

# Alert

## Intellectual Property - Review

### Observatory on the latest case law trends regarding the intangible assets

In this period of business relaunch, we recall the most important decisions issued in the last semester by the European Courts, concerning the protection of intellectual property, essential tool for the economic development.

#### **TRADEMARK:**

Regarding the registration of trademarks made in bad faith, the Court of Justice in the decision *Sky vs. SkyKick* (C-371/18) established that a trade mark application made without any intention to use the sign in relation to the goods and services covered by the registration constitutes a bad faith act, if the trade mark applicant had the intention either of undermining, in a manner inconsistent with honest practices, the interests of third parties, or of obtaining, without even targeting a specific third party, an exclusive right for purposes other than those falling within the functions of a trade mark.

In addition, it was pointed out that the ground for invalidity is exhaustive therefore, as a consequence of that, a Community trade mark or a national trade mark cannot be declared wholly or partially invalid on the ground that terms used to designate the goods and services in respect of which that trade mark was registered lack clarity and precision.

Regarding the position of logistic services provided by e-commerce platforms, in the decision *Coty vs. Amazon* (C-567/18) the Luxembourg judges excluded the liability of the giant of the web, establishing that a person who, on behalf of a third party, stores goods which infringe trade mark rights, without being aware of that infringement, must be regarded as not stocking those goods in order to offer them or put them on the market for the purposes of those provisions, if that person does not itself pursue those aims.

The Court has, however, already had occasion to point out that, according to its ordinary meaning, the expression 'using' involves active behavior and direct or indirect control of the act constituting the use. As a consequence of that only a third party who has direct or indirect control of the act constituting the use is effectively able to stop that use and therefore comply with that prohibition.

In the judgement *Gomboc* (C-237/19), the Court of Justice focused the attention, again, on the sensitive subject matter concerning the shape marks.

The judgement declares that in order to establish whether a sign is not registrable because consisting exclusively of the shape of goods which is necessary to obtain a technical result, the assessment does not have to be limited to the graphic representation of that sign. Information other than that relating to the graphic representation alone, such as the perception of the relevant public, may be used in order to identify the essential characteristics of the sign at issue.

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However, while information which is not apparent from the graphic representation of the sign may be taken into consideration, in order to establish whether those characteristics perform a technical function of the goods in question, such information must originate from objective and reliable sources and may not include the perception of the relevant public.

The ground for refusal of registration provided that, for shape that gives the goods substantial value, it must be apparent from objective and reliable evidence that the consumer's decision to purchase the product in question is based to a very large extent on one or more characteristics of that shape.

Lastly, the ground for refusal of registration for shapes that give the goods substantial value must be applied systematically to a sign which consists exclusively of the shape of the product where the appearance of that product enjoys protection under the law relating to designs or where the sign consists exclusively of the shape of a decorative item.

### DESIGN:

In the industrial design world, driving force of many sectors of the Italian economy, is confirmed the trend started by the decision COFEMEL (C- 683/17).

Judges allow an easier enforcement to the copyright's protection. This orientation applies to clothes and pieces of furniture (Italian Supreme Court judgment. N° 8433/2020, Kiko c. Wycon in which the Court recognized that a concept store can be covered by the copyright's right protection) and also to functional goods, such as bikes (C-833/18, Brompton c. Chedech, the copyright protection provided for therein applies to a product whose shape is, at least in part, necessary to obtain a technical result, where that product is an original work resulting from intellectual creation, in that, through that shape, its author expresses his creative ability in an original manner by making free and creative choices in such a way that that shape reflects his personality, which it is for the national court to verify, bearing in mind all the relevant aspects of the dispute in the main proceedings.).

Despite the absence of a common European set of provisions ruling the copyright law, judges are carrying out an harmonization by the means of the case law, interpreting the existing rules, in order to reduce the threshold of protection. In this way the position of reluctant States concerning the use of copyright law to the industrial design works, such as UK, is drawn near to the ones of States much more open and generous to admit the copyright law's protection to those creations, as France and The Netherlands.

### PATENT:

At the beginning of 2020 EPO rejected two patent applications, in which a machine (artificial intelligence) was named as inventor. The reason for refusing said patent applications is that these didn't meet the requirements specified by EPC, for which the inventor can only be a human being. Shortly afterwards the Court of Justice, in the judgement (C- 307/18), considered that pay-for-delay agreements are against competition. In summary, judges affirmed that agreements between manufacturers of medicines aiming to delay the market entry of generic medicines at the expiry of the patent are unlawful because they limit the competition.

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EPO, through the judgement “Pepper” (G-003/19), clarified how to interpret the exception to patentability of essentially biological processes for the production of plants or animals contained in Article 53(b) EPC.

The Enlarged Board abandons the interpretation of Article 53(b) EPC given in decision G 2/12 and, in the light of Rule 28(2) EPC holds that the term “essentially biological processes for the production of plants or animals” in Article 53(b) EPC is to be understood and applied as extending to products exclusively obtained by means of an essentially biological process or if the claimed process feature defines an essentially biological process.

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**La presente Newsletter ha il solo scopo di fornire aggiornamenti e informazioni di carattere generale. Non costituisce pertanto un parere legale né può in alcun modo considerarsi come sostitutivo di una consulenza legale specifica.**

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