

DIRECTIVE 98/71/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**of 13 October 1998****on the legal protection of designs**

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 ⁽¹⁾,

Having regard to the opinion of the Economic and Social Committee ⁽²⁾,

Acting in accordance with the procedure laid down in Article 189b of the Treaty ⁽³⁾, in the light of the joint text approved by the Conciliation Committee on 29 July 1998,

- (1) Whereas the objectives of the Community, as laid down in the Treaty, include laying the foundations of an ever closer union among the peoples of Europe, fostering closer relations between Member States of 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 characterised by the abolition of obstacles to the free movement of goods and also for the institution of a system ensuring that competition in the internal 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 the differences in the legal protection of designs offered by the legislation of the Member States directly affect the establishment and functioning of the internal market as regards goods embodying designs; whereas such differences can distort competition within the internal market;
- (3) Whereas it is therefore necessary for the smooth functioning of the internal market to approximate the design protection laws of the Member States;
- (4) 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;
- (5) 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 provisions on sanctions, remedies and enforcement should be left to national law; whereas the objectives of this limited approximation cannot be sufficiently achieved by the Member States acting alone;
- (6) Whereas Member States should accordingly remain free to fix the procedural provisions concerning registration, renewal and invalidation of design rights and provisions concerning the effects of such invalidity;
- (7) 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 legislation relating to unregistered design rights, trade marks, patents and utility models, unfair competition or civil liability;
- (8) Whereas, in the absence of harmonisation of copyright law, 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;
- (9) Whereas the attainment of the objectives of the internal market requires that the conditions for obtaining a registered design right be identical in all the Member States; 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;

⁽¹⁾ OJ C 345, 23. 12. 1993, p. 14 and OJ C 142, 14. 5. 1996, p. 7.

⁽²⁾ OJ C 388, 31. 12. 1994, p. 9 and OJ C 110, 2. 5. 1995, p. 12.

⁽³⁾ Opinion of the European Parliament of 12 October 1995 (OJ C 287, 30. 10. 1995, p. 157), common position of the Council of 17 June 1997 (OJ C 237, 4. 8. 1997, p. 1), Decision of the European Parliament of 22 October 1997 (OJ C 339, 10. 11. 1997, p. 52). Decision of the European Parliament of 15 September 1998. Decision of the Council of 24 September 1998.

- (10) Whereas it is essential, in order to facilitate the free movement of goods, to ensure in principle that registered design rights confer upon the right holder equivalent protection in all Member States;
- (11) Whereas protection is conferred by way of registration upon the right holder for those design features of a product, in whole or in part, which are shown visibly in an application and made available to the public by way of publication or consultation of the relevant file;
- (12) 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 not visible 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;
- (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 that produced on him by 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;
- (14) 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 entail 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;
- (15) 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;
- (16) Whereas a design right shall not subsist in a design which is contrary to public policy or to accepted principles of morality; whereas this Directive does not constitute a harmonisation of national concepts of public policy or accepted principles of morality;
- (17) Whereas it is fundamental for the smooth functioning of the internal market to unify the term of protection afforded by registered design rights;
- (18) Whereas the provisions of this Directive are without prejudice to the application of the competition rules under Articles 85 and 86 of the Treaty;
- (19) Whereas the rapid adoption of this Directive has become a matter of urgency for a number of industrial sectors; whereas full-scale approximation of the laws of the Member States on the use of protected designs 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, cannot be introduced at the present stage; whereas the lack of full-scale approximation of the laws of the Member States on the use of protected designs for such repair of a complex product should not constitute an obstacle to the approximation of those other national provisions of design law which most directly affect the functioning of the internal market; whereas for this reason Member States should in the meantime maintain in force any provisions in conformity with the Treaty relating to the use of the design of a component part used for the purpose of the repair of a complex product so as to restore its original appearance, or, if they introduce any new provisions relating to such use, the purpose of these provisions should be only to liberalise the market in such parts; whereas those Member States which, on the date of entry into force of this Directive, do not provide for protection for designs of component parts are not required to introduce registration of designs for such parts; whereas three years after the implementation date the Commission should 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; whereas, in respect of component parts of complex products, the analysis should, in particular, consider harmonisation on the basis of possible options, including a remuneration system and a limited term of exclusivity; whereas, at the latest one year after the submission of its analysis, the Commission should, after consultation with the parties most affected, 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;

- (20) Whereas the transitional provision in Article 14 concerning the design of a component part used for the purpose of the repair of a complex product so as to restore its original appearance is in no case to be construed as constituting an obstacle to the free movement of a product which constitutes such a component part;
- (21) Whereas the substantive grounds for refusal of registration in those Member States which provide for substantive examination of applications prior to registration, and the substantive grounds for the invalidation of registered design rights in all the Member States, must be exhaustively enumerated,

HAVE ADOPTED THIS DIRECTIVE:

Article 1

Definitions

For the purpose of this Directive:

- (a) 'design' means the 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 *inter alia* parts intended to be assembled into a complex product, packaging, get-up, graphic symbols and typographic typefaces, but excluding computer programs;
- (c) 'complex product' means a product which is composed of multiple components which can be replaced permitting disassembly and reassembly of the product.

Article 2

Scope of application

1. 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), (b) and (c).
2. For the purpose of this Directive, design registration shall also comprise the publication following filing of the design with the industrial property office of a Member State in which such publication has the effect of bringing a design right into existence.

Article 3

Protection requirements

1. Member States shall protect designs by registration, and shall confer exclusive rights upon their holders in accordance with the provisions of this Directive.
2. A design shall be protected by a design right to the extent that it is new and has individual character.
3. A design applied to or incorporated in a product which constitutes a component part of a complex product shall only be considered to be new and to have individual character:
 - (a) if the component part, once it has been incorporated into the complex product, remains visible during normal use of the latter, and
 - (b) to the extent that those visible features of the component part fulfil in themselves the requirements as to novelty and individual character.
4. 'Normal use' within the meaning of paragraph (3)(a) shall mean use by the end user, excluding maintenance, servicing or repair work.

Article 4

Novelty

A design shall be considered new if no identical design 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. Designs shall be deemed to be identical if their features differ only in immaterial details.

Article 5

Individual character

1. A design shall be considered to have 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. In assessing individual character, the degree of freedom of the designer in developing the design shall be taken into consideration.

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. A 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
- (b) during the 12-month period preceding the date of filing of the application or, if priority is claimed, the date of priority.

3. 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.

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 to or placed in, around or against another product so that either product may perform its function.
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 multiple assembly or connection of mutually interchangeable products within a modular system.

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 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 assessing the scope of protection, the degree of freedom of the designer in developing his design shall be taken into consideration.

Article 10

Term of protection

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 have the term of protection renewed for one or more periods of five years each, up to a total term of 25 years from the date of filing.

Article 11

Invalidity or refusal of registration

1. A design shall be refused registration, or, if the design has been registered, the design right shall be declared invalid:
 - (a) if the design is not a design within the meaning of Article 1(a); or
 - (b) if it does not fulfil the requirements of Articles 3 to 8; or
 - (c) 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
 - (d) if the design is in conflict with a prior design which has been made available to the public after the date of filing of the application or, if priority is claimed, the date of priority, and which is protected from a date prior to the said date by a registered Community design or an application for a registered Community design or by a design right of the Member State concerned, or by an application for such a right.
2. Any Member State may provide that a design shall be refused registration, or, if the design has been registered, that the design right shall be declared invalid:
 - (a) if a distinctive sign is used in a subsequent design, and Community law or the law of the Member State concerned governing that sign confers on the right holder of the sign the right to prohibit such use; or

- (b) if the design constitutes an unauthorised use of a work protected under the copyright law of the Member State concerned; or
- (c) if the design constitutes an improper use of any of the items listed in Article 6b of the Paris Convention for the Protection of Industrial Property, or of badges, emblems and escutcheons other than those covered by Article 6b of the said Convention which are of particular public interest in the Member State concerned.
3. The ground provided for in paragraph 1(c) may be invoked solely by the person who is entitled to the design right under the law of the Member State concerned.
4. The grounds provided for in paragraph 1(d) and in paragraph 2(a) and (b) may be invoked solely by the applicant for or the holder of the conflicting right.
5. The ground provided for in paragraph 2(c) may be invoked solely by the person or entity concerned by the use.
6. Paragraphs 4 and 5 shall be without prejudice to the freedom of Member States to provide that the grounds provided for in paragraphs 1(d) and 2(c) may also be invoked by the appropriate authority of the Member State in question on its own initiative.
7. When a design has been refused registration or a design right has been declared invalid pursuant to paragraph 1(b) or to paragraph 2, the design may be registered or the design right maintained in an amended form, if in that form it complies with the requirements for protection and the identity of the design is retained. Registration or maintenance in an amended form may include registration accompanied by a partial disclaimer by the holder of the design right or entry in the design Register of a court decision declaring the partial invalidity of the design right.
8. Any Member State may provide that, by way of derogation from paragraphs 1 to 7, 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 applications which have been made prior to that date and to resulting registrations.
9. A design right may be declared invalid even after it has lapsed or has been surrendered.

Article 12

Rights conferred by the design right

1. The registration of a design shall confer on its holder the exclusive right to use it and to prevent any third party not having his consent from using it. The aforementioned use shall cover, in particular, the making, offering, putting

on the market, importing, exporting or using of a product in which the design is incorporated or to which it is applied, 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 prevented 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 invoked to prevent continuation of such acts by any person who had begun such acts prior to that date.

Article 13

Limitation of the rights conferred by the design right

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

Transitional provision

Until such time as amendments to this Directive are adopted on a proposal from the Commission in accordance with the provisions of Article 18, Member States shall maintain in force their existing legal provisions relating to the use of the design of a component part used for the purpose of the repair of a complex product so as to restore its original appearance and shall introduce changes to those provisions only if the purpose is to liberalise the market for such parts.

*Article 15***Exhaustion of rights**

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***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, trade marks or other distinctive signs, patents and utility models, typefaces, civil liability or unfair competition.

*Article 17***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.

*Article 18***Revision**

Three 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, in particular the industrial sectors which are most affected, particularly manufacturers of complex products and component parts, for consumers, for competition and for the functioning of the internal

market. At the latest one year later the Commission 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 in light of its consultations with the parties most affected.

*Article 19***Implementation**

1. Member States shall bring into force the laws, regulations or administrative provisions necessary to comply with this Directive not later than 28 October 2001.

When Member States adopt these provisions, they shall contain a reference to this Directive or shall be accompanied by such reference on the occasion of their official publication. The methods of making such reference shall be laid down 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.

*Article 20***Entry into force**

This Directive shall enter into force on the 20th day following its publication in the *Official Journal of the European Communities*.

*Article 21***Addressees**

This Directive is addressed to the Member States.

Done at Luxembourg, 13 October 1998.

For the European Parliament

The President

J.M. GIL-ROBLES

For the Council

The President

C. EINEM

Statement by the Commission

The Commission shares the European Parliament's concern about combating counterfeiting.

The Commission's intention is to present before the end of the year a Green Paper regarding piracy and counterfeiting in the internal market.

The Commission will include in this Green Paper Parliament's idea of creating an obligation for counterfeiters to provide holders of design rights with information on their illegal acts.

Statement by the Commission regarding Article 18

Immediately following the date of adoption of the Directive, and without prejudice to Article 18, the Commission proposes to launch a consultation exercise involving manufacturers of complex products and of component parts in the motor vehicles sector. The aim of this consultation will be to arrive at a voluntary agreement between the parties involved on the protection of designs in cases 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.

The Commission will coordinate the consultation exercise and will report regularly to the Parliament and the Council on its progress. The consulted parties will be invited by the Commission to consider a range of possible options on which to base a voluntary agreement, including a remuneration system and a system based on a limited period of design protection.
