



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 21.11.1997
COM(97) 622 final – COD 464

OPINION OF THE COMMISSION
pursuant to Article 189 b (2) (d) of the EC Treaty,
on the European Parliament's amendments
to the Council's common position regarding the

proposal for a
EUROPEAN PARLIAMENT AND COUNCIL DIRECTIVE

on the legal protection of designs

AMENDING THE PROPOSAL OF THE COMMISSION
pursuant to Article 189 a (2) of the EC Treaty

1. Historical background

- On 3 December 1993, the Commission submitted proposals for a Regulation on the Community design¹ and for a Directive on the legal protection of designs² (“the Directive”).
- Parliament decided to discuss the proposal for the Directive first and to adopt a position on the proposal for a Regulation when it conducts the second reading of the proposal for the Directive. Following this decision, Parliament adopted its opinion on the Directive on 12 October 1995³.
- The Economic and Social Committee adopted a first opinion on 6 July 1994⁴ and an additional opinion on 22 February 1995⁵.
- In response to Parliament’s opinion the Commission presented an amended proposal for a Directive on 14 March 1996⁶.
- The Council adopted its common position on 17 June 1997⁷.
- The Commission adopted its position on the Council’s common position on 19 June 1997 and communicated it to the European Parliament⁸.
- On 22 October 1997, the European Parliament voted in favor of 12 amendments to the common position in second reading.

2. Objective of the Commission proposal

The proposal for a Directive aims to ensure an effective legal protection for designs within the Member States of the Community. It seeks to reduce the legal obstacles to freedom of movement for design goods and to the establishment of a system of undistorted competition in the internal market. To this end, it contains a series of definitions and rules pertaining to the definition of “design”, the requirement for obtaining protection including the grounds for exclusion, the requirement’s concerning individual character and novelty, the scope and term of protection, the grounds for refusal or invalidity, the definition of rights conferred by the design including their limitations and exhaustion of rights.

¹ OJ No C 29, 31.01.1994, COM(93) 342 final.

² OJ No C 345, 23.12.1993, p. 14. COM(93) 344 final.

³ OJ No C 287, 30.10.1995, p. 157.

⁴ OJ No C 388, 31.12.1994, p. 9.

⁵ OJ No C 110, 02.05.1995, p. 12.

⁶ OJ No C 142, 14.05.1996, p. 7.

⁷ OJ No C 237, 04.08.1997, p. 1.

⁸ SEC(97)1107final – COD 464.

3. Opinion from the Commission to the amendments from Parliament

The Commission should underline that on 19 June 1997, it was unable to accept the Council's common position, in particular because the Council left out the repair clause as contained in Article 14 of the Commission's amended proposal of 1996.

For the sake of clarity, the Commission's opinion on Parliament's amendments and its amended proposal, as annexed to this document, are to be read in the light of the said Council's common position.

Consequently, the attached amendments would modify the Council's common position of 17 June 1997.

3.1 Amendments which the Commission accepted

The Commission accepted Amendments No 2 to 4, 7 to 11, and 13 for the following reasons.

re Amendment No 2 The 13th recital of the common position specifies that the individual character of a design must be based on a "clear" "overall different impression", whereas the relevant provision in the Directive (Article 5) refers to an "overall different impression" only.

Thus, the common position does not comply with Parliament's and the Commission's wish to lower the threshold for protection, as explained in the Commission's amended proposal of 1996. In addition, it is felt that the adjective "clearly" in recital n° 13 unduly introduces a qualification, which is not in conformity with the wording and objectives of Article 5.

Re Amendment No 3 The Commission supports Parliament's amendment to limit the protection of component parts of complex products to those parts, which remain visible during normal use of the latter. The wording of Article 3(3)(a) of the common position is considered to be too broad, since it includes any component part, which can reasonably be expected to remain visible during normal use.

Parliament's amendment was already incorporated in the Commission's amended proposal of 1996. For further comments, reference is therefore made to the said proposal.

- re Amendment No 4 The Commission supports Parliament's amendment to interpret the concept of "normal use" restrictively (Article 3(4)).
- Parliament's amendment was already incorporated in the Commission's amended proposal of 1996. For further comments, reference is therefore made to the said proposal.
- re Amendment No 7 The amendment clarifies that the total term of protection for designs shall be 25 years from the date of filing.
- re Amendment No 9 The amendment does not change the substance, but improves the wording of Article 13(2) of the common position.
- re Amendment No 10 The amendment re-introduces the repair clause, as redrafted by the Commission in its amended proposal of 1996.
- The Commission continues to believe that the clause is justified and reasonable.
- re Amendment No 11 The amendment provides for the free movement of component parts which are commercialised pursuant to the repair clause (amendment No 10).
- Parliament's amendment was already incorporated in the Commission's amended proposal of 1996. For further comments, reference is therefore made to the said proposal.
- re Amendment No 13 The Commission supports the revision clause (Article 18 of the common position), as redrafted by Parliament in its amendment, because it is based on the assumption that the repair clause is re-introduced.

3.2 Amendments which the Commission did not accept

The Commission did not accept Amendments No 5, 6 and 12 for the following reasons.

re Amendment No 5 Although the amendment reflects what was in Article 6(3) of the Commission's amended proposal of 1996, the Commission agrees, after further reflection, with Article 6(3) of the Council's common position.

Where a third party has, subsequent to an abusive disclosure of a design, obtained a registered design right, it is not justified that the person who is legitimately entitled to the design right, should be deprived of his right to claim proprietorship of such design.

re Amendment No 6 The Commission can not accept Amendment No 6, because it enlarges, without good reason, the scope of application of the 'must fit' exception as redrafted in its amended proposal of 1996.

Moreover, the wording of Amendment No 6 is relatively open-ended and goes therefore beyond for what is needed in the light of a 'must fit' clause.

re Amendment No 12 Although the Commission is sympathetic to rules, envisaging the combat of counterfeiting, it considers that the Design Directive should no longer be burdened with this type of procedural provisions.

It is considered better to handle the issue of counterfeiting horizontally (in the near future), i.e through the inclusion of a set of complete measures against counterfeiting, including, for example all industrial property rights.

**Amended proposal for a
European Parliament and Council Directive on the legal protection of designs**

(Amendment 2)
Recital 13

13. Whereas the assessment as to whether a design has individual character should be based on whether the overall impression produced on an informed user viewing the design clearly differs from the existing design corpus, taking into consideration the nature of the product to which the design is applied or in which it is incorporated, and in particular the industrial sector to which it belongs and the degree of freedom of the designer in developing the design;

13. Whereas the assessment as to whether a design has individual character should be based on whether the overall impression produced on an informed user viewing the design differs from the existing design corpus, taking into consideration the nature of the product to which the design is applied or in which it is incorporated, and in particular the industrial sector to which it belongs and the degree of freedom of the designer in developing the design;

(Amendment 3)
Article 3(3)(a)

(a) if the component part, notwithstanding its having been incorporated into the complex product, could reasonably be expected to remain visible during normal use of the latter, and

(a) if the component part, once it has been incorporated into the complex product, remains visible during normal use of the latter, and

(Amendment 4)
Article 3(4)

4. "Normal use" within the meaning of paragraph (3)(a) shall mean any use other than maintenance, servicing or repair.

4. "Normal use" within the meaning of paragraph 3(a) shall mean use by the end user, excluding maintenance, servicing or repair work.

8
(Amendment 7)
Article 10

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

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

(Amendment 9)
Article 13(2), introduction

2. In addition, the rights conferred by a design right upon registration shall not extend to:

2. In addition, the rights conferred by a design right upon registration may not be exercised in respect of:

(Amendment 10)
Article 14

Transitional provision

Until such time as amendments to this Directive are adopted upon proposal by the Commission in accordance with the provisions of Article 18, Member States may maintain in force or introduce any provisions affecting the use of a protected design for the purpose of permitting the repair of a complex product so as to restore its original appearance, where the product incorporating the design or to which the design is applied constitutes a component part of a complex product upon whose appearance the protected design is dependent.

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:

- (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 trade mark 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.

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.

(Amendment 11)
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.

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 or in accordance with Article 14.

(Amendment 13)
Article 18

Five years after the implementation date specified in Article 19, the Commission shall submit an analysis of the consequences of the provisions of this Directive for Community industry, for consumers, for competition and for the functioning of the internal market. It shall propose to the European Parliament and the Council any changes to this Directive needed to complete the internal market in respect of component parts of complex products and any other changes which it considers necessary.

Five years after the implementation date specified in Article 19, the Commission shall submit an analysis of the consequences of the provisions of this Directive for competition and the functioning of the internal market, for the industrial sectors which are most affected, particularly manufacturers of complex products and component parts, and for consumers. If necessary it shall propose to the European Parliament and the Council any changes to this Directive which prove necessary in the light of consultation with the parties most affected.

ISSN 0254-1475

COM(97) 622 final

DOCUMENTS

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06 08 02 10

Catalogue number : CB-CO-97-638-EN-C

ISBN 92-78-27794-0

Office for Official Publications of the European Communities

L-2985 Luxembourg