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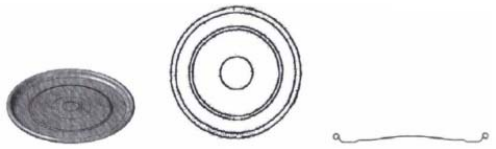
European Courts Get Taste for Designs

Hot Topics

The European General Court (formerly the Court of First Instance) gave its first ruling in an appeal from OHIM regarding a Community registered design matter on 18 March 2010. The case arose from a dispute between PepsiCo Inc ("PepsiCo") and a Spanish manufacturer of promotional items, Grupo Promer Mon Graphic SA ("GPMG").

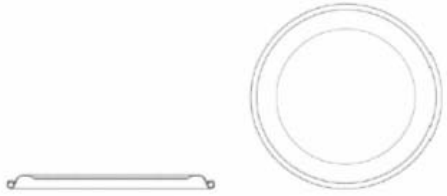
Background

PepsiCo registered the following as a Community design for "promotional items for games".



The design was to be used in relation to "rappers" or "tazos" for the purpose of promoting their products.

GPMG owned the following earlier Spanish registered design for "metal plates for games":



and applied to invalidate PepsiCo's registration on the basis of it.

The Invalidity Division of OHIM declared PepsiCo's design invalid. PepsiCo appealed and this was heard by the Third Board of Appeal of OHIM, who overturned the decision. PepsiCo were successful because the goods covered by the designs of the parties concerned a particular category of promotional item, namely, rappers or tazos and, therefore, the freedom of the design was severely restricted. According to the Third Board of Appeal, the different profile between the designs was enough for a finding that the designs created a different overall impression on the informed user.

Appeal

GPMG appealed to the European General Court. The case turned on the issues of the freedom of the designer; and the consequence that similarities and differences have on the overall impression of the design on the informed user where there is a limited level of design freedom.

The General Court agreed with the Third Board of Appeal of OHIM that the freedom of the designer for rappers or tazos was severely restricted. By its very nature, a rapper is a small flat (or nearly flat) disk on which images can be printed and which is sometimes curved towards the centre so a child can make a noise with it. In addition to these common features, a rapper must be safe, inexpensive and attach to the products it is promoting.

The Court stated that the more restricted the freedom of the designer, the more likely that minor differences will produce a different overall impression on the informed user. The Court went on to say that similarities between the features of a design that are not common to the class of product or constrained by design freedom and which are visible will attract the most attention of the informed user. On the basis of this analysis, the General Court decided that the different profile of PepsiCo's design was not sufficient for there to be a finding that the overall impression was different from GPMG's prior design. The similarities outweighed the differences and, therefore, PepsiCo's design lacked individual character and is invalid.

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Comment

The significance of this case is that it is the first appeal to be decided by the General Court on Community registered designs. It does not give any particularly relevant new guidance to OHIM or the Courts, as it largely agrees with the decision of the Board of Appeal albeit that it reaches a different result. The one point of practice to note is the approach that the General Court took to the construction of the comparison test for the designs. Rather than assess the individual character and overall impression of PepsiCo's design and GPMG's design against one another, the Court looked at the shared features of each of the two designs and ruled on each in turn, giving them appropriate weight based on the freedom of the design for that feature. Time will tell if this approach is adopted in the future.

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