Recital also states that the consumer who chooses to have a product repaired with parts stemming from a third party does not thereby derive any rights or claims against the manufacturer of the complex product.

The remaining amendments to the recitals aim at the clarification of the text or the necessary adaptation of the recitals following amendments of the Articles to which they relate.

## **EXPLANATION AS TO THE ARTICLES**

In order to make it easier to cross-reference similar Articles which can be found in both Proposals, the Commission has added headings to the various Articles for the Directive proposal. It is understood, however, that these headings are not legally binding.

### **Article 1**

#### *Paragraph (a)*

This paragraph has been changed, in accordance with an amendment adopted by the European Parliament, by adding wording to the effect that the design to be protected must be "outwardly visible".

It must first of all be pointed out in this context that the addition of a visibility criterion in Article 1 brings into focus a confusion concerning various meanings of the word "part" in the English language. In Article 1, the word is used to describe any feature of a product, while in Article 3(3) and in Article 14, the word is used to describe, in concrete terms, a component part, which is usually also a product in its own right. That is why the word "component" has been added to Article 3(3) and to Article 14, that is, whenever the word "part" is used to describe, concretely, a component part.

Bearing this differentiation in mind, the visibility criterion introduced by the European Parliament can be looked at more closely. It must be pointed out that the Commission does not expect this amendment to entail substantial changes in the application of the provision itself. Indeed, this amendment must not be confused with the amendment to Article 3, which states that parts, in order to be eligible for protection, have to remain visible during the normal use of the complex product they belong to. The criterion introduced in Article 1 does not look at the visibility of the part as component part of a complex product, as provided for in Article 3(3), but of the appearance of a product or a part thereof. Therefore, if a right holder wishes to protect the appearance of, for example, the interior compartments of a suitcase (which do not constitute component parts within the meaning of Article 3, paragraph (3), but which are a part within the meaning of Article 1), he can do so by applying for protection of a part of a product which, in the case of his application, is "the compartments of a suitcase". The design for which protection is claimed is then outwardly visible.

Thus, an appearance will only be invisible and lead to exclusion from protection in the rarest of cases, such as, for example, the boring of a firearm barrel. However, an exclusion from protection for component parts of complex products, which are independent products in their own right, may follow from the provision in Article 3, paragraph (3).

Another change is the addition of the wording "in particular", where the Commission follows a proposal of the Economic and Social Committee. The intention of this proposal is to clarify that the list of features of appearance is not meant to be exhaustive.

Finally, the addition of the wording "texture" intends to add a dimension of design which was deemed to be lacking in the original proposal.

## **Article 2**

### *Paragraph 2 (new)*

This paragraph has been inserted to clarify that the scope of application of the Directive also covers designs in Member States which do not have a formal registration system, but where protection is granted after a deposit and official publication of the design.

## **Article 3**

### *Paragraph 3*

To comply with the amendments made by the European Parliament, an extra requirement relating to the protection of parts has been added to this paragraph: the visible features of parts of a complex product can only qualify for protection in their own right if the parts are visible during normal use of the complex product. The amendment is especially relevant to the automotive-industry, where it means that certain spare parts, the so-called "under-the-bonnet" parts, are excluded from protection.

In order to avoid a confusion as regards the word "part", which, in English, can have two meanings, the word "component" has been added to the text (see explanation as regards Article 1).

### *Paragraph 4*

Following the amendments adopted by the European Parliament as regards paragraph 3, this paragraph defines the notion of "normal use". It should be noted that this requirement should not be understood to mean that parts must be visible at all times during normal use. In the case of a car, normal use can also mean that someone sits in the back of the car, or walks around it. The wording does, however, exclude from protection those parts whose design does not normally play a role for the consumer because it is only visible during repair or maintenance.

## **Article 4**

### *Paragraph 2 (deleted)*

The original paragraph 2 has been amended and moved to Article 6 in the Directive. This change is related to the amendment to Article 5, paragraph (2), which made it possible to regroup the provisions on the disclosure of the design in a single provision which would be applicable both to Article 4 and Article 5.

## **Article 5**

### *Paragraph 1*

Paragraph 1 defines the individual character of a design and, in effect, sets the threshold for protection. The European Parliament has wished to lower this threshold by deleting the word "significantly". Because the provision still contains the requirement of a different overall impression, this deletion does not unduly lower the threshold, and the Commission therefore feels it can accept the amendment.

As a consequence of the lowering of the "threshold", the Commission did, however, feel compelled to delete paragraph (2) of the initial proposal, for the following reason. In order to alleviate the effect of the relatively high threshold provided for in the original wording of paragraph (1), paragraph (2) substantially restricted the designs which were to be taken into consideration as comparison material when assessing the individual character of a design. Now that the "threshold" has been lowered, such a limitation would be counterproductive, and the comparison should therefore be made with any design disclosed before the design in question. This wording was easily integrated into paragraph (1). This change, in turn, made it possible to have a single Article defining the concept of "making available to the public" for Article 4 as well as for Article 5 (see the explanation concerning Article 6).

### *Paragraph 2*

This paragraph (paragraph 3 in the original Commission proposal) contains a set of guidelines for use by national Courts when assessing the individual character of a design. In this assessment, commonalties with a previous design were, originally, to be given more weight than differences. The intention of this provision was to make sure that, in order to achieve protectability for a new design, it would not be enough to introduce a certain number of minor differences to an existing one. However, following its wish to lower the "threshold" in paragraph 1, the European Parliament also wanted to give equal weight to commonalties and differences. The amendment of the guideline in accordance with these wishes, however, deprives it of its specific significance and thereby makes it redundant. The Commission therefore chose to delete it in its amended proposal and to restrict the guidance to that relating to the freedom of the designer.

## **Article 6**

### *Paragraph 1*

The original Article 4(2) has been transferred to Article 6 since this provision not only concerns Article 4, but also Article 5, in its new form.

The Article has furthermore been amended in accordance with the wishes of the European Parliament and the Economic and Social Committee through the introduction of what is commonly known as the "safeguard clause". Its aim is to protect the design industry from claims that a design right is not valid because there was an earlier design in use somewhere in the world where the European industry could not possibly have been aware of it. The intention of this provision is to avoid the situation where design rights can be invalidated by infringers claiming that antecedents can be found in remote places or museums.

### *Paragraph 2*

This paragraph has been transferred from paragraph 1 in the original Commission proposal.

### *Paragraph 3*

This paragraph (paragraph 2 in the original Commission proposal) was reworded to clarify the case where disclosure is the result of a breach of confidence. There is no change in substance.

## **Article 7**

### *Paragraph 1*

Although the question whether a design does or does not contain any aesthetic elements is irrelevant in the context of the requirements for protection, as set out in the Proposal, the need was felt for a provision indicating that protection should not be available in those extremely rare cases where form necessarily follows function. Even though Parliament did not adopt an amendment concerning Article 7, paragraph (1), the Commission felt that clearer wording was needed, especially after the amendment proposed as regards paragraph (2).

### *Paragraph 2*

Paragraph 2 has been reworded to allow for the wishes of the European Parliament, which sought a clearer definition of the "must fit" clause. The current text is closely modelled upon the corresponding provision of the United Kingdom Patents, Designs and Copyright Act 1988.

## **Article 8**

The wording of Article 8 has been modified slightly in order to clarify that it is not the exploitation or publication of a design, but the design itself which may be contrary to public policy or morality.

## Article 9

### *Paragraph 1*

The word "significantly" has been deleted in order to follow the wishes of the European Parliament. Also, the wording "similar" has been replaced by the wording "not different". This negative qualification was chosen to ensure compatibility between the formulation of the scope of protection in Article 9, paragraph (1), and the definition of individual character given in Article 5(1). Indeed, these provisions have to be worded so as to avoid the situation where different interpretations of the wording "similar" and "not different" would create a grey area where a design is eligible for protection in its own right under the wording of Article 5, and, at the same time, constitutes an infringement of a prior design under the wording of Article 9. This danger has been averted through the uniform use of the wording "not different". This wording, as used in Article 9, paragraph (1), defines a criterion which is an exact mirror image of that defined in Article 5, paragraph (1). Consequently, all designs which do not qualify for individual character will be considered to be infringing.

### *Paragraph 2*

The explanation given for the amendment of Article 5, paragraph (2) also applies to the amendment to this paragraph.

## Article 11

### *Paragraph 1*

As this provision is intended to provide an exhaustive list of invalidity grounds, several grounds which exist in certain Member States, but were missing in the original proposal were added in paragraphs (e), (f) and (g). Because the instances of unauthorized use described in these new grounds can be prosecuted and prohibited by virtue of the relevant rights, the scope of these grounds is rather limited. Their main aim is to ensure that, regardless of the possibility of prohibiting infringements, infringing rights can be taken off the design registers, thus contributing to keeping these registers "clean".

Furthermore, the provision which was contained in paragraph (2) of the original proposal is now to be found in paragraph (h). This is a drafting amendment only.

### *Paragraph 2 (new)*

In a number of cases, only minor alterations of the design are required to avoid invalidity. A possibility to protect the design in an amended form has therefore been foreseen.

### *Paragraph 4*

This paragraph was to be found in Article 16 of the Commission's original proposal and has been integrated into Article 11 in the interest of coherence.



## Article 14

Several important amendments of the European Parliament focused on modalities of the repair clause contained in Article 14.

### *Paragraph 1*

Where the initial proposal provided free reproduction of certain spare parts after a phase-in period of three years, the European Parliament has in its amendments eliminated this phase-in period and introduced a remuneration system that will operate as from the date of registration of the design.

Further, in order to provide the right holder with the information which is needed to establish the correctness of the remuneration paid by the third party, the Commission has introduced an additional obligation, namely an obligation for the third party to offer to provide such information in a regular and reliable manner.

In order to avoid confusion concerning various meanings of the word "part" (see the explanation concerning Article 1), the word "component" was added to the wording of this paragraph.

### *Paragraph 2 (new)*

This paragraph was inserted to comply with a European Parliament amendment which provided that, when parts falling within the scope of application of the repair clause are manufactured outside the Community and then imported, the remuneration must be paid by the importer. This provision was slightly modified to guarantee payment of the remuneration also in cases of intra-Community trade, when parts are reproduced freely in a Member State where the designer or his successor in title has not taken out protection of the relevant designs, and are then imported into another Member State where he has. In this last case, the Community exhaustion of rights doctrine cannot apply, because its decisive element, namely the existence of a situation where a product has been put on the market with the consent of the right holder, is missing.

### *Paragraph 3 (new)*

The Commission has followed the line set out by the European Parliament, but has added a set of guidelines to ensure that the remuneration system functions similarly throughout the Community, and that the spare part market becomes a level playing field.

Existing legislation concerning similar systems provides little guidance as to what is considered to be a "fair and reasonable remuneration". Failing agreements by the parties concerned, the rate of remuneration is normally decided by domestic Courts. Since interference with national procedures needs to be avoided, it did not seem appropriate to deal with procedural aspects. However, in order to reduce litigation and/or arbitration, the Commission considered that it would be necessary to clarify the basis which should be used in calculating the amount of the remuneration.

The most realistic basis for such calculation seems to be an amount related to the costs incurred by the original producer in developing the design. This investment should therefore primarily be taken into consideration.

#### *Paragraph 4 (new)*

In devising concrete guidelines for the functioning of the repair clause with a remuneration system, one of the concerns of the Commission is that, in case of manifest abuse of the repair clause, a right holder should not be deprived of the effective legal remedy provided under national law by an infringement action. This could for example be the case when a right holder is confronted with a third party who refers to the repair clause, but who is or will evidently be unable or unwilling to pay the remuneration offered by him, or to furnish the information which is needed by the right holder to assess if he has received the right remuneration. Therefore, the Commission introduced a provision to the effect that, if a right holder can provide evidence to sustain such a claim, he can avail himself of such infringement procedures as are provided for under national law.

#### *Paragraph 5 (new)*

This paragraph, which provides for an analysis of the functioning of the repair clause five years after the entry into force of the Directive, was inserted to comply with an amendment adopted by the European Parliament. Such an analysis will be especially relevant in assessing the effects of the repair clause in ensuring the existence of an open market in the sector of spare car parts.

Although the Parliament amendment provided for an analysis of the functioning of the Directive as a whole, the Commission considered that it would act in accordance with Parliament's intentions by restricting the scope of such an analysis to the effects of the repair clause. Indeed, the effects of the Directive as a whole can only be assessed after it has been transposed in all Member States, i.e. well into the five-year period, whereas the effects of the repair clause could probably be assessed fairly rapidly.

#### **Article 15**

The extent of the repair clause could have certain repercussions on the provision dealing with the exhaustion of rights, contained in Article 15.

With reference to the cases C-19/84 Pharmon BV v Hoechst AG [1985] ECR 2281 and C-9/93 IHT Internationale Heiztechnik GmbH and UWE Danziger v Ideal Standard GmbH and Wabco Standard GmbH [1994] ECR I-2789, where the exhaustion was deemed not to apply because of a lack of consent, it was thought advisable to clarify that, notwithstanding the fact that application of Article 14 may imply that no consent has been given, the exhaustion of rights-doctrine still applies.

## **Article 16 (new)**

The original Article 16 is now to be found in Article 11(4).

The new Article 16 has been inserted in accordance with the wishes of the European Parliament and the European Economic and Social Committee. It was felt that such a provision was needed in this area in order to provide more means to fight counterfeiting. The provision is modelled on, albeit not identical to German law. As formulated, it makes it clear that, in the case of interlocutory measures, the information can be requested prior to the final judgement in an infringement case.

The provision contained in paragraph (3)(d) states that the obligation to provide information cannot run counter to the generally recognised principle of law that one cannot legally be compelled to incriminate himself.

## **Article 18**

### *Paragraph 1*

This paragraph has been modified following the suggestion that the Directive on the legal protection of designs may not be the appropriate place for the harmonisation of copyright law.

### *Paragraph 2 (deleted)*

This paragraph, which contained the requirement of national treatment, required each Member State to guarantee nationals of other Member States a treatment which is not less favourable than that given to its own nationals with regard to the protection of designs under national copyright law. However, according to case C-92/92 Phil Collins v Imtrat [1993] ECR I - 5145, the principle of national treatment follows from the non-discrimination principle in Article 6 EC Treaty, and is thereby already guaranteed by Community law. The original provision was therefore superfluous, and the Commission deleted it.

## **Article 19**

### *Paragraph 1*

As a result of delays in the procedure leading to final adoption of the Directive, the date by which it has to be transposed into national law has been modified.

Amended proposal for a  
EUROPEAN PARLIAMENT AND COUNCIL DIRECTIVE  
on the legal protection of designs

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THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community and in particular Article 100a thereof,

Having regard to the proposal by the Commission<sup>(1)</sup>,

Having regard to the opinion of the Economic and Social Committee<sup>(2)</sup>,

Acting in accordance with the procedure laid down in Article 189b of the Treaty<sup>(3)</sup>,

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<sup>(1)</sup> OJ No C 345, 23.12.1993, p. 14.

<sup>(2)</sup> OJ No C 388, 31.12.1994, p. 9 and OJ No C 110, 2.5.1995, p. 12.

<sup>(3)</sup> Opinion of the European Parliament of 12 October 1995, OJ No C 287, 30.10.1995, p. 157

Common Position of the Council of ... 1996 (not yet published in the Official Journal)

Decision of the European Parliament of ... (not yet published in the Official Journal).

## Original proposal

1. Whereas the objectives of the Community as laid down in the Treaty include establishing an ever closer union among the peoples of Europe, fostering closer relations between the States belonging to the Community, and ensuring the economic and social progress of the Community countries by common action to eliminate the barriers which divide Europe, whereas to that end the Treaty provides for the establishment of an internal market and includes the abolition of obstacles to the free movement of goods and the institution of a system ensuring that competition in the common market is not distorted, whereas an approximation of the laws of the Member States on the legal protection of designs would further those objectives;
2. Whereas designs are not at present protected in all Member States by specific legislation and such protection, where it exists, has different attributes;
3. Whereas such differences in the legal protection of designs offered by the legislation of the Member States have direct and negative effects on the establishment and functioning of the internal market as regards goods embodying designs; whereas such differences will distort competition within the internal market;

## Amended proposal

1. Unchanged.
2. Unchanged.
3. Unchanged.

### Original proposal

4. Whereas it is therefore necessary for the proper functioning of the internal market to provide for specific design protection law in all Member States and to approximate the design protection laws of the Member States;
5. Whereas in doing so it is important to take into consideration the solutions and the advantages with which the Community design system will provide undertakings wishing to acquire design rights;
6. Whereas it is unnecessary to undertake a full-scale approximation of the design laws of the Member States, and it will be sufficient if approximation is limited to those national provisions of law which most directly affect the functioning of the internal market; whereas the objectives of this limited approximation cannot be sufficiently achieved by the Member States acting alone;
7. Whereas Member States should accordingly remain free to fix the procedural provisions concerning registration and invalidation of design rights and provisions concerning the effects of such invalidity;
8. Whereas this Directive does not exclude the application to designs of the legislation of the Member States other than that relating to the specific protection acquired by registration, such as the legislation relating to unregistered design rights, trademarks, patents and utility models, unfair competition or civil liability;

### Amended proposal

4. Unchanged.
5. Unchanged.
6. Unchanged.
7. Unchanged.
8. Whereas this Directive does not exclude the application to designs of national or Community legislation providing for protection other than that conferred by registration or publication as design, such as the legislation relating to unregistered design rights, trademarks, patents and utility models, unfair competition or civil liability;

### Original proposal

9. Whereas the attainment of the objectives of the internal market in the field of designs may only be fully realised following further harmonisation of the relevant provisions of the copyright laws of Member States, in particular those relating to the criterion of originality; whereas, pending such further harmonisation, it is important to establish the principle of cumulation of protection under specific registered design protection law and under copyright law, whilst leaving Member States free to establish the extent of copyright protection and the conditions under which such protection is conferred; whereas it is, however, necessary to abolish in the relationship between Member States the requirement that protection under copyright law shall be afforded only subject to reciprocity in the country of origin of the design, as such a requirement would run contrary to the principle of non-discrimination;
10. Whereas the attainment of the objectives of the internal market requires that the conditions for obtaining a registered design right be not only identical in all the Member States but also identical to those required for obtaining a registered Community design; whereas to that end it is necessary to give a unitary definition of the notion of design and of the requirements as to novelty and individual character with which registered design rights must comply;

### Amended proposal

9. Whereas the attainment of the objectives of the internal market in the field of designs may only be fully realised following further harmonisation of the relevant provisions of the copyright laws of Member States, in particular those relating to the criterion of originality; whereas, pending such further harmonisation, it is important to establish the principle of cumulation of protection under specific registered design protection law and under copyright law, whilst leaving Member States free to establish the extent of copyright protection and the conditions under which such protection is conferred; whereas it is contrary to Community law to apply, in the relationship between Member States, Article 2 paragraph (7) of the Berne Convention for the Protection of Literary and Artistic Works, which provides that protection under copyright law shall be afforded only subject to reciprocity in the country of origin of the design, as such a requirement is incompatible with the principle of non-discrimination;
10. Unchanged.

### Original proposal

11. Whereas semiconductor products should not be excluded as products whose appearance could form the subject of a design right, since Member States may choose design legislation to implement the provisions of Council Directive 87/54/EEC of 16 December 1986 on the legal protection of topographies of semiconductor products<sup>(4)</sup>
12. Whereas it is essential, in order to facilitate the free movement of goods, to ensure that registered design rights confer upon the right holder the same protection in all Member States and that this protection is identical to the protection afforded by the registered Community design;

### Amended proposal

11. Unchanged<sup>(4)</sup>
12. Unchanged.
- 12a Whereas protection should not be extended to those component parts which are not visible during normal use of a product, or to those features of such part which are invisible when the part is mounted, or which would not, in themselves, fulfil the requirements as to novelty and individual character; whereas features of design which are excluded from protection for these reasons should not be taken into consideration for the purpose of assessing whether other features of the design fulfil the requirements for protection;

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<sup>(4)</sup> OJ No L 24, 27.1.1987, p. 36.

<sup>(4)</sup> Unchanged.



### **Original proposal**

13. Whereas, in conformity with the applicable provisions on the Community design, the interoperability of products of different makes should not be hindered by extending the protection to the design of mechanical fittings;
14. Whereas the mechanical fittings of modular products may nevertheless constitute an important element of the innovative characteristics of modular products and present a major marketing asset and therefore should be eligible for protection;
15. Whereas it is fundamental for the functioning of the internal market to unify the term of protection afforded by registered design rights in conformity with the solution adopted for the registered Community design;

### **Amended proposal**

13. Whereas technological innovation should not be hampered by granting design protection to features dictated solely by a technical function; whereas it is understood that this does not mean that a design must have an aesthetic quality; whereas, likewise, the interoperability of products of different makes should not be hindered by extending protection to the design of mechanical fittings; whereas features of a design which are excluded from protection for these reasons should not be taken into consideration for the purpose of assessing whether other features of the design fulfil the requirements for protection;
14. Unchanged.
15. Unchanged.

### Original proposal

16. Whereas the legal protection of design might in certain circumstances allow the creation of monopolies in generic products and captive markets by improperly binding consumers to a specific make of product, and thus the introduction of a provision is necessary in order to make the reproduction of designs applied to parts of complex products possible for repair purposes under very specific conditions;

### Amended proposal

16. Unchanged.
- 16a. Whereas the limitation in the exercise of the rights provided for in the context of the use of designs for repair purposes should be compensated by a fair and reasonable remuneration, to be calculated primarily on the basis of the relevant design development costs;
- 16b. Whereas the exercise of the rights of a third party to reproduce parts for repair purposes should not be made conditional upon agreement as to the level of remuneration;
- 16c. Whereas the use of a design under the "repair clause" should not create a legal link between the right holder and the third party using the design; whereas the remuneration to be paid should not entail an obligation on the right holder to transfer know-how and shall not imply that the right holder is considered to be the manufacturer of a reproduced part as regards, for example, rules or agreements regarding product liability, warranty obligations or product safety requirements.

## Original proposal

17. Whereas the provisions of this Directive are without prejudice to the application of the competition rules under Articles 85 and 86 of the Treaty;
18. Whereas the grounds for refusal of registration in those Member States which provide for substantive examination of applications prior to registration, and the grounds for the invalidation of registered design rights in all the Member States, must be exhaustively enumerated,

## Amended proposal

- 16d Whereas, in order to prevent a partitioning of the Community market, as regards Community exhaustion of rights, use of the design right by a third party against payment to the right holder should have the same effect as the marketing of a product with the consent of the right holder;
- 16e Whereas, in order to reinforce effective action against the infringement of design rights, it is important that judicial authorities be entitled to issue orders permitting the right holder to obtain relevant information concerning the production and distribution of infringing products; whereas any effective fight against product counterfeiting makes it necessary to provide that this remedy is to be available by court order, where appropriate, even before final judgment in an infringement case.
17. Unchanged.
18. Unchanged.

## **Original proposal**

### **HAVE ADOPTED THIS DIRECTIVE:**

#### **Article 1**

For the purpose of this Directive:

- (a) "design" means the appearance of the whole or a part of a product resulting from the specific features of the lines, contours, colours, shape and/or materials of the product itself and/or its ornamentation;
- (b) "product" means any industrial or handicraft item, including parts intended to be assembled into a complex item, sets or compositions of items, packaging, get-ups, graphic symbols and typographic typefaces, but excluding a computer program.

#### **Article 2**

This Directive shall apply to:

- (a) design rights registered with the central industrial property offices of the Member States;
- (b) design rights registered at the Benelux Design Office;
- (c) design rights registered under international arrangements which have effect in a Member State;
- (d) applications for design rights referred to under (a) to (c).

## **Amended proposal**

### **HAVE ADOPTED THIS DIRECTIVE:**

#### **Article 1 Definitions**

For the purpose of this Directive:

- (a) "design" means the outwardly visible 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;
- (b) "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.

#### **Article 2 Scope of application**

1. This Directive shall apply to:

- (a) Unchanged.
- (b) Unchanged.
- (c) Unchanged.
- (d) Unchanged.

## Original proposal

### Article 3

1. Member States shall protect the designs upon registration, by conferring exclusive rights in accordance with the provisions of the Directive.
2. A design shall be protected by a design right to the extent that it is new and has an individual character.
3. A design of a product which constitutes a part of a complex item shall only be considered to be new and to have an individual character in so far as the design applied to the part as such fulfils the requirement as to novelty and individual character.

## Amended proposal

2. The publication by an industrial property office of a Member State of a design filed with that office shall, for the purpose of this Directive, be considered to be a registration.

### Article 3

#### Protection requirements

1. Unchanged.
2. Unchanged.
3. A design of a product which constitutes a component part of a complex product shall only be considered to be new and to have an individual character:
  - (a) if the component part, when incorporated into the complex product, remains visible during normal use of the latter, and
  - (b) to the extent that the visible features of the component part fulfil in themselves the requirement as to novelty and individual character.

## **Original proposal**

### **Article 4**

1. A design shall be considered new if no identical design has been made available to the public before the date of filing the application for registration, or if a priority is claimed, the date of priority. Designs shall be deemed to be identical if their specific features differ only in immaterial details.
2. A design shall be deemed to have been made available to the public if it has been published following registration or otherwise, exhibited, used in trade or otherwise disclosed. It shall not, however, be deemed to have been made available to the public for the sole reason that it has been disclosed to a third person under explicit or implicit conditions of confidentiality.

## **Amended proposal**

### **Article 4 Novelty**

4. "Normal use" within the meaning of paragraph (3) (a) shall mean use by the end user and shall not include maintenance, servicing or repair.

A design shall be considered new if no identical design has been made available to the public before the date of filing the application for registration or, if priority is claimed, the date of priority. Designs shall be deemed to be identical if their features differ only in immaterial details.

2. Deleted.

## Original proposal

### Article 5

1. A design shall be considered to have an individual character if the overall impression it produces on the informed user differs significantly from the overall impression produced on such a user by any design referred to in paragraph (2).
2. To be considered for the purpose of application of paragraph (1) a design must be:
  - (a) commercialised in the market place, whether in the Community or elsewhere, at the date of filing the application for registration or, if a priority is claimed, at the date of priority, or
  - (b) published following registration as a registered Community design or a design right of the Member State in question, the protection of which has not expired at the date of filing the application or registration or, if a priority is claimed, at the date of priority.
3. In order to assess individual character, common features shall as a matter of principle be given more weight than differences and the degree of freedom of the designer in developing the design shall be taken into consideration.

## Amended proposal

### Article 5 Individual character

1. A design shall be considered to have an individual character if the overall impression it 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 before the date of filing of the application for registration, or, if priority is claimed, the date of priority.
2. Deleted.
2. In order to assess individual character, the degree of freedom of the designer in developing the design shall be taken into consideration.

## Original proposal

### Article 6

1. If a design for which protection is claimed under a registered design right of a Member State has been made available to the public by the designer or his successor in title or by a third person as a result of information provided or action taken by the designer or his successor in title or as a consequence of an abuse in relation to the designer or his successor in title during the 12-month period preceding the date of the filing of the application or, if a priority is claimed, the date of priority, such a disclosure shall not be taken into consideration for the purpose of applying Articles 4 and 5.
2. The provisions of paragraph (1) shall not apply if the subject of the abusive disclosure is a design which has resulted in a registered Community design or a registered design right of the Member State concerned.

## Amended proposal

### Article 6 Disclosure

1. For the purpose of applying Articles 4 and 5, a design shall be deemed to have been made available to the public if it has been published following registration or otherwise, or exhibited, used in trade or otherwise disclosed, except where these events could not reasonably have become known in the normal course of business to the circles specialised in the sector concerned, operating within the Community before the date of filing of the application for registration or, if priority is claimed, the date of priority.

The design shall not, however, be deemed to have been made available to the public for the sole reason that it has been disclosed to a third person under explicit or implicit conditions of confidentiality.

2. Disclosure shall not be taken into consideration for the purpose of applying Articles 4 and 5 if a design for which protection is claimed under a registered design right of a Member State has been made available to the public:
  - (a) by the designer, his successor in title, or a third person as a result of information provided or action taken by the designer, or his successor in title; and



## **Original proposal**

### **Article 7**

1. A design right shall not subsist in a design to the extent that the realisation of a technical function leaves no freedom as regards arbitrary features of appearance.
2. A design right shall not subsist in a design to the extent that it must necessarily be reproduced in its exact form and dimensions in order to permit the product in which the design is incorporated or to which it is applied to be mechanically assembled or connected with another product.

## **Amended proposal**

- (b) during the 12-month period preceding the date of the filing of the application or, if priority is claimed, the date of priority.
3. The provisions of paragraph (2) shall also apply if the design has been made available to the public as a consequence of an abuse in relation to the designer or his successor in title, unless, as a result of the abusive conduct, a Registered Community Design or a registered design right of the Member State concerned has come into existence.

### **Article 7**

#### **Designs dictated by their technical function and designs of interconnections**

1. A design right shall not subsist in features of appearance of a product which are solely dictated by its technical function.
2. A design right shall not subsist in features of appearance of a product which must necessarily be reproduced in their exact form and dimensions in order to permit the product in which the design is incorporated or to which it is applied to be mechanically connected or placed in, around or against another product so that either product may perform its function.

### **Original proposal**

3. Notwithstanding paragraph 2, a design right shall under the conditions set out in Articles 4 and 5 subsist in a design serving the purpose of allowing simultaneous and infinite or multiple assembly or connection of identical or mutually interchangeable products within a modular system.

#### **Article 8**

A design right shall not subsist in a design the exploitation or publication of which is contrary to public policy or to the accepted principles of morality.

#### **Article 9**

1. The scope of the protection conferred by a design right shall include any design which produces on the informed user a significantly similar overall impression.
2. In order to assess the scope of protection, common features shall as a matter of principle be given more weight than differences and the degree of freedom of the designer in developing his design shall be taken into consideration.

### **Amended proposal**

3. Unchanged

#### **Article 8**

#### **Designs contrary to public policy or morality**

A design right shall not subsist in a design which is contrary to public policy or to the accepted principles of morality.

#### **Article 9**

#### **Scope of Protection**

1. The scope of the protection conferred by a design right shall include any design which does not produce on the informed user a different overall impression.
2. In order to assess the scope of protection, the degree of freedom of the designer in developing his design shall be taken into consideration.

## **Original proposal**

### **Article 10**

Upon registration a design which meets the requirements under Article 3(2) shall be protected by a design right for a period of five years from the date of filing the application. The term of protection may be renewed for periods of five years each, up to a total term of 25 years from the date of filing.

### **Article 11**

1. A design is excluded from registration, or if registered may be declared invalid, only in the following cases:
  - (a) if the design does not fulfil the requirements under Article 3(2), or
  - (b) where its specific technical and/or interconnecting features are not eligible for protection under Article 7(1) or (2), or
  - (c) to the extent that its exploitation or publication is contrary to public policy or to accepted principles of morality, or
  - (d) if the applicant for or the holder of the design right is not entitled to it under the law of the Member State concerned.

## **Amended proposal**

### **Article 10 Term of protection**

Unchanged.

### **Article 11 Invalidity or refusal of registration**

1. A design may only be refused registration, or, if registered, declared invalid, in the following cases:
  - (a) if it is not a design within the meaning of Article 1, or if it does not fulfil the requirements under Article 3, or
  - (b) if its technical and/or interconnecting features are not eligible for protection under Article 7(1) or (2), or
  - (c) if it is contrary to public policy or to accepted principles of morality, or
  - (d) if the applicant for or the holder of the design right is not entitled to it under the law of the Member State concerned, or

## Original proposal

## Amended proposal

- (e) if a distinctive sign is used in a subsequent design, and Community law or the law of the Member State governing that sign confers on the right holder of the sign the right to prohibit such use, or
- (f) if the design constitutes an unauthorised use of a work protected under the copyright law of the Member State concerned, or
- (g) if the design constitutes an improper use of any of the items listed in Article 6<sup>ter</sup> of the Paris Convention for the Protection of Industrial Property, or of badges, emblems and escutcheons other than those covered by Article 6<sup>ter</sup> of the said Convention and which are of particular public interest in the Member State concerned, or
- (h) if a conflicting design which has been made available to the public after the date of the filing of the application or, if priority is claimed, the date of priority, is protected from a date prior to the said date by a registered Community design or a design right of the Member State concerned, or by an application for such a right.

### **Original proposal**

2. A design right may also be declared invalid if a conflicting design which has been made available to the public after the date of the filing of the application or, if a priority is claimed, the date of priority, is protected from a date prior to the said date by a registered Community design or a design right of the Member State concerned, or by an application for such a right.
3. Any Member State may provide that, by way of derogation from the preceding paragraphs, the grounds for refusal of registration or for invalidation in force in that State prior to the date on which the provisions necessary to comply with this Directive enter into force, shall apply to design rights for which application has been made prior to that date.

### **Amended proposal**

2. If the ground for invalidity or for refusal of registration applies only to some of the features of the design, it may be registered or maintained in an amended form.
3. Unchanged.
4. A design right may be declared invalid even after it has lapsed or has been surrendered.

## **Original proposal**

### **Article 12**

1. Upon registration a design right shall confer on its holder the exclusive right to use the design and to prevent any third party not having his consent from using a design included within the scope of protection of the design right. The aforementioned use shall cover, in particular, the making, offering, putting on the market or using of a product in which such a design is incorporated or to which it is applied, or from importing, exporting or stocking such a product for those purposes.
2. Where, under the law of a Member State, acts referred to in paragraph 1 could not be prohibited before the date on which the provisions necessary to comply with this Directive entered into force, the rights conferred by the design right may not be relied on to prevent continuation of such acts.

### **Article 13**

1. The rights conferred by a design right upon registration shall not extend to:
  - (a) acts done privately and for non-commercial purposes;
  - (b) acts done for experimental purposes;

## **Amended proposal**

### **Article 12 Rights conferred by the design right**

1. Upon registration, a design right shall confer on its holder the exclusive right to use the design and to prevent any third party not having his consent from copying it, or from using a design included within the scope of protection of the design right. The aforementioned use shall cover, in particular, the making, offering, putting on the market or using of a product in which such a design is incorporated or to which it is applied, or, importing, exporting or stocking such a product for those purposes.
2. Unchanged.

### **Article 13**

#### **Limitation of the rights conferred by the design right**

1. Unchanged.
  - (a) Unchanged.
  - (b) Unchanged.

### **Original proposal**

- (c) acts of reproduction for the purposes of making citations or of teaching, provided that such acts are compatible with fair trade practice and do not unduly prejudice the normal exploitation of the design, and that mention is made of the source.
2. In addition, the rights conferred by a design right upon registration shall not extend to:
- (a) the equipment on ships and aircraft registered in another country when these temporarily enter the territory of the Member State concerned;
  - (b) the importation in the Member State concerned of spare parts and accessories for the purpose of repairing such craft;
  - (c) the execution of repairs on such craft.

### **Article 14**

The rights conferred by a design right shall not be exercised against third parties who, after three years from the first putting on the market of a product incorporating the design or to which the design is applied, use the design under Article 12, provided that:

### **Amended proposal**

- (c) Unchanged.

2. Unchanged.

### **Article 14**

#### **Use of a design for repair purposes**

1. By way of derogation from Article 12, the rights conferred by a design right shall not be exercised against third parties who use the design, provided that:

### **Original proposal**

- (a) the product incorporating the design or to which the design is applied is a part of a complex product upon whose appearance the protected design is dependent;
- (b) the purpose of such a use is to permit the repair of the complex product so as to restore its original appearance; and
- (c) the public is not misled as to the origin of the product used for the repair.

### **Amended proposal**

- (a) the product incorporating the design or to which the design is applied is a component part of a complex product upon whose appearance the protected design is dependent; and
- (b) the purpose of such a use is to permit the repair of the complex product so as to restore its original appearance; and
- (c) the public is informed as to the origin of the product used for the repair by the use of an indelible marking, such as a trademark or a trade name, or in another appropriate form; and
- (d) the third party has:
  - (i) notified the right holder of the intended use of the design;
  - (ii) offered the right holder a fair and reasonable remuneration for that use; and
  - (iii) offered to provide the right holder in a regular and reliable manner with information as to the scale of the use made of the design under this provision.



## Original proposal

## Amended proposal

2. Save as otherwise agreed, the obligations mentioned in paragraph 1(d) shall be incurred by the manufacturer or, in the case of the import of a component part not manufactured in the Member State where the protection applies, by the importer of the component part into which the design is to be incorporated or to which it is to be applied.
3. In calculating the remuneration, the investment made in development of the relevant design shall be the primary basis for consideration.
4. Paragraph 1 shall not apply if the right holder provides evidence to sustain a claim that the party upon whom the obligations under paragraph 1(d) are incumbent is unable or unwilling to comply with them or to pay the remuneration offered by him.
5. No later than five years after the implementation date specified in Article 19, the Commission shall submit an analysis of the consequences of the provisions of this Article for the Community industrial sectors most affected, and in particular for manufacturers of complex products such as motor vehicles and producers of spare parts. If necessary, it shall propose to the European Parliament and the Council changes to this Article, after consulting the abovementioned sectors.

## **Original proposal**

### **Article 15**

The rights conferred by a design right upon registration shall not extend to acts relating to a product in which a design included within the scope of protection of the design right is incorporated or to which it is applied, when the product has been put on the market in the Community by the holder of the design right or with his consent.

### **Article 16**

A design right may be declared invalid even after it has lapsed or has been surrendered.

## **Amended proposal**

### **Article 15 Exhaustion**

The rights conferred by a design right upon registration shall not extend to acts relating to a product in which a design included within the scope of protection of the design right is incorporated or to which it is applied, when the product has been put on the market in the Community by the holder of the design right, with his consent, or in accordance with the provisions of Article 14.

### **Article 16**

Deleted.

### **Article 16a Right to information**

1. The Court having jurisdiction to hear an action for infringement of a design right or to grant a request for interlocutory measures shall, at the request of the right holder and unless there are special reasons for not doing so, order a person to supply that right holder with information as to the origin and the route for the commercial distribution of goods allegedly infringing the design right, if the person in question:
  - (a) has been found in possession, for commercial purposes, of such goods, or

## Original proposal

## Amended proposal

- (b) has been identified by a person under (a) as being the origin or a link in the route for the commercial distribution of such goods.

2. The information referred to under paragraph 1 shall comprise:

- (a) the names and addresses of producers, suppliers and other prior possessors of the product and of commercial recipients or outlets, as well as
- (b) information on the quantity of goods which have been produced, delivered, received or commissioned.

3. Paragraphs 1 and 2 shall be without prejudice to other provisions:

- (a) granting the right holder more far reaching rights to information;
- (b) governing the use of information provided under this Article, in penal or civil procedures;
- (c) governing liability for the abuse of a right to information; or
- (d) affording the possibility of refusing to provide information that would force the person referred to in paragraph 1 to admit the existence of an infringement.

## **Original proposal**

### **Article 17**

The provisions of this Directive shall be without prejudice to any legal provisions of the Community or of the Member State concerned relating to unregistered design rights, trademarks or other distinctive signs, patents and utility models, typefaces, civil liability, or unfair competition.

### **Article 18**

1. Pending further harmonisation of the laws of copyright of the Member States, a design protected by a design right registered in or for a Member State in accordance with this Directive shall also be eligible for protection under the law of copyright of that State as from the date on which the design was created or fixed in any form, irrespective of the number of products in which such design is intended to be incorporated or to which it is intended to be applied and irrespective of whether the design can be dissociated from the products in which it is intended to be incorporated or to which it is intended to be applied. The extent to which, and the conditions under which, such a protection is conferred, including the level of originality required, shall be determined by each Member State.

## **Amended proposal**

### **Article 17**

#### **Relationship to other forms of protection**

The provisions of this Directive shall be without prejudice to any provisions of Community law or of the law of the Member State concerned relating to unregistered design rights, trademarks or other distinctive signs, patents and utility models, typefaces, civil liability, or unfair competition.

### **Article 18**

#### **Relationship to copyright**

A design protected by a design right registered in, or in respect of, a Member State in accordance with this Directive shall also be eligible for protection under the law of copyright of that State as from the date on which the design was created or fixed in any form. The extent to which, and the conditions under which, such a protection is conferred, including the level of originality required, shall be determined by each Member State.

### **Original proposal**

2. Pending further harmonisation of the laws of copyright of the Member States, each Member State shall admit to the protection under its law of copyright a design protected by a design right registered in or for this State which fulfils the conditions required under such law, even if, in another Member State which is the country of origin of the design, the latter does not fulfil the conditions for protection under the law of copyright in that State.

### **Article 19**

1. Member States shall bring into force the laws, regulations or administrative provisions necessary to comply with this Directive by 31 October 1996.

When Member States adopt these measures, these shall contain a reference to the Directive or shall be accompanied by such reference at the time of their official publication. The procedure for such reference shall be adopted by Member States.

2. Member States shall communicate to the Commission the provisions of national law which they adopt in the field governed by this Directive.

### **Amended proposal**

Deleted.

### **Article 19 Implementation**

1. Member States shall bring into force the laws, regulations or administrative provisions necessary to comply with this Directive by 1 January 1998.

When Member States adopt these provisions, these shall contain a reference to this Directive or shall be accompanied by such reference at the time of their official publication. The procedure for such reference shall be adopted by Member States.

2. Unchanged.

**Original proposal**

**Article 20**

This Directive is addressed to the Member States.

**Amended proposal**

**Article 20  
Entry into force**

This Directive shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Communities.

**Article 21  
Addressees**

This Directive is addressed to the Member States.

Done at Brussels,

For the European Parliament  
The President

For the Council  
The President

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