INTA Comments on the draft Common Practice of project CP10 “Criteria for assessing disclosure of designs on the Internet”

May 2019

The International Trademark Association (INTA) appreciates the opportunity to contribute to the draft common practice of the CP10 project. We are pleased to acknowledge the improvement as concerns consultation of user associations on European Cooperation Projects (ECP) regardless of them being represented or not in the relevant Working Groups.

Comments on the CP10 draft common practice

INTA participates in the CP10 Working Group. Nevertheless and without prejudice to further comments that our representative may bring forward at the Working Group meetings, we would like to provide the below input on certain aspects of the draft common practice. For convenience, the comments are structured per the common practice’s section to which they refer.

INTRODUCTION / THE COMMON PRACTICE

We recommend including an explanation of the test on disclosure, enshrined in Article 6 of the Designs Directive1 and Article 7 of the Designs Regulation2, in the introductory section of the common practice. We suggest that such explanatory note be construed along the following lines:

- Design regimes around the world tend to be based on a standard of either national (or regional) novelty or world-wide novelty;
- When the issue was considered at the European Union (EU) level, both regional novelty and global novelty were set aside as the former would allow foreign designs to be re-monopolized in the EU and the latter would permit wealthy litigants to scan the world looking for even the most obscure form of prior art or litigants in bad faith to more easily fabricate novelty-destroying documents;
- The current test, incorporated in Articles 6 and 7 of the Designs Directive and Designs Regulation respectively, was therefore adopted. It is basically a two-step test: the first step is to assess whether there has been a prior disclosure act; the second step provides a sort of relevancy test of that disclosure act, i.e. only if that disclosure act was not too obscure that the prior design could be held against the validity of the design.
- In essence, the test establishes a standard of worldwide novelty but with an exclusion for truly obscure designs;
- This is the interpretation that the Court of Justice of the EU (CJEU) has been giving to the test. For instance, the CJEU has held that showing a Community unregistered design to a limited number of traders in a showroom in China could be deemed as relevant disclosure3;
- Such jurisprudence indicates that most disclosures will be deemed relevant disclosures and only in exceptional circumstances they will be considered too obscure.

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3 Case C-479/12, H. Gautzsch Großhandel GmbH & Co. KG v Münchener Boulevard Möbel Joseph Duna GmbH.
Further, as unregistered Community designs (UCD) are outside the scope of CP10, an exclusion we agree with as UCD are rights in essence that should be dealt with by the judiciary, we recommend adding a paragraph in the beginning of the common practice clearly stating this exclusion. Additionally, for coherence purposes, we suggest deleting any references in the text that may lead the reader into thinking that UCD are within CP10’s scope (see our below comment on point 2.2 Computer-generated timestamp information).

**THE COMMON PRACTICE**

*General aspects – Page 6*

For purposes of legal certainty and clarity, INTA recommends that the wording of the Designs Regulation be used whenever concepts of law are described in the common practice. Notably, this is the case of the explanation of the meaning of “disclosure” in page 6 of the draft common practice: we suggest using the language of Article 7 of the Regulation.

*(ii) The design – Pages 6 and 7*

- Page 6: We suggest deleting the word “the” before “individual character” in the first sentence;
- Page 6: The second sentence does not distinguish two different tests: we recommend to first set out the novelty test, and then describe the test to determine individual character.
- Page 7, second bullet point: “…an event of design disclosure on the Internet has become known to the circles specialised in the sector concerned operating in the European Union”. We note that, under Articles 6 and 7 of, respectively, the Designs Directive and Designs Regulation, a disclosure event is relevant where it could reasonably have become known in the normal course of business to the circles specialized in the sector concerned, operating within the EU. Again, we recommend using the correct statutory language.

1. SOURCES OF DISCLOSURE

1.1 Websites

*Recommendations – Page 9*

**Fourth bullet point:** In terms of certain websites (e.g. social media), it is recommended to provide additional information regarding the website in question, indicating its purpose and main characteristics. This additional information will provide a better understanding of the website when assessing the evidence, and may even help to increase its value:

We are concerned that national offices could use such “additional information” either to raise this issue *ex officio* or to reject an application for invalidity for failure of the applicant to provide such additional information with the invalidity application. Instead, the “additional information” may be provided only as part of the rebuttal by a registered design invalidity applicant. This is to say that when applying for the invalidity of a design, the applicant only has to demonstrate the fact that the design was disclosed. Only where the design owner responds that the disclosure was too obscure, the invalidity applicant has the evidential burden of proving why that is not the case, notably by referring to such additional information of the website showing that the design could have reasonably become known to the circles specialized in the sector concerned.
Further, we understand this recommendation insofar as information about the website may be useful to avoid obscure disclosures and because the CP10 recommendations should last in time and presumably in the future many new social networks will merge. Nevertheless, we disagree with the reference to “may even help to increase its value” in the last sentence. This is because the objective of CP10 is not determine the value of evidence obtained on the Internet but rather to provide a clear and comprehensive explanation of the principles for assessing design disclosure on the Internet. Therefore, as this recommendation is possibly relevant only for a rebuttal by an invalidity applicant but not for national offices’ practices when assessing disclosure of designs on the Internet, we recommend deleting this bullet point.

1.2 Apps

**Recommendations – Page 10**

Fourth bullet point:

As regards certain apps (e.g. those regarding social media), it is recommended to provide additional information regarding the app in question, indicating its purpose and main characteristics. As highlighted in ‘social media’, this additional information may even help to increase its value.

We recommend deleting this bullet point for the reason indicated in the preceding comment.

1.3 Electronic mails

**Recommendations – Page 11**

Second and third bullet points:

- *E-mail addresses of the recipients could help to identify whether the communication is addressed to the persons that belong to the specialised circles concerned and whether those circles operate in the European Union.*
- *The purpose of the e-mail communication might also serve as a valuable indication as to whether it was addressed to the circles specialised in the sector concerned. For instance, when the list of recipients is undisclosed, it would need to be decided judging from the content of such communication whether it was intended as a private communication or actually targeted to a broader audience.*

As this section of the common practice is under Sources of Disclosure (point 1), we recommend focusing on the event of disclosure (in this case, electronic emails) rather than explaining the exception (when the event could not reasonably have become known in the normal course of business to the circles specialized in the sector concerned). Therefore, we recommend keeping the general explanation and all references to the “event of disclosure” but deleting those relating to the exceptions such as these two bullet points.

Nevertheless, it should be kept in mind that the disclosure test is an objective one, i.e. it assesses whether the specialized circles could have reasonably become aware rather than whether or not the circles actually did gain knowledge of the disclosure.

2. **ESTABLISHING THE RELEVANT DATE OF DISCLOSURE**

2.2 Computer-generated timestamp information
Recommendations – Page 16

Third bullet point: “Qualified Timestamping can likewise be used as a precautionary measure. Designers wishing to publish their designs on the Internet can at the same time look for a qualified timestamp to secure their disclosure. Once secured, this timestamped proof of disclosure can be subsequently used as evidence”.

We believe that this recommendation appears addressed to unregistered designs. Indeed, we can only see a timestamp being used as a precautionary measure for the purpose of proving the subsistence of an unregistered Community design. We are not aware of designers creating designs to which they would affix a timestamp – to then invalidate later third-party registered designs.

Therefore, as unregistered designs are outside the scope of CP10 and in line with our above comment, we recommend deleting this bullet point.

3. MEANS FOR PRESENTING THE EVIDENCE OBTAINED FROM THE INTERNET

First paragraph - page 17: “The event of disclosure might be established by submitting various types of evidence. Therefore, in general, any means able to prove it can be submitted”.

We believe that this paragraph is a main point of the common practice and should be emphasized. We therefore recommend clarifying that a patchwork of evidence can demonstrate the event of disclosure. We suggest that such clarification be made by highlighting that a disclosure on the Internet can be proved together with other pieces of evidence and that the event of disclosure should be interpreted taking into account all evidence provided.

3.6 URL addresses or hyperlinks

Recommendation – page 25: When the URL address or hyperlink to a certain website per se is provided as evidence, an example of the relevant site as displayed when accessing said URL or hyperlink must also be provided.

We recommend replacing the world “must” by “should”. Indeed, as explained in the common practice itself, this document is intended as a reference and contains mere recommendations, none of which are mandatory.

4. AVAILABILITY OF THE DESIGN (Exception/Restrictions)

4.1 Effectiveness of disclosure

Second full paragraph, page 27: Although not directly related with the accessibility of the content of the webpage itself, the intended purpose or target audience (*) of a certain site on the Internet can indirectly affect the likelihood that the content will be known by the specialised circles. By way of example, blogs can have a personal and private nature, not having a greater purpose than offering a space for an individual to share their thoughts and opinions. In such cases, the probabilities that the specialised circle is aware of, and follows up on, the content of such a blog are low and thus virtually undetectable to the specialised circles when searching for relevant information on the Internet. It is more likely that the specialised circles would search for the information on the websites related to their respective sector.
We recommend deleting this paragraph as the specialized circles’ behavior may vary from one sector to another. Moreover, designers and design industries are constantly improving their inspiration sources and the talent working in design industries is very diverse.

Fourth full paragraph: In any event, a design cannot be deemed to be known in the normal course of business if the circles specialised in the sector concerned can become aware of it only by chance.

We recommend deleting this paragraph as the statement is not in accordance with the law: if necessary we recommend that the wording of Article 7 of the Designs Regulation/Article 6 of the Designs Directive be used.

Fifth full paragraph: The following aspects should be taken into consideration when assessing effective disclosure:
- Passwords (*) and payment (*)
- Language and top-level domain (*)
- Searchability
- Geo-blocking (*)
- Confidentiality

In order to clarify the non-exhaustive and merely indicative character of the above list, we suggest that the word “should”, in the first sentence, be replaced by “could”, i.e., “The following aspects could be taken into consideration (…)”.

4.3 Language and top-level domain name

Fourth paragraph, page 28: Top-level domain could serve as an indication as to which public is more likely to have access a given webpage. For instance, if a top-level domain were from an EU country, it would be more likely that the specialised circles operating in the EU could become aware of a disclosure that happens on such a webpage. However, a foreign top-level domain might not in general affect the accessibility of the specialised circles.

We fail to see any justification or authority backing the last sentence of this paragraph and recommend that it be deleted.

4.4 Searchability

Second paragraph, page 28: Specific customs or behaviours of the relevant circles should be taken into account when assessing whether the relevant information could have been found, as it is possible that considering the latter along with the way the disclosure of the design took place, such publications may only have become known by chance.

In line with the two preceding comments, we fail to see any justification or case law backing for this statement. As the common practice should serve to provide increased certainty and clarity, we therefore recommend deleting this paragraph.

4.6 Confidentiality

Last sentence of second paragraph, page 30: Thus, an e-mail that includes a confidentiality claim but is sent to large number of contacts including wholesale distributors regarding new articles on sale cannot be considered confidential.
Again, we are unaware of any authority backing this claim and therefore recommend deleting it.

**Note regarding notification of User Associations**

User Associations learned about the consultation on the CP10 draft common practice through the April 2019 User Associations Communication, disseminated on April 3. According to said Communication, the draft common practice was published for comments on March 22, i.e., when INTA learned about the publication, 13 days of the consultation period had already expired. This caused frustration and an unnecessary workload increase for our members.

Moreover, we stress again that the Monthly Communication is not the appropriate means to request users’ input. We commend the Office for acknowledging this observation and in the attached report indicating that consultations should be conveyed through ad hoc emails. Such good practice has been followed for the first draft common practices of CP8 and CP9 which we applaud.

At the 2019 User Group Meeting, the Office acknowledged the mistake regarding the lack of targeted communication on the CP10 draft common practice and noted that it would be mindful to prevent this from happening in the future. However, the second draft of the CP9 common practice was recently published at the TMDN website, without a deadline being indicated, and no parallel specific communication was sent to user associations in this respect.

We strongly recommend that the Office follows the best practice adopted for CP8 and CP9 first draft common practices and notifies users of these consultations and the relevant deadlines, through a specific communication and as soon as the drafts are published.

INTA will continue actively supporting the discussions on the CP10 draft common practice, through its participation in the Working Group and by addressing additional requests for input. We hope you will find our comments useful. Should you wish to further discuss any of the points we have raised or additional issues, please contact Hélène Nicora, INTA Chief Representative Officer, Europe, at hnicora@inta.org and Carolina Oliveira, Policy Officer - Europe and Staff Liaison for INTA’s Designs Committee at coliveira@inta.org.

**Attachment:** EUIPO’s report of survey “User Associations’ involvement in EUIPO activities”