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Enforcing intellectual property rights in Europe – tips and traps

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┌ **Relevance of company seat of right holder regarding EUTMs and RCDs**

Relevance of company seat of right holder regarding EUTMs and RCDs

Infringement in Germany– enforcement in Germany



- Defendant in Germany
→ EU-wide injunction available, EU-wide annex claims (including EU-wide damages)
 - Defendant in other EU member state
→ injunction only for Germany and respective annex claims
 - Defendant outside EU, but right holder in Germany
→ EU-wide injunction, EU-wide annex claims (including EU-wide damages)
 - Defendant outside EU, right holder outside EU
→ Injunction only for Germany and respective annex claims
- ⇒ Designs and trademarks should be held by an EU entity (e.g. Germany), particularly if infringement of rights by non-EU opponent expected





Relevance of company seat of right holder regarding EUTMs and RCDs

Infringement in other EU country – enforcement in Germany



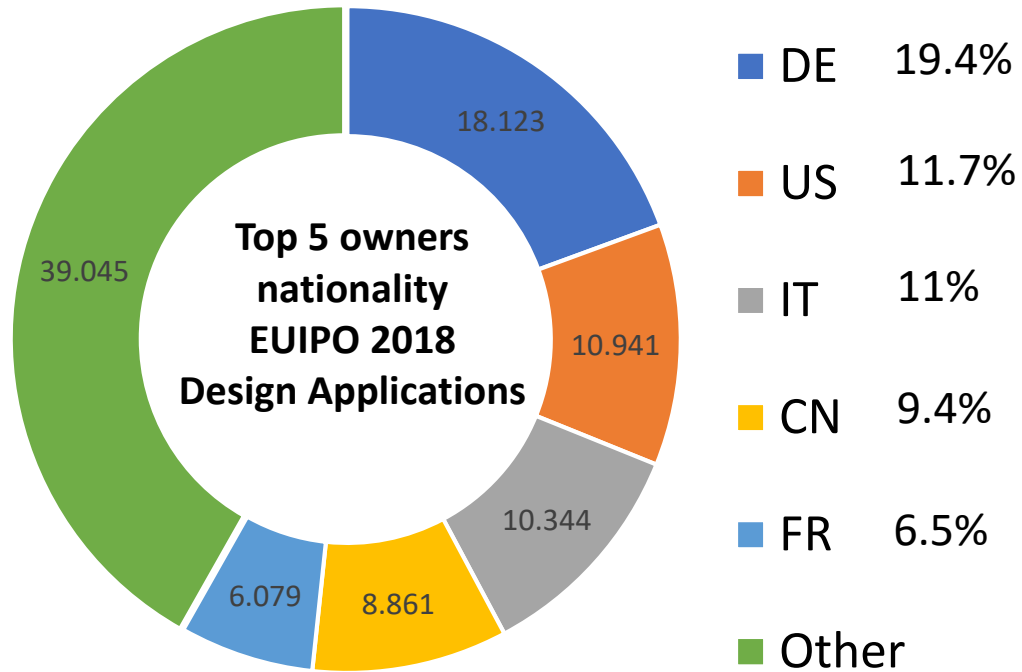
- Defendant in Germany
→ EU-wide injunction, annex claims depending on facts of the case

- Defendant outside EU, but right holder in Germany
→ EU-wide injunction, annex claims depending on facts of the case



Relevance of company seat of right holder regarding EUTMs and RCDs

Statistics – Top 5 Owners of EU Designs



Nr.	Owner Nationality	Number of design applications 2019 (as of July)	
1	German	9,673	16.9%
2	IT	6,967	12.1%
3	US	6,788	11.8%
4	CN	6,561	11.4%
5	FR	3,509	6.1%





Preliminary injunction („PI“) proceedings in Germany

Preliminary injunction („PI“) proceedings in Germany

General requirements



- Infringing act in Germany (if only seizure requested: infringing items in Germany)
- Matter urgent?
 - PI request must be filed shortly after first notice of infringing action in Germany (no precise deadline, Munich: within one month)
 - First notice of infringing act must be substantiated (usually by way of an affidavit)



Preliminary injunction („PI“) proceedings in Germany

Available claims



- EU wide injunction?
- Information on extent of infringement?
- Seizure of infringing goods?
- Inspection?
- Seizure to secure claims for reimbursement of costs?
- Destruction, rendering of account, damages?
- Border seizure requests?



Preliminary injunction („PI“) proceedings in Germany

Ex parte injunctions available?



- Most recent case law of Federal Constitutional Court:
Defendant should in general be heard before rendering a PI, e.g.
 - Chance to comment to a warning letter sent out prior to PI request
 - Protective brief by defendant
 - Oral hearing
 - Exemption: PI would be thwarted otherwise (e.g. in trade show cases)
- For the defendant: Does it make sense to file a protective brief?
 - If you have good arguments: yes
 - If not: better refrain from filing a protective brief or limit content to reference of above mentioned case law of Federal Constitutional Court

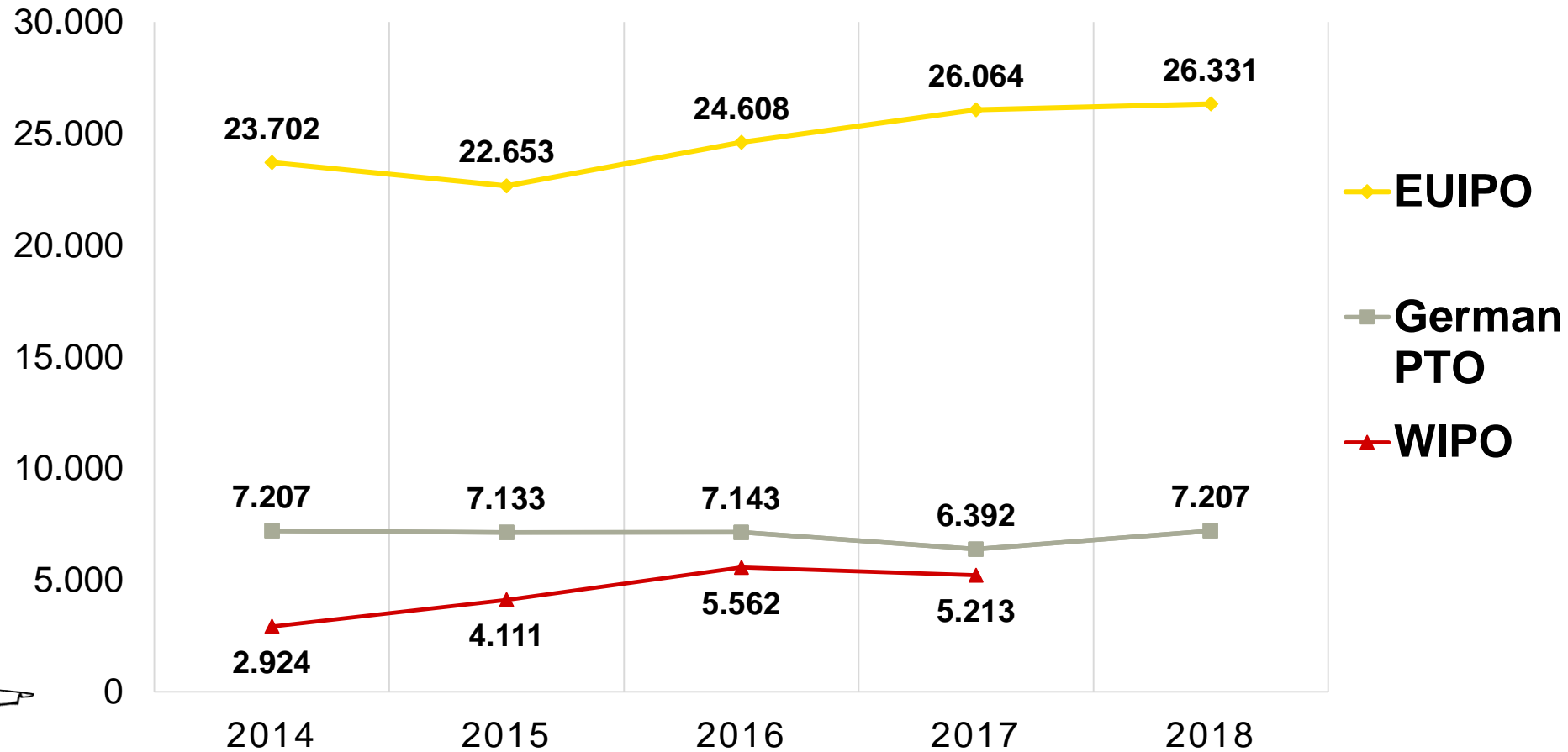




┌ Relevance of national IP rights

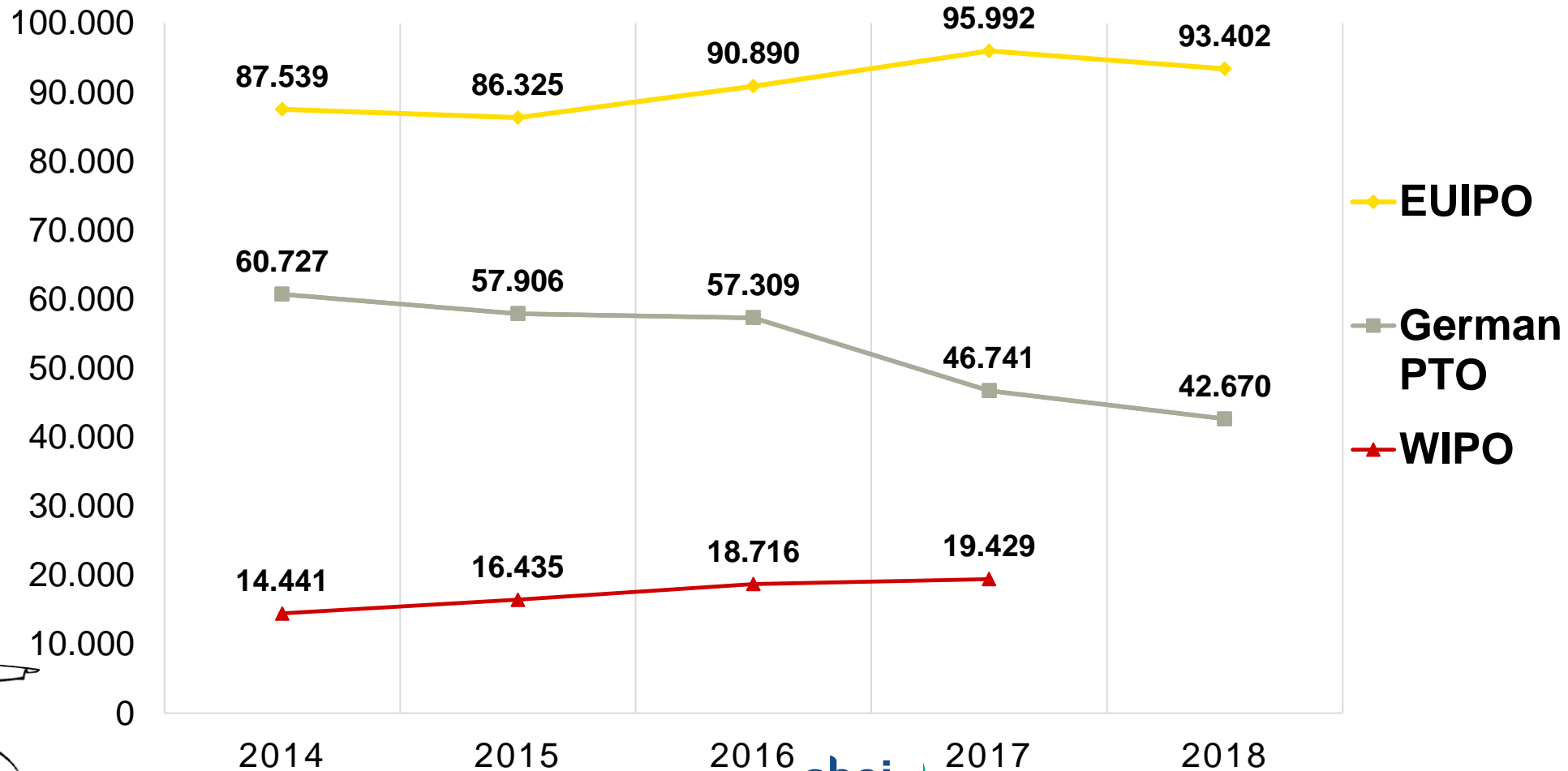
Relevance of national IP rights

Statistics – Number of design applications filed with...



Relevance of national IP rights

Statistics – Number of designs granted with...





Relevance of national IP rights

National trademarks needed?



- As regards validity, requirements for right-preserving use should not be higher for an EU trademark than for a national trademark
 - EU trademark law and national trademark laws should be basically harmonised; however, different assessment by IP offices and courts in special cases cannot be ruled out completely
- ⇒ National trademark only needed to be on the very safe side, or to attain registered right within short time





Relevance of national IP rights

National designs needed?



- Helpful in cases expecting defensive argument of prior right to use by third party
 - In such a case, enforcement of a registered design against the use of this third party's design possibly unsuccessful
 - Risk can be mitigated if also German design is filed:
Prior right to use re German design requires use / preparation in Germany
- Filing prerequisites re German design very similar to EU design
 - Filing of German design can be carried out very cost-efficiently





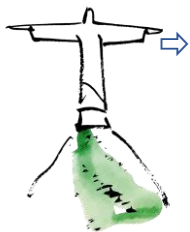
┌ Impact of Brexit

Impact of Brexit

Rules according to draft withdrawal agreement



- EU trademarks will cease to be effective in the UK following Brexit
- However, they will be transformed automatically into “comparable UK trademarks”
→ Note: right holders, not their representatives will be informed about renewal fees
- Right holders may generally opt out any day after Brexit
- Applications which are not yet granted on Brexit day will have to be re-filed with UK PTO within 9 months after Brexit in order to keep priority date of the EU counterpart
- Trademark use in the EU (other than UK) will also support validity of the comparable UK trademark
- UK court decisions before Brexit will be enforceable EU-wide afterwards
- Cases pending with a UK court on Brexit day will only have effect in the UK



Similar rules for EU designs





Impact of Brexit

And in case of a no-deal Brexit?



- In such a case, it should be up to the UK to set special rules for EU protective rights
- Currently, the UK envisages to accept a similar set of rules as provided in the draft withdrawal agreement





**Brazil joining the WIPO systems –
effects on portfolio strategies?**

Brazil joining the WIPO systems

Trademarks – the Madrid system...



a) ...in a nutshell

- Currently 105 member states
- Manages the „International Registrations“ („IRs“) which are a bundle of single national trademarks
- Protection in many countries around the world in three steps:
 - Application / registration of a national basic trademark
 - Application to the World Intellectual Property Organization (WIPO) and designation of countries that trademark protection is sought for
 - National IP offices will examine and register national trademarks according to their law



Brazil joining the WIPO systems

Trademarks – the Madrid system...



b) Advantages and disadvantages

- Advantages:
 - Application and management of a bundle of trademarks with a single administrative process (in principle)
 - Invalidity of a single designated national trademark will not affect the other trademarks of the IR (except „central attack“)
- Disadvantages:
 - National representatives still have to be appointed in case of office actions, since respective national laws are fully applicable
 - If basic trademark is declared invalid with central attack, all single trademarks of the IR are invalidated





Brazil joining the WIPO systems

Designs – the Hague system...



a)...in a nutshell

- Currently 70 member states
- Manages the „International Registrations“ („IRs“)
- Other than in trademark law, no basic national design needed



Brazil joining the WIPO systems

Designs – the Hague system...



b) Advantages and disadvantages

- Similar to trademark IRs
- Specific advantage: no basic protective right on which all other protective rights depend regarding their validity
- Specific disadvantage: rules regarding scope and way of protection vary significantly between the member states
 - Still unclear whether IRs are fully enforceable if they do not meet deviating national requirements



Brazil joining the WIPO systems

Rule of thumb for portfolio management



- Preparing national / EU registrations need more effort
- For important markets, it is generally worth to file national / EU applications
 - Application can be tailored according to national (or EU) rules, maximizing protection
 - Lower risk of rejection of application
 - Re national trademarks: No risk of full invalidation in case basic trademark is successfully attacked





┌ **New EU regulation on the transit of goods**

New EU regulation on the transit of goods



- The old rules: Transit of goods cannot constitute EU trademark infringement if the goods were not intended to be made available in the EU
- New regulation: Even mere transit of goods may constitute infringement if trademark in suit is protected in country of final destination
 - Reasoning: “better balance between fight against counterfeiting and securing free trade”
 - Most suitable action: seizure requests with customs authorities re situations such as transshipment and warehousing, etc.
 - Possible liability risk: if final destination of goods is not known, trademark holder can only guess if his trademark is also protected at final destination





┌ **Thank you!**

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