Reports of Cases

ORDER OF THE GENERAL COURT (Second Chamber)

25 October 2021 *

(Community design – Invalidity proceedings – Registered Community design representing a pendant (jewellery) – Maintenance of the Community design in an amended form – Article 25(6) of Regulation (EC) No 6/2002 – Interest in bringing proceedings – Inadmissibility)

In Case T-329/20,

4B Company Srl, established in Montegiorgio (Italy), represented by G. Brogi, lawyer,

applicant,

v

European Union Intellectual Property Office (EUIPO), represented by S. Scardocchia and A. Folliard-Monguiral, acting as Agents,

defendant,

the other party to the proceedings before the Board of Appeal of EUIPO, intervener before the General Court, being

Deenz Holding Ltd, established in Dubai (United Arab Emirates), represented by N. Alberti, lawyer,

ACTION brought against the decision of the Third Board of Appeal of EUIPO of 19 March 2020 (Case R 2449/2018-3), relating to invalidity proceedings between 4B Company and Deenz Holding,

THE GENERAL COURT (Second Chamber),

composed of V. Tomljenović (Rapporteur), President, P. Škvařilová-Pelzl and I. Nõmm, Judges,

Registrar: E. Coulon,

having regard to the application lodged at the Court Registry on 29 May 2020,

having regard to the response of EUIPO lodged at the Court Registry on 18 August 2020,

having regard to the response of the intervener lodged at the Court Registry on 31 August 2020,

* Language of the case: Italian.

having regard to the Court's written question to the parties and their replies to that question lodged at the Court Registry on 23 and 26 March 2021,

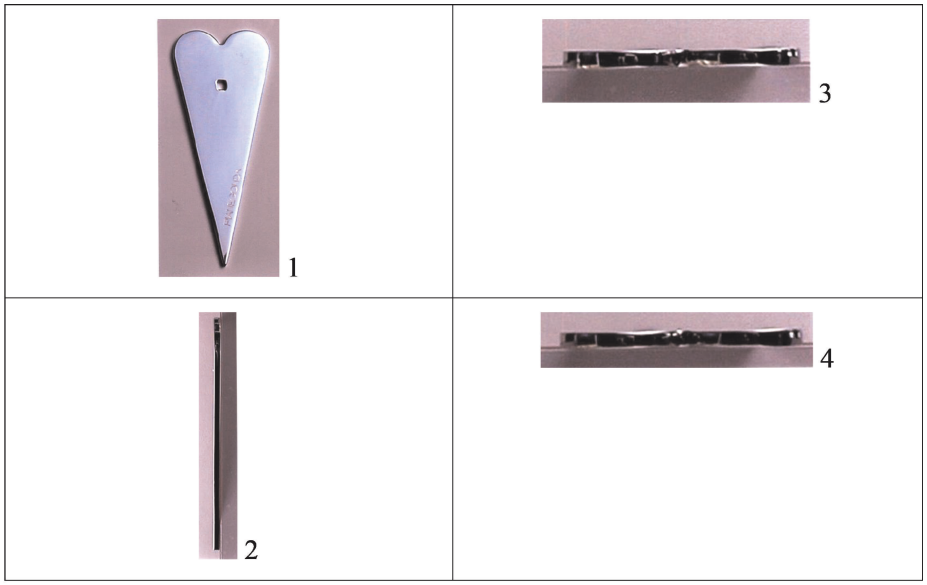
makes the following

Order

Background to the dispute

1 On 12 February 2003, Pianegonda Srl Società Unipersonale, the predecessor in law of the intervener, Deenz Holding Ltd, filed an application for registration of a Community design with the European Union Intellectual Property Office (EUIPO) pursuant to Council Regulation (EC) No 6/2002 of 12 December 2001 on Community designs (OJ 2002 L 3, p. 1).

2 The Community design in respect of which registration was sought and which is contested in the present case is represented in the following views:



3 The contested design consists of a pendant in the shape of an elongated heart characterised by the engraving of the word 'pianegonda' in capital letters on the right side of the front part and by a hole also placed on the front part, which allows the pendant to be attached to a necklace or a chain. In addition, the two flat plates that form the heart are joined, leaving a small gap between them into which it is also possible to thread a necklace or a chain.

4 The goods to which the contested design is intended to be applied are in Class 11.01 of the Locarno Agreement of 8 October 1968 establishing an International Classification for Industrial Designs, as amended, and correspond to the following description: 'Pendants (jewellery)'.

5 The contested design was registered on 1 April 2003 as a Community design under No 2100-0001 and published in *Community Designs Bulletin* No 2003/01 of the same date.

6 On 20 February 2007, the contested design was transferred to A.

7 On 14 March 2017, the applicant, 4B Company Srl, filed an application for a declaration of invalidity of the contested design pursuant to Article 52 of Regulation No 6/2002.

8 The ground relied on in support of the application for a declaration of invalidity was that referred to in Article 25(1)(e) of Regulation No 6/2002.

9 The application for a declaration of invalidity was based on the use on the contested design of the EU word mark PIANEGONDA, of which the applicant is the proprietor and which was registered on 29 November 2000 under No 1417625 for goods in, inter alia, Class 14 of the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended, which include goods falling within the category of jewellery.

10 On 21 August 2017, in the invalidity proceedings, A, acknowledging that it held the rights to the contested design, requested that it be maintained in an amended form, in accordance with Article 25(6) of Regulation No 6/2002 and Article 18 of Commission Regulation (EC) No 2245/2002 of 21 October 2002 implementing Regulation No 6/2002 (OJ 2002 L 341, p. 28), without the engraving of the word corresponding to the word mark PIANEGONDA.

11 On 17 November 2017, the applicant submitted observations opposing the maintenance of the design in an amended form on the ground that, in its view, the removal of the mark did not make it possible to retain the identity of the design.

12 On 8 June 2018, the contested design was assigned to the intervener.

13 On 15 October 2018, the Invalidity Division dismissed the application to have the contested design maintained in an amended form and granted the application for a declaration of invalidity, declaring the contested design invalid in its entirety, on the basis of Article 25(1)(e) of Regulation No 6/2002.

14 On 13 December 2018, the intervener filed a notice of appeal with EUIPO, pursuant to Articles 55 to 60 of Regulation No 6/2002, against the decision of the Invalidity Division. It sought annulment of that decision and requested that its application for maintenance of the contested design in an amended version, devoid of the word mark PIANEGONDA, should be granted.

15 By decision of 19 March 2020 ('the contested decision'), the Third Board of Appeal of EUIPO annulled the decision of the Invalidity Division, declared the contested design invalid in so far as it used the word mark PIANEGONDA and granted the application for maintenance of the contested design in an amended form, providing for its entry in the Register and its publication in the *Community Designs Bulletin*.

Forms of order sought

16 The applicant claims that the Court should:

– annul the contested decision in its entirety;

– uphold the decision of the Invalidity Division declaring the contested design invalid and dismissing the application to have it maintained in an amended form;

– order EUIPO and the intervener to pay the costs.

17 EUIPO contends that the Court should:

– dismiss the action;

– order the applicant to pay the costs.

18 The intervener contends that the Court should:

– uphold the contested decision;

– order the applicant to pay the costs.

Law

19 Under Article 129 of the Rules of Procedure of the General Court, on a proposal from the Judge-Rapporteur, the Court may at any time of its own motion, after hearing the main parties, decide to rule by reasoned order on whether there exists any absolute bar to proceeding with a case.

20 Thus, the Court must, as appropriate, address of its own motion the question whether the applicant has an interest in bringing proceedings (see, to that effect, judgment of 8 October 2014, *Fuchs* v *OHIM – Les Complices (Star within a circle)*, T-342/12, EU:T:2014:858, paragraph 22 and the case-law cited), while giving the parties the opportunity to set out their views in that regard.

21 In the present case, as the parties have submitted their observations on the plea of inadmissibility relating to the applicant's interest in bringing proceedings, the Court decides to rule pursuant to Article 129 of the Rules of Procedure.

22 In response to the Court's question, the applicant claimed that it had an interest in the contested decision being annulled, in so far as it had opposed the application for maintenance of the contested design in an amended form, since the contested decision had not upheld that opposition. Furthermore, the contested design in its amended form does not comply with the conditions laid down by the legislature, because the removal of the inscription of the mark PIANEGONDA would call into question the individual character of that design. In addition, it submits, the contested design in its amended form is liable to be confused with the mark PIANEGONDA, since the latter has always been associated with the shape of the 'heart' represented by that design.

23 The intervener submits, in essence, that the applicant no longer has an interest in bringing proceedings, since, as proprietor of the mark PIANEGONDA, its interests are not affected by the contested design in its amended form, which no longer reproduces that mark.

24 EUIPO contends that, since the ground for invalidity relied on by the applicant was that referred to in Article 25(1)(e) of Regulation No 6/2002, on account of the presence of the mark PIANEGONDA on the contested design, the applicant's claim has already been upheld in full by the decision of the Invalidity Division, whose decision in that regard has not been challenged before the Board of Appeal.

25 The Court considers it appropriate to examine first of all the scheme of the system established by Regulation No 6/2002 and, on that basis, subsequently to address the question as to whether the applicant has an interest in bringing proceedings in the present case.

The system established by Regulation No 6/2002

26 In the present dispute, it is necessary to focus on certain elements of the system established by Regulation No 6/2002, namely, first, the registration of a Community design and, second, the declaration of invalidity of a Community design under Article 25(1)(e) of that regulation and its maintenance in an amended form pursuant to Article 25(6) of that regulation.

Registration of a Community design

27 Article 4(1) of Regulation No 6/2002 provides as follows:

'A design shall be protected by a Community design to the extent that it is new and has individual character.'

28 Articles 5 and 6 of Regulation No 6/2002 define the two criteria set out in Article 4(1) thereof, namely that of novelty of the design and its individual character.

29 As set out in Article 5(1)(b) of Regulation No 6/2002, a registered Community design is to be considered to be new if no identical design has been made available to the public before the date of filing of the application for registration of the design for which protection is claimed, or, if priority is claimed, the date of priority.

30 Under Article 6(1)(b) of Regulation No 6/2002, a registered Community design is to 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 the application for registration or, if priority is claimed, the date of priority.

31 Furthermore, Article 25 of Regulation No 6/2002 provides:

'1. A Community design may be declared invalid only in the following cases:

…

(b) if it does not fulfil the requirements of Articles 4 to 9;

…

(e) if a distinctive sign is used in a subsequent design, and [EU] law or the law of the Member State governing that sign confers on the right holder of the sign the right to prohibit such use;

…

3. The grounds provided for in paragraph (1)(d), (e) and (f) may be invoked solely by the applicant for or holder of the earlier right.

…’

32 Furthermore, it should be noted that, under Article 48 of Regulation No 6/2002, EUIPO is required to register a Community design in so far as it finds, following the examination laid down in Article 45 of that regulation, that the application for registration satisfies the formal requirements for filing and that such an application has not been refused by virtue of Article 47 of that regulation. In accordance with Article 47(1), EUIPO is required to refuse the application for registration if it notices that the design covered by that application does not correspond to the definition of the design under Article 3(a) of that regulation, namely the appearance of the whole or a part of the product resulting from the features of the product itself, or if that design is contrary to public policy or to accepted principles of morality.

33 Moreover, it is apparent from recital 18 of Regulation No 6/2002 that all those applications which comply with formal conditions and which have been accorded a date of filing are to be registered in the Register of Community designs. It is thus stated that the registration system is not based upon substantive examination as to compliance with requirements for protection prior to registration, thereby keeping to a minimum the registration and other procedural burdens on applicants.

34 Article 52(1) of Regulation No 6/2002 provides that ‘subject to Article 25(2), (3), (4) and (5), any natural or legal person, as well as a public authority empowered to do so, may submit to [EUIPO] an application for a declaration of invalidity of a registered Community design’.

35 It follows from the foregoing considerations that the system put in place by Regulation No 6/2002 for the registration of Community designs is based on the principle that all applications which satisfy formal requirements are to be entered in the Register of Community designs. The corollary of that principle is that it is only following an application for a declaration of invalidity of a Community design which has been registered that that design may be declared invalid, inter alia, if it does not satisfy the requirements of Articles 4 to 9 of that regulation, on application by any person, or if use is made of an earlier distinctive sign, on application by the holder of the right to that sign.

The declaration of invalidity of a Community design under Article 25(1)(e) of Regulation No 6/2002 and its maintenance in an amended form under Article 25(6) of that regulation

36 As has been observed in paragraph 31 above, under Article 25(1)(e) of Regulation No 6/2002, a Community design is to be declared invalid if an earlier distinctive sign is used in that design and EU law or the law of the Member State governing that sign confers on the holder of the right to that sign the right to prohibit such use. Article 25(3) of Regulation No 6/2002 states that the ground for invalidity provided for in Article 25(1)(e) of that regulation may be invoked solely by the applicant for or holder of the earlier right.

37 According to Article 25(6) of Regulation No 6/2002, a registered Community design which has been declared invalid pursuant to Article 25(1)(b), (e), (f) or (g) of that regulation may be maintained in an amended form, if in that form it complies with the requirements for protection and the identity of the design is retained. The wording ‘maintenance in an amended form’ covers, inter alia, registration accompanied by a partial disclaimer by the holder of the right to the registered Community design or entry in the Register of a decision by EUIPO declaring the partial invalidity of the registered Community design.

38 Under Article 18(1) of Regulation No 2245/2002, a Community design which has been maintained in an amended form is to be entered in its amended form in the Register and published in the *Community Designs Bulletin* following a partial disclaimer by the right holder or an entry in the Register of a decision by EUIPO declaring the partial invalidity of the design right.

39 Thus, it must be held that Article 25(6) of Regulation No 6/2002, in so far as it advocates the maintenance of a design which has been the subject of an application for a declaration of invalidity under Article 25(1)(e) of that regulation, is intended to protect the interests of the holder of the right to that design. Similarly, to the extent to which such maintenance is conditional on a partial disclaimer, following annulment of the design in question pursuant to Article 25(1)(e) of that regulation, Article 25(6) is also intended to protect the interests of the holder of the right to the sign the use of which has led to the design being annulled in its original form. Furthermore, the very fact of providing for the possibility of registering the design in question in an amended form as an alternative solution to the invalidity of the design in its entirety constitutes an adjustment of the sanction provided for in order to ensure proportionality.

40 In other words, as the Board of Appeal correctly found, Article 25(6) of Regulation No 6/2002 allows registration of a Community design to be maintained by removing the element vitiated by irregularity.

41 It is in the light of the foregoing considerations that it is necessary to examine whether the applicant, which had applied for a declaration of invalidity of the contested design under Article 25(1)(e) of Regulation No 6/2002, has an interest in requesting the annulment of the contested decision.

The applicant's interest in bringing proceedings

42 It is apparent from settled case-law that an action for annulment brought by a natural or legal person is admissible only in so far as that person has an interest in the annulment of the contested measure, which presupposes that annulment of the contested measure must of itself be capable of having legal consequences and the action must be likely, if successful, to procure an advantage for the party who has brought it (see judgment of 10 December 2009, *Antwerpse Bouwwerken* v *Commission*, T-195/08, EU:T:2009:491, paragraph 33 and the case-law cited).

43 In the present case, first, the applicant, the proprietor of the word mark PIANEGONDA, applied for a declaration that the contested design was invalid, relying on the ground for invalidity laid down in Article 25(1)(e) of Regulation No 6/2002, owing to the fact that that mark was used in that design.

44 It must therefore be noted that, in its application for a declaration of invalidity, the applicant did not claim that the contested design did not satisfy the two criteria set out in Articles 5 and 6 of Regulation No 6/2002, namely, respectively, the criterion of novelty and that of individual character of the design, even though the possibility of applying for a declaration of invalidity of a Community design on that basis is open to any natural or legal person under Article 52(1) of Regulation No 6/2002.

45 Second, as stated in paragraph 10 above, A, the predecessor in law of the intervener, the holder of the right to the contested design, requested that it be maintained in an amended form, in accordance with Article 25(6) of Regulation No 6/2002 and Article 18 of Regulation No 2245/2002, without the engraving of the word corresponding to the word mark PIANEGONDA.

46 Accordingly, the Invalidity Division ruled on two applications, namely the application for a declaration of invalidity brought by the applicant, which was upheld, and the application of the intervener, which had in the meantime become the successor to A's rights, which was dismissed.

47 In deciding on the application for a declaration of invalidity submitted by the applicant, the Invalidity Division was required to rule on whether an earlier sign was used in the contested design and whether the proprietor of the sign in question had the right to prohibit that use.

48 In its decision of 15 October 2018, referred to in paragraph 13 above, the Invalidity Division established the existence of the earlier EU word mark PIANEGONDA, which was present in the contested design and designated goods for which the contested design was intended, and accordingly declared that design invalid on the basis of Article 25(1)(e) of Regulation No 6/2002.

49 From that point of view, the Invalidity Division acceded to the request of the applicant, which had applied solely for the contested design to be declared invalid on the basis of Article 25(1)(e) of Regulation No 6/2002.

50 However, the Invalidity Division also ruled on the application made by the intervener, the holder of the right to the contested design, based on Article 25(6) of Regulation No 6/2002, for that design to be maintained in an amended form, without the engraving of the word corresponding to the word mark PIANEGONDA. The Invalidity Division dismissed that application, although it did give the applicant the opportunity to submit observations in its capacity as proprietor of that earlier mark.

51 Therefore, when the Invalidity Division rejected the entry of the contested design in an amended form, it was in response to the right holder's application for the registration of that design to be maintained following the partial disclaimer made by that right holder.

52 That part of the decision of the Invalidity Division rejecting the entry of the contested design in an amended form cannot therefore be regarded as a decision granting an application made by the applicant, even if, in its observations, the applicant had argued against the contested design being maintained in an amended form, on account of the alleged lack of novelty and lack of individual character of the amended design.

53 In those circumstances, the decision of the Invalidity Division could be the subject of an appeal only by the party whose claims had not been upheld, namely the intervener.

54 In the first place, it follows that the applicant, whose claims had been upheld by the Invalidity Division and which had not challenged the Invalidity Division's decision, could claim an interest solely in having the decision of the Board of Appeal annulled inasmuch as the latter had called into question the applicant's claims upheld by the Invalidity Division.

55 In that regard, it should be noted that, although the contested decision annulled the decision of the Invalidity Division, paragraph 2 of the operative part of the contested decision reproduces the operative part of the decision of the Invalidity Division in that the contested design is declared invalid inasmuch as it uses the earlier mark PIANEGONDA.

56 Consequently, the applicant's application giving rise to the invalidity proceedings, seeking to have the contested design declared invalid on account of the use of the earlier mark PIANEGONDA, was also upheld by the contested decision.

57 Thus, as regards the application for a declaration of invalidity, both the contested decision and the decision of the Invalidity Division acceded to the applicant's request. The annulment of the contested decision cannot therefore have legal consequences with respect to the applicant, since the claims which it submitted in its application for a declaration of invalidity, based on Article 25(1)(e) of Regulation No 6/2002, were also upheld in full by the Board of Appeal.

58 Accordingly, the present action before the Court, seeking annulment of the contested decision delivered by the Board of Appeal, cannot, if successful, procure any advantage for the applicant.

59 In the second place, although, in its action, the applicant cannot challenge the part of the contested decision which, in essence, has upheld its claims, it also cannot seek annulment of the contested decision in so far as that decision upheld the application for the contested design to be maintained in an amended form, which had been brought by the holder of the right to that design.

60 To allow such a possibility would amount to allowing the applicant to interfere in the part of the proceedings concerning the application of the holder of the right to the contested design, going beyond the proceedings which the applicant had initiated, which concerned an application for a declaration of invalidity based on Article 25(1)(e) of Regulation No 6/2002.

61 In the third place, in its action, the applicant claims infringement of Article 25(6) of Regulation No 6/2002, whereas its application for a declaration of invalidity had been based on Article 25(1)(e) of that regulation. Thus, by the present action, the applicant seeks to alter the subject matter of its application for a declaration of invalidity and the grounds relied on in support of that application.

62 As is apparent from the procedure referred to in paragraphs 30 to 34 above, in order to claim invalidity of the contested design on the basis of lack of individual character, the applicant would have to bring an application for annulment before the Invalidity Division of EUIPO, which is competent to decide on the merits of such an application. It is for the Invalidity Division, in an application for a declaration of invalidity, to declare invalid a design which has been registered for lack of novelty or of individual character or for any other ground for invalidity.

63 It follows from the foregoing considerations that the applicant has no interest in having the contested decision annulled.

64 That finding cannot be called into question by the applicant's arguments.

65 The fact that there is a likelihood of confusion between the contested design, as amended, and the mark PIANEGONDA, even if proved, is not relevant in an application for a declaration of invalidity based on Article 25(1)(e) of Regulation No 6/2002.

66 Furthermore, the various circumstances relied on by the applicant are unrelated to its application for a declaration of invalidity. The fact that the applicant would like to have the design declared invalid in its entirety, inter alia, owing to disputes between it and the intervener, even outside the procedure which gave rise to the contested decision, cannot constitute a vested and present interest in having that decision annulled.

67 It follows from the foregoing that the present action must be dismissed as being inadmissible.

Costs

68 Under Article 134(1) of the Rules of Procedure, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings.

69 Since the applicant has been unsuccessful, it must be ordered to pay the costs, in accordance with the forms of order sought by EUIPO and the intervener.

On those grounds,

THE GENERAL COURT (Second Chamber)

hereby orders:

1. The action is dismissed.

2. 4B Company Srl shall pay the costs.

Luxembourg, 25 October 2021.

E. Coulon
Registrar

V. Tomljenović
President