

What Have They Done Now?

Case C-683/17, *Cofemel v G-Star Raw*

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Outline

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1. Background: Cumulation in Principle but Copyright Specifics Left to MS

- European Commission, *Green Paper on the Legal Protection of Industrial Design*, 111/F/5131/91EN (Brussels: June 1991), para.11.3.2 **“The question of under which conditions and to what extent this should be possible cannot be settled now by a Community measure.”**
- Directive 98/71/EC, 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.**
- Council Regulation 6/2002, Art 96(2)

1b. But...

- *C-5/08 Infopaq Int v Danske Dagblades Forening* (2009) (4th Ch)
- [37]: copyright within the meaning of Article 2(a) of Directive 2001/29 is liable to apply only in relation to a subject-matter which is original in the sense that it is its author's own intellectual creation
- [45] “It is only through **the choice, sequence and combination of those words that the author may express his creativity** in an original manner and achieve a result which is an intellectual creation;
- Case C-393/09, *Bezpečnostní softwarová asociace* (2010) (3rd Ch)
[46] **Consequently, the graphic user interface can, as a work, be protected by copyright if it is its author's own intellectual creation**

- . Case C-168/09, *Flos v Semararo* (2011), [34]
- However, it is conceivable that **copyright protection for works which may be unregistered designs could arise under other directives concerning copyright, in particular Directive 2001/29, if the conditions for that directive’s application are met**, a matter which falls to be determined by the national court
- Case C-310/17, *Levola Hengelo v Smilde* (2019)
- Work= intellectual creation + expression
- “for there to be a ‘work’ ..., the subject matter protected by copyright must be expressed in a manner which makes it identifiable with sufficient precision and objectivity, even though that expression is not necessarily in permanent form.”

2. The Case and its Reasoning

- Portuguese Copyright Code, art 2
- “ Works of applied art, industrial designs and works of design which constitute an artistic creation, irrespective of the protection relating to industrial property”
- Supremo Tribunal de Justiça (Supreme Court, Portugal)
- designs are characterised by a number of specific elements (3D effect, the positioning of various components, how they are assembled, etc.) that are allegedly partly copied by Cofemel
- Referred 2 odd and ambiguous questions pointing to standards other than originality eg that “over and above their practical purpose, create their own visual and distinctive effect from an aesthetic point of view”?

G-STAR's ARC and ROWDY T-SHIRTS



Reasoning: If AOIC, then protect.

- [29] “Work” = (i) intellectual creation + (ii) expression
- [30] “it is both necessary and sufficient that the subject matter reflects the personality of its author, as an expression of his free and creative choices”
- [32] “the existence of a subject matter that is identifiable with sufficient precision and objectivity “
- [45] Art 17 DD “must ... be construed in the light of recital 8 of Directive 98/71 ..., which expressly refer to the principle of ‘cumulation’ of protection of designs, on the one hand, and copyright protection, on the other.”
- [55] “a specific and aesthetically significant visual effect is not such as to justify those designs being classified as ‘works’”

3. Outstanding Issues: The Supposed Impact

- [50] ...the protection of designs ...and copyright protection... pursue **fundamentally different objectives** and are subject to distinct rules. ... the purpose of the protection of designs is ...to ensure a **return on the investment** necessary for the creation and production ..., without thereby excessively restricting competition. ...[T]he protection attached to copyright, the duration of which is significantly greater, is reserved to subject matter that merits being classified as works.
- [51] ..., the grant of protection, under copyright, to subject matter that is protected as a design **must not have the consequence that the respective objectives and effectiveness of those two forms of protection are undermined**
- [52] although the protection of designs and the protection associated with copyright may, under EU law, be granted cumulatively to the same subject matter, **that concurrent protection can be envisaged only in certain situations**

CJEU, [50]-[52] refers to AG Szpunar, [AG51]-[AG55]

- [AG53]- [AG54] Concerns with cumulation can be met by “a rigorous application of copyright”
- [AG57] originality- not high, but not “non-existent”; solutions dictated by technical result are not creative
- [AG58]-[AG62] idea expression dichotomy will avoid most anti-competitive effects. Location of pocket, choice of colours, screwdriver effect are “susceptible of being analysed” as ideas/functional solutions...
- [AG63]-[AG6] independent creation/inspiration

Not Original Expression if functional constraints

- Case 393/09, *Bezpečnostní softwarová asociace*, (22 Dec 2010)
- Where expression is dictated by technical function
- [49] ‘the criterion of originality is not met since the different methods of implementing an idea are so limited that the idea and the expression become indissociable.’

15 Jan 2020

- Portuguese Supreme Court rejected claim, finding not original

Implications for Coherence of EU law

- Exclusions from EU Design Regulation No 6/2002 – Protected Through Copyright under Directive 2001/29/EC?
- Exceptions to EU Design Rights under Art 20 – Not Excepted Under EU Copyright Law (made more tricky because exceptions in Art 5(2) and (3) of ISD are optional).
- Matters design proprietors might not welcome: contract regulation and moral rights.

Protect Through Copyright Subject Matter Not Protectable by the Designs Regulation?

- “Under the Bonnet” parts (Art 4(2))
- 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.
- But, in general, unlikely to reach originality standard

Must Fit features

- Art 8(2) A Community design 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
- Probably excluded under intellectual creation standard. But what if initial shape involves creative choices?

Regn 6/2000, Art 110

- protection as a Community design shall not exist for a design which constitutes a component part of a complex product used within the meaning of Article 19(1) for the purpose of the repair of that complex product so as to restore its original appearance
- Art. 5(3)(I) ‘use in connection with the ... repair of equipment’...

Features solely Dictated by Technical Function (Art 8)

- Case C-833/18, SI, Brompton v Get2Get (reference from Tribunal de l'entreprise de Liège; AG Opinion due on 06/02/2020)
- Must Directive 2001/29/EC be interpreted as excluding from copyright protection works whose shape is **necessary to achieve a technical result**?
- In order to assess whether a shape is necessary to achieve a technical result, must account be taken of the following criteria:
 - The existence of other possible shapes which allow the same technical result to be achieved? The effectiveness of the shape in achieving that result? The intention of the alleged infringer to achieve that result?

The existence of an earlier, now expired, patent on the process for achieving the technical result sought

Exceptions from EU designs (Reg 6/2000, Art 20) that are not present in copyright (Directive 2001/29)

- acts done privately and for non-commercial purposes; cf. Directive 2001/29/C, art 5(2)(b): acts of natural person and requirement of “fair compensation”
- acts done for experimental purposes; cf. art 5(3)(a) “non-commercial research”
- acts of reproduction for the purpose 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. Cf art 5(3)(a), (d)
- Citation in adverts: C24/16, *Nintendo v Big Ben*, EU:C:2017:724, [76]-[77] (purposive interpretation to promote innovation). Cf *Pelham v Huetter* (“intent to enter dialogue”)

Further Concerns

- For countries remaining in EU, obligations re author's contracts –
- Art 19 principle of appropriate and proportionate remuneration; Art 20 – transparency; Art 21 “bestseller “ – remuneration turns out to be disproportionately low
- Moral rights (cf Art 18 of EUDR right to be cited as such before office and in register; limit for teams). Full blown moral rights
- Impact on all sorts of derivative designs (eg versions of jeans, were they protected)

4. Implications for UK Law

- Subject Matter Definitions
- Section 51
- Unregistered design right: CDPA s 236

5a Subject Matter

- CDPA s 4(1):

In this Part “artistic work” **means—**

(a) a graphic work, photograph, **sculpture** or collage,
irrespective of artistic quality,

(b) a work of architecture being a building or a model for a building, or

(c) **a work of artistic craftsmanship**

Inconsistent with CJEU’s work criteria.

Options within the E.U. Acquis

- Judicial treatment of sculptures and works of artistic craftsmanship seems inconsistent with *Cofemel*
- Use European Communities Act (repealed on exit day but restored for Implementation Period by new 2020 Act) to modify section 4(1): from “means” to “includes”
- Court might apply *Marleasing*, until December 31, 2020 – during the “implementation period”. Thereafter?

5b Section 51

- (1) It is not an infringement of any copyright in a design document or model recording or embodying a design for anything other than an artistic work or a typeface to make an article to the design or to copy an article made to the design
- (2) Nor is it an infringement of the copyright to issue to the public, or include in a film or communicate to the public, anything the making of which was, by virtue of subsection (1), not an infringement of that copyright.
- Not within Art 5 of 2001/29/EC. Impermissible?

In defence of CDPA s 51: 2 arguments

- Is s 51 a limitation on the harmonized ‘reproduction right’ or the unharmonized ‘adaptation right’?
- - *Pelham v Huetter* (“recognisable to senses test”)
- If section 51 implicates ‘reproduction’ rather than adaptation, whether it ‘limits’ that right rather than merely ‘defines it’?
- *Cofemel*, [35]: “the extent of that protection does not depend on the degree of creative freedom exercised by its author, and ... that protection is therefore not inferior to that to which any work falling within the scope of that directive is entitled.”

5c Unregistered Design Right: section 236

- Where copyright subsists in a work which consists of or includes a design in which design right subsists, it is not an infringement of design right in the design to do anything which is an infringement of the copyright in that work.
- Expansion of copyright reduces role for unregistered design right to cases of functional designs exhibiting no creativity

Options Post Brexit

- Supreme Court could reject *Flos* and *Cofemel* : EU(W) Act 2018, s 6(4)(a) (“*The Supreme Court is not bound by any retained EU case law*”)
- Withdrawal Bill 2020, Clause 26 (Minister to give courts guidelines on what to do)
- Legislation: A return to 25 years?

What to Expect from FTA with EU

- EU-Korea FTA, [10-32] “A design protected by a design right registered in the European Union or in Korea ...shall also be eligible for protection under the law of copyright applicable in the territory of the Parties as from the date on which the design was created or fixed in any form.”
- Fn 63: The protection of a design under the law of copyright is not granted automatically, but granted only if a design qualifies for protection in accordance with the law of copyright