Reports of Cases

JUDGMENT OF THE COURT (Third Chamber)

20 October 2016*

(Reference for a preliminary ruling — Industrial and commercial property — Copyright and related rights — Directive 93/98/EEC — Article 10(2) — Term of protection — No revival of protection due to Berne Convention)

In Case C-169/15,

REQUEST for a preliminary ruling under Article 267 TFEU from the Benelux Gerechtshof (Benelux Court of Justice), made by decision of 27 March 2015, received at the Court on 13 April 2015, in the proceedings

Montis Design BV

v

Goossens Meubelen BV,

THE COURT (Third Chamber),

composed of L. Bay Larsen, President of the Chamber, M. Vilaras, J. Malenovský (Rapporteur), M. Safjan and D. Šváby, Judges,

Advocate General: M. Campos Sánchez-Bordona,

Registrar: M. Ferreira, Principal Administrator,

having regard to the written procedure and further to the hearing on 10 March 2016,

after considering the observations submitted on behalf of:

— Montis Design BV, by F. Berndsen and C. Van Vlockhoven, advocaten,

— Goossens Meubelen BV, by M. Scheltema, S. Kingma and P. Lodestijn, advocaten,

— the Portuguese Government, by L. Inez Fernandes and T. Rendas, acting as Agents,

— the European Commission, by P. Loewenthal and J. Samnadda, acting as Agents,

after hearing the Opinion of the Advocate General at the sitting on 31 May 2016,

gives the following

* Language of the case: Dutch.

Judgment

1 This request for a preliminary ruling concerns the interpretation of Article 10(2) and Article 13(1) of Council Directive 93/98/EEC of 29 October 1993 harmonising the term of protection of copyright and certain related rights (OJ 1993 L 290, p. 9).

2 The request has been made in proceedings between Montis Design BV ('Montis') and Goossens Meubelen BV ('Goossens') on the subject of a possible infringement, by Goossens, of the copyright held by Montis in the 'Charly' and 'Chaplin' chair models.

Legal context

International law

The Berne Convention

3 Article 5(2) of the Berne Convention for the Protection of Literary and Artistic Works (Paris Act of 24 July 1971), as amended on 28 July 1979 ('the Berne Convention'), provides:

'The enjoyment and the exercise of these rights shall not be subject to any formality; such enjoyment and such exercise shall be independent of the existence of protection in the country of origin of the work. Consequently, apart from the provisions of this Convention, the extent of protection, as well as the means of redress afforded to the author to protect his rights, shall be governed exclusively by the laws of the country where protection is claimed.'

The WTO and TRIPS Agreements

4 The Agreement on Trade-Related Aspects of Intellectual Property Rights ('the TRIPS Agreement') was signed on 15 April 1994 in Marrakesh. That treaty, which is Annex 1C of the Agreement establishing the World Trade Organisation ('the WTO Agreement'), was approved by Council Decision 94/800/EC of 22 December 1994 concerning the conclusion on behalf of the European Community, as regards matters within its competence, of the agreements reached in the Uruguay Round multilateral negotiations (1986-1994) (OJ 1994 L 336, p. 1).

5 The WTO Agreement and the TRIPS Agreement entered into force on 1 January 1995. However, under Article 65(1) of the TRIPS Agreement, the members of the WTO were not obliged to apply the provisions of that agreement before the expiry of a general period of one year following the date of entry into force of the WTO Agreement, that is, before 1 January 1996.

6 Article 9(1) of the TRIPS Agreement states:

'Members [of the WTO] shall comply with Articles 1 through 21 of the Berne Convention (1971) and the Appendix thereto …'

EU law

Directive 93/98

7 Recital 27 of that directive stated:

'... respect of acquired rights and legitimate expectations is part of the Community legal order; … Member States may provide in particular that in certain circumstances the copyright and related rights which are revived pursuant to this Directive may not give rise to payments by persons who undertook in good faith the exploitation of the works at the time when such works lay within the public domain.'

8 Article 1(1) of that directive provided:

'The rights of an author of a literary or artistic work within the meaning of Article 2 of the Berne Convention shall run for the life of the author and for 70 years after his/her death, irrespective of the date when the work is lawfully made available to the public.'

9 Article 10(2) and (3) of that directive provided:

'2. The terms of protection provided for in this Directive shall apply to all works and subject matter which are protected in at least one Member State, on the date referred to in Article 13(1), pursuant to national provisions on copyright or related rights or which meet the criteria for protection under Directive 92/100/EEC.

3. This Directive shall be without prejudice to any acts of exploitation performed before the date referred to in Article 13(1). Member States shall adopt the necessary provisions to protect in particular acquired rights of third parties.'

10 Article 13(1) of that directive provided:

'Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with Articles 1 to 11 of this Directive before 1 July 1995.'

Directive 92/100/EEC

11 Article 2(3) of Council Directive 92/100/EEC of 19 November 1992 on rental right and lending right and on certain rights related to copyright in the field of intellectual property (OJ 1992 L 346, p. 61), provided:

'This Directive does not cover rental and lending rights in relation to buildings and to works of applied art.'

Benelux law

12 The Uniform Benelux Law on designs and models, the provisions of which were agreed by the Convention of 25 October 1966 (*Tractatenblad* 1966, No 292, p. 3; 'the Uniform Law'), entered into force on 1 January 1975. Under Article 12 of that law, registration of a filed design or model has a term of five years from the date of filing.

13 Article 21 of the Uniform Law provided:

‘1. A design or model of outstanding artistic character may be protected by both this law and by the law relating to copyright, if the conditions for the application of both are satisfied.

...

3. Cancellation of the filing of a design or model of outstanding artistic character or the extinction of the exclusive right derived from the filing of such a design or model entails the simultaneous extinction of the copyright relating to that design or model, provided that the two rights belong to the same person; that extinction will not however take place if the proprietor of that design or model submits, in accordance with Article 24, a special declaration seeking to maintain his copyright.’

14 Article 24(1) and (2) of the Uniform Law provided:

‘1. The declaration referred to in Article 21[(3)] must be submitted in the form prescribed and with payment of the duty payable, as determined by implementing legislation, in the year preceding the extinction of the exclusive right to the design or model ...

2. The declaration shall be recorded and the registration shall be published.’

15 The Explanatory Notes relating to the Convention and the Uniform Benelux Law on designs or models states:

‘Article 21

… The aim of [Article 21(3)] is to reconcile the requirements of public security and the possibility of accumulating the two protections. That is why it is desirable that the register provide a record that is as complete as possible of models that are protected.

For that purpose, [Article 21(3)] imposes the obligation, on an author who has deemed it useful also to obtain protection by the filing of a model, to submit a special declaration, as a general rule before the right to the model expires. In order to ensure public security, it appeared essential to penalise quite severely any failure to submit such a declaration; copyright that is not declared is to expire at the same time as the right to a model, with which it was cumulative …

Article 24

As a general rule, the declaration should be made before the right to the model expires.

...’

16 Paragraph U of the Protocol on the amendment of the Uniform Benelux Law on designs or models, adopted in Brussels on 20 June 2002, which entered into force on 1 December 2003, provides:

‘Chapter II, headed “Designs or models of outstanding artistic character”, is amended as follows:

...

2. Articles 21 and 24 shall be repealed.

...’

17 The Joint Commentary on the Protocol by the Governments of the Benelux countries of 20 June 2002 on the amendment of the Uniform Benelux Law on designs and models states:

'Article 21(3) and the related Article 24 have always been the subject of considerable criticism. According to those articles, if persons who own both a design right and a copyright for a product wish that copyright to be maintained after the cancellation or revocation of the design right, they must file a maintenance declaration for that product, which is entered in the Benelux register. The article was included in [the Uniform Law] at the time because publication of the rights for which protection has been claimed is one of the most important principles of [the Uniform Law]. The Hoge Raad [of the Netherlands] has, however, since confirmed that that provision is not compatible with Article 5(2) of the Berne Convention, which provides that the enjoyment and the exercise of copyright may not be subject to any formality, with respect to works the authors of which are protected under the Convention (HR 26 May 2000, RvdW 2000, 141). Article 9 of the TRIPS Agreement also requires the Contracting States to comply with that article of the Berne Convention. The deletion of Article 21(3) and Article 24 is justified on the foregoing grounds.'

Netherlands law

18 Directive 93/98 was transposed into Netherlands law by the Wet tot wijziging van de Auteurswet 1912 en de Wet op de naburige rechten (Law amending the law on copyright of 1912 and the law on related rights), of 21 December 1995 (Stb. 1995, No 652). That law entered into force on 29 December 1995.

19 Following the amendments made by that law, Article 51(1) of the Auteurswet (Law on copyright) of 23 September 1912 reads as follows:

'The terms of protection provided for by this law apply, from the date when this article enters into force, to works which, as at 1 July 1995, are protected by the national legislation relating to copyright in at least one Member State of the European Union or in a State that is a party to the Agreement of 2 May 1992 on the European Economic Area.'

The dispute in the main proceedings and the questions referred for a preliminary ruling

20 Montis designs and manufactures furniture.

21 In 1983 Mr Gerard van den Berg, a former director and majority shareholder of Montis, designed the 'Charly' armchair and the 'Chaplin' chair. Those chairs differ in size, but are similar in form. On 19 April 1988, an international model registration was effected for the 'Charly' armchair and the 'Chaplin' chair, Montis being referred to as the proprietor of the rights relating to the models and Mr van den Berg as the author. The registration was recorded on 12 July 1988.

22 In 1990 Mr van den Berg assigned his copyright in those chairs to Montis.

23 At the end of the period of registration of those models, Montis did not submit the maintenance declaration referred to in Article 21(3) of the Uniform Law. Consequently, both the rights relating to the models and the copyright that Montis held in relation to the chairs were extinguished on 18 April 1993.

24 In 2008 Montis brought, before the rechtbank 's-Hertogenbosch (Court of 's-Hertogenbosch, Netherlands), legal proceedings against Goossens, on the ground that the latter company had put on sale, in the furniture shops operated by it, the 'Beat' chair model which infringed its copyright in the 'Charly' and 'Chaplin' chairs. In its defence, Goossens contended that, in the absence of a maintenance declaration, that copyright had been extinguished. In response to that argument, Montis claimed, first,

that its copyright should be held to have been restored by virtue of the repeal, on 1 December 2003, of Article 21(3) of the Uniform Law, since the effect of that repeal was, in its opinion, retroactive. In the alternative, Montis claimed that its copyright should be held to have been restored following the adoption of Directive 93/98.

25 Having been partly unsuccessful both at first instance and on appeal, Montis brought an appeal on a point of law before the Hoge Raad der Nederlanden (Supreme Court of the Netherlands).

26 In the course of the procedure, the Hoge Raad der Nederlanden (Supreme Court of the Netherlands) dismissed the argument relied on by Montis that one of the chair models concerned still qualified, as at 1 July 1995, for protection in a Member State other than the Kingdom of the Netherlands, on the ground that that argument had been submitted out of time.

27 Since that court had doubts as to the effects of the repeal of Article 21(3) and Article 24 of the Uniform Law on copyright that had previously been extinguished where no maintenance declaration was made, it referred, by decision of 13 December 2013, two questions for a preliminary ruling to the Benelux Gerechtshof (Benelux Court of Justice).

28 The Benelux Gerechtshof (Benelux Court of Justice) considers that the doubts expressed by the Hoge Raad der Nederlanden (Supreme Court of the Netherlands) are valid only if, in any event, Directive 93/98 does not preclude national legislation that provides that, in the event of extinction of copyright before the repeal of Article 21(3) of the Uniform Law, that extinction must be held to be final.

29 In those circumstances, the Benelux Gerechtshof (Benelux Court of Justice) decided to stay the proceedings and to refer to the Court the following questions for a preliminary ruling:

‘(1) Is the term of protection referred to in Article 10, in conjunction with Article 13(1), of Directive 93/98 applicable to copyright that was originally protected by national copyright law but which lapsed before 1 July 1995 on the ground that a formal requirement had not been satisfied (or was not satisfied in due time), more specifically because a maintenance declaration, as referred to in Article 21(3) of [the Uniform Law] had not been filed …?

(2) If the first question is answered in the affirmative:

Must Directive 93/98 be construed as precluding a rule of national legislation under which the copyright in a work of applied art that lapsed before 1 July 1995 on the ground that a formal requirement had not been satisfied is deemed to have lapsed permanently?

(3) If the second question is answered in the affirmative:

If, under national legislation, the copyright in question is to be considered to revive or to have revived at a certain time, from what date does such revival occur?’

Consideration of the questions referred for a preliminary ruling

The first and second questions

30 By its first and second questions, which can be examined together, the referring court seeks in essence to ascertain, first, whether Article 10(2) of Directive 93/98, read together with Article 13(1) of that directive, must be interpreted as meaning that the terms of protection laid down by that directive are applicable to copyright which was initially protected by the national legislation but which was extinguished prior to 1 July 1995. The referring court, secondly, seeks, in essence, to ascertain

whether Directive 93/98 precludes national legislation which initially granted copyright protection to a work, as in the main proceedings, but which, thereafter, caused that copyright to be definitively extinguished because of non-compliance with a formal requirement.

31 At the outset, it must be recalled that Article 10(2) of Directive 93/98 provides that the terms of protection provided for in that directive are to apply to all works and subject matter which, on the date referred to in Article 13(1) of that directive, namely 1 July 1995, are either protected in at least one Member State, pursuant to provisions of national law on copyright or related rights, or, alternatively, meet the criteria for protection under Directive 92/100.

32 As regards the first of those conditions, it is apparent from the file before the Court, and as the Advocate General stated in point 63 of his Opinion, that, on the one hand, the works at issue in the main proceedings had initially been protected in the Member State in which protection is sought, but that that protection was thereafter extinguished, prior to 1 July 1995, and, on the other, it must be held that, on that date, those works were not protected in any other Member State.

33 Nonetheless, the first question from the referring court suggests that, in some situations, the application of that first condition can lead to the restoration of rights that are extinguished by the national legislation concerned, prior to the date laid down in Article 13(1) of Directive 93/98, and that are not protected in the territory of another Member State, the implications of that possibility being that the terms of protection provided for in that directive would apply to works whose copyright protection would thus be restored to the status quo prior to that extinction.

34 In that regard, it must however be observed that the use, in Article 10(2) of Directive 93/98, of the present indicative tense in the wording of the two alternative conditions for the application of the terms of protection provided for in that directive, reveals that the aim of the legislature is that legal effect should be given to the situation as existing precisely on 1 July 1995 and not on a date earlier than or later than that date.

35 Consequently, if, because of the extinction of copyright pursuant to specific national legislation, prior to the date laid down in Article 13(1) of Directive 93/98, that copyright was no longer protected on that date, under Article 10(2) of Directive 93/98, the terms of protection laid down by that directive do not apply to the work concerned.

36 That approach by the legislation ensures respect for the principle of acquired rights referred to in recital 27 of Directive 93/98. That principle can be applied precisely to the exploitation of works undertaken in good faith as from the time when those works no longer qualified for any protection.

37 It must therefore be held that the first condition laid down in Article 10(2) of Directive 93/98, read together with Article 13(1) of that directive, must be interpreted as meaning that the terms of protection laid down by that directive do not apply to copyright which was initially protected by national legislation, but which was extinguished prior to 1 July 1995 and which is not protected in the territory of any other Member State.

38 The fact that, apparently, the extinction of that copyright, prior to 1 July 1995, may not have been compatible with Article 5(2) of the Berne Convention, under which the enjoyment and exercise of copyright is not to be subject to any formality, is not such as to call into question that conclusion.

39 In that regard, it must be stated, in the first place, that the EU legislature chose to refer, by means of the first condition laid down in Article 10(2) of Directive 93/98, to works and subject matter which are protected ‘pursuant to national provisions on copyright or related rights’. It follows that it is neither the object nor the effect of that provision to determine the conditions under which that protection could be extinguished before 1 July 1995, that question continuing to be governed by the applicable national legislation.

40 In the second place, it does indeed follow from Article 9(1) of the TRIPS Agreement, which has been approved on behalf of the European Union, that the European Union must comply with, inter alia, Article 5(2) of the Berne Convention. However, it is apparent from Article 65(1) of the TRIPS Agreement that it entered into force on 1 January 1995, in other words after both the date when Directive 93/98 was adopted, namely 29 October 1993, and the date when that directive entered into force, namely 19 November 1993. In addition, it must be observed that under Article 65(1) of the TRIPS Agreement, the European Union was not obliged to apply the provisions of that agreement before 1 January 1996.

41 Consequently, the obligation to interpret Directive 93/98 in a way that is compatible with the TRIPS Agreement cannot, in any event, imply that, in a situation such as that in the main proceedings, Article 10(2) of that directive must be interpreted as meaning that copyright which had been extinguished before 1 July 1995, pursuant to a rule of national law that apparently does not comply with the Berne Convention, should qualify, by reason of the cause of that extinction, for the terms of protection laid down by the directive.

42 As regards the second condition laid down in that provision, it is clear that, as the referring court has noted, the chairs with respect to which Montis owned copyright until 18 April 1993 are works of applied art, which are not covered by Directive 92/100, which, in accordance with Article 2(3) thereof, does not cover rental and lending rights in relation to such works. The consequence of that, in any event, is that Directive 92/100 cannot have fixed criteria for the protection of such works.

43 It is therefore apparent that neither of the two alternative conditions laid down in Article 10(2) of Directive 93/98 is satisfied.

44 It follows from the foregoing that Directive 93/98 must be held not to preclude repeal provisions in national legislation, such as those in the main proceedings, that do not effect any restitution and therefore leave some rights definitively extinguished, notwithstanding the fact that the extinction of those rights, prior to 1 July 1995, is not compatible with Article 5(2) of the Berne Convention.

45 That said, it must be observed that that finding does not preclude the Member State concerned, in a case such as that in the main proceedings, acting to comply with its obligations under Article 5(2) of the Berne Convention and bearing the consequences of the liability it incurs from any infringement of that convention.

46 In the light of all the foregoing, the answer to the first and second questions is that:

— Article 10(2) of Directive 93/98, read together with Article 13(1) thereof, must be interpreted as meaning that the terms of protection laid down by that directive do not apply to copyright which was initially protected by national legislation but which was extinguished prior to 1 July 1995.

— Directive 93/98 must be interpreted as not precluding national legislation which, initially, had granted, as in the main proceedings, copyright protection to a work, but which, subsequently, caused that copyright to be definitively extinguished, before 1 July 1995, by reason of non-compliance with a formal requirement.

The third question

47 In view of the reply given to the first and second questions, it is unnecessary to reply to the third question.

Costs

48 Since these proceedings are, for the parties to the main proceedings, a step in the action pending before the national court, the decision on costs is a matter for that court. Costs incurred in submitting observations to the Court, other than the costs of those parties, are not recoverable.

On those grounds, the Court (Third Chamber) hereby rules:

Article 10(2) of Council Directive 93/98/EEC of 29 October 1993 harmonising the term of protection of copyright and certain related rights, read together with Article 13(1) of that directive, must be interpreted as meaning that the terms of protection laid down by that directive do not apply to copyright which was initially protected by national legislation but which was extinguished prior to 1 July 1995.

Directive 93/98 must be interpreted as not precluding national legislation which, initially, had granted, as in the main proceedings, copyright protection to a work, but which, subsequently, caused that copyright to be definitively extinguished, before 1 July 1995, by reason of non-compliance with a formal requirement.

[Signatures]