

European Court of Justice, 2 July 2009, FEIA v Cul de Sac



DESIGN LAW

Principal is not the proprietor of the right to the Community design

- [Article 14\(3\) uses the term ‘employer’ to refer to the proprietor of the Community design developed in the context of an employment relationship rather than the much broader term ‘principal’](#)

As is clear from Article 14(1) of the regulation, the right to the Community design vests in the designer or his successor in title. On the other hand, according to Article 14(3) the right to the Community design vests in the employer where a design is developed by an employee in the execution of his duties or following the instructions given by his employer, unless otherwise agreed or specified under national law. Accordingly, the arguments of the FEIA and the United Kingdom Government that the terms ‘employer’ and ‘employee’, in particular, in Article 14(3) must be interpreted broadly in order to apply also to commissioned designs, must be rejected. In that connection, it should be pointed out that by Article 14(3) the Community legislature has provided for a special system for Community designs developed in the context of an employment relationship. That is clear in particular from the fact that, when drafting Article 14(3), it decided to use the term ‘employer’ to refer to the proprietor of the Community design developed in the context of an employment relationship rather than the much broader term ‘principal’.

Unregistered design

- [The right to the Community design vests in the designer, unless it has been assigned by way of contract to his successor in title](#)

It follows from the above that the possibility of assigning by way of contract the right to the Community design from the designer to his successor in title within the meaning of Article 14(1) of the regulation is consistent with both the wording of that article and the aims of the regulation. It is, however, for the national court to ascertain the contents of such a contract and in that regard to determine whether the right to the unregis-

tered Community design has in fact been transferred from the designer to his successor in title. The above considerations clearly do not preclude the national court, in the context of that assessment, from applying the law on contracts in order to determine who owns the right to the unregistered Community design, in accordance with Article 14(1) of the regulation. In the light of all the above considerations, in circumstances such as those of the main proceedings, the answer to part (a) of the third question is that Article 14(1) of the regulation must be interpreted as meaning that the right to the Community design vests in the designer, unless it has been assigned by way of contract to his successor in title.

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European Court of Justice, 2 July 2009

(P. Jann, M. Ilešič, A. Tizzano, A. Borg Barthet and E. Levits)

JUDGMENT OF THE COURT (First Chamber)

2 July 2009 (*)

(Regulation (EC) No 6/2002 – Community designs – Articles 14 and 88 – Proprietor of the right to the Community design – Unregistered design – Commissioned design)

In Case C-32/08,

REFERENCE for a preliminary ruling under Article 234 EC from the Juzgado de lo Mercantil nº 1 de Alicante y nº 1 de Marca Comunitaria (Spain), made by decision of 18 January 2008, received at the Court on 28 January 2008, in the proceedings

Fundación Española para la Innovación de la Artesanía (FEIA)

v

Cul de Sac Espacio Creativo SL,

Acierta Product & Position SA,

THE COURT (First Chamber),

composed of P. Jann, President of the Chamber, M. Ilešič (Rapporteur), A. Tizzano, A. Borg Barthet and E. Levits, Judges,

Advocate General: P. Mengozzi,

Registrar: M. Ferreira, Principal Administrator,

having regard to the written procedure and further to the hearing on 29 January 2009,

after considering the observations submitted on behalf of:

– the Fundación Española para la Innovación de la Artesanía (FEIA), by M.J. Sanmartín Sanmartín, abogada,

– Cul de Sac Espacio Creativo SL, by O.L. Herberos Chico, abogado,

– Acierta Product & Position SA, by T. Sánchez Morgado, abogada,

– the United Kingdom Government, by I. Rao, acting as Agent, and S. Malynicz, Barrister,

– the Commission of the European Communities, by I. Martínez del Peral and H. Krämer, acting as Agents,

after hearing the [Opinion of the Advocate General](#) at the sitting on 26 March 2009, gives the following

Judgment

1 This reference for a preliminary ruling concerns the interpretation of Articles 14(1) and (3) and 88(2) of Council Regulation (EC) No 6/2002 of 12 December 2001 on Community designs (OJ 2002 L 3, p. 1, ‘the regulation’).

2 The reference has been made in the course of proceedings between the Fundación Española para la Innovación de la Artesanía (Spanish Foundation for the Innovation of Craftsmanship) (‘the FEIA’) and the companies Cul de Sac Espacio Creativo SL (‘Cul de Sac’) and Acierta Product & Position SA (‘Acierta’), relating to the ownership of Community designs for wall clocks.

Legal framework

Community legislation

3 According to recital 1 in the preamble thereto, the regulation seeks to establish ‘a Community design to which uniform protection is given with uniform effect throughout the entire territory of the Community’.

4 Recital 8 states:

‘Consequently a more accessible design-protection system adapted to the needs of the internal market is essential for Community industries.’

5 Recital 9 states:

‘The substantive provisions of this Regulation on design law should be aligned with the respective provisions in Directive 98/71/EC [of the European Parliament and of the Council of 13 October 1998 on the legal protection of designs (OJ 1998 L 289, p. 28)].’

6 Recital 16 states:

‘Some [of the sectors of industry in the Community] produce large numbers of designs for products frequently having a short market life where protection without the burden of registration formalities is an advantage and the duration of protection is of lesser significance. ...’

7 Recital 21 states:

‘the unregistered Community design should ... constitute a right only to prevent copying. ...’

8 Recital 25 is worded as follows:

‘Those sectors of industry producing large numbers of possibly short-lived designs over short periods of time of which only some may be eventually commercialised will find advantage in the unregistered Community design. Furthermore, there is also a need for these sectors to have easier recourse to the registered Community design. Therefore, the option of combining a number of designs in one multiple application would satisfy that need. However, the designs contained in a multiple application may be dealt with independently of each other for the purposes of ... assignment ...’

9 Recital 31 states:

‘This Regulation does not preclude the application to designs protected by Community designs of the industrial property laws or other relevant laws of the Member States, such as those relating to design protec-

tion acquired by registration or those relating to unregistered designs ...’

10 Article 1(2)(a) of the regulation provides:

‘A design shall be protected:

(a) by an “unregistered Community design”, if made available to the public in the manner provided for in this Regulation’.

11 While Article 1(3) provides:

‘A Community design shall have a unitary character. It shall have equal effect throughout the Community. It shall not be ... transferred ... save in respect of the whole Community. This principle and its implications shall apply unless otherwise provided in this Regulation.’

12 Title II of the regulation, entitled ‘The Law relating to Designs’, comprises, inter alia: a section 1, entitled ‘Requirements for protection’, containing Articles 3 to 9; a section 3, entitled ‘Right to the Community design’, containing Articles 14 to 18; and a section 5, entitled ‘Invalidity’, comprising Articles 24 to 36.

13 Article 3(a) defines ‘design’ as ‘the appearance of the whole or a part of a product resulting from the features of, in particular, the lines, contours, colours, shape, texture and/or materials of the product itself and/or its ornamentation’.

14 Article 11, entitled ‘Commencement and term of protection of the unregistered Community design’, provides in paragraph 1:

‘A design which meets the requirements under Section 1 shall be protected by an unregistered Community design for a period of three years as from the date on which the design was first made available to the public within the Community.’

15 Article 14, entitled ‘Right to the Community design’, provides in paragraphs 1 and 3:

‘1. The right to the Community design shall vest in the designer or his successor in title.

...

3. However, where a design is developed by an employee in the execution of his duties or following the instructions given by his employer, the right to the Community design shall vest in the employer, unless otherwise agreed or specified under national law.’

16 Article 19, entitled ‘Rights conferred by the Community design’, provides in paragraph 2:

‘An unregistered Community design shall, however, confer on its holder the right to prevent the acts referred to in paragraph 1 only if the contested use results from copying the protected design.’

17 Article 25, entitled ‘Grounds for invalidity’, provides in paragraph 1(c) that a Community design may be declared invalid only ‘if, by virtue of a court decision, the right holder is not entitled to the Community design under Article 14’.

18 Article 27, entitled ‘Dealing with Community designs as national design rights’, provides in paragraph 1:

‘Unless Articles 28, 29, 30, 31 and 32 provide otherwise, a Community design as an object of property shall be dealt with in its entirety, and for the whole area

of the Community, as a national design right of the Member State in which:

(a) the holder has his seat or his domicile on the relevant date; or

(b) where point (a) does not apply, the holder has an establishment on the relevant date.’

19 Title IX, entitled ‘Jurisdiction and procedure in legal actions relating to Community designs’, contains a section 2, entitled ‘Disputes concerning the infringement and validity of Community designs’, in which Article 88 appears.

20 Article 88, entitled ‘Applicable law’, provides in paragraphs 1 and 2:

‘1. The Community design courts shall apply the provisions of this Regulation.

2. On all matters not covered by this Regulation, a Community design court shall apply its national law, including its private international law.’

21 Article 96, entitled ‘Relationship to other forms of protection under national law’, provides in paragraph 1:

‘The provisions of this Regulation shall be without prejudice to any provisions of Community law or of the law of the Member States concerned relating to unregistered designs ...’

22 According to recital 3 in the preamble thereto, Directive 98/71 seeks to approximate the design protection laws of the Member States.

23 Article 2 of that directive states that the directive is to apply, inter alia, to design rights registered with the central industrial property offices of the Member States or at the Benelux Design Office.

24 Article 11(1)(c) of Directive 98/71 provides:

‘A design shall be refused registration, or, if the design has been registered, the design right shall be declared invalid:

...

(c) if the applicant for or the holder of the design right is not entitled to it under the law of the Member State concerned ...’.

National legislation

25 Law 20/2003 on the Legal Protection of Industrial Designs (ley 20/2003, de Protección Jurídica del Diseño Industrial) of 7 July 2003 (BOE No 162 of 8 July 2003, p. 26348, the ‘LPJDI’) only makes provision for registered designs.

26 Article 14(1) of the LPJDI provides that ‘[t]he right to register the design shall vest in the designer or his successor in title’.

27 Article 15 of the LPJDI, entitled, ‘Designs developed in the context of an employment relationship or contract for services’, provides:

‘Where a design has been developed by an employee in the execution of his duties or following the instructions given by his employer, or as a result of a commission in the context of a contract for services, the right to register the design shall vest in the employer or the party who commissioned the design under the contract, unless otherwise specified in the contract.’

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

28 The FEIA designed a project known as ‘D’ARTES’, in which 50 skilled workshops in various sectors could produce, by means of a design project executed by a professional in the field, a family of objects to be placed on the market.

29 The company AC&G SA (‘AC&G’), as organiser of the project, set the parameters of the D’ARTES project and was given responsibility for selecting the designers and concluding agreements with them.

30 It is against that background that AC&G entered into an oral agreement with Cul de Sac, which was not subject to the Spanish Labour Code, under which Cul de Sac was responsible for developing a design and providing technical assistance to a craftsman with a view to the creation by him of a new collection of products. As payment for its services, Cul de Sac received from AC&G the sum of EUR 1 800 plus VAT.

31 Cul de Sac designed a series of wall clocks (cuckoo clocks) which were manufactured, in the context of the D’ARTES project, by the craftswoman Verónica Palomares, and released in April 2005 as part of the ‘Santamaría’ collection.

32 Cul de Sac and Acierta subsequently produced and placed on the market cuckoo clocks as part of the ‘TIMELESS’ collection.

33 Since the FEIA took the view that those cuckoo clocks were a copy of the unregistered Community designs -which went to make up the ‘Santamaría’ collection, which it claims to own both because of its position as sponsor and main source of finance for the D’ARTES project and the assignment to it by AC&G of the exclusive rights to exploit the products produced in the first D’ARTES series, the FEIA brought an action against Cul de Sac and Acierta for the infringement of the Community designs referred to, and, in the alternative, for acts of unfair competition.

34 The FEIA submits in particular that it owns the unregistered Community designs for the clocks in the ‘Santamaría’ collection, in accordance with Article 15 of the LPJDI, inasmuch as they were developed by Cul de Sac in response to an order from AC&G which was acting as the FEIA’s ‘disclosed’ agent, in the context of a contract for services.

35 Cul de Sac and Acierta dispute that AC&G and/or the FEIA have been or are the proprietors of those designs, and consequently that the FEIA has standing to bring the action.

36 The Juzgado de lo Mercantil nº 1 de Alicante y nº 1 de Marca Comunitaria (Commercial Court No 1 of Alicante and Community Trade Mark Court No 1) finds that the FEIA may assert ownership of the designs in question in the main proceedings only if AC&G, which purportedly assigned such ownership to it, itself owned the right to those designs.

37 In those circumstances, the Juzgado de lo Mercantil nº 1 de Alicante y nº 1 de Marca Comunitaria decided to stay the proceedings and refer the following questions to the Court for a preliminary ruling:

‘(1) Must Article 14(3) of Regulation No 6/2002 be interpreted as referring only to Community designs developed in the context of an employment relationship

where the designer is bound by a contract governed by employment law whose provisions are such that the designer works under the direction and in the employ of another? or

(2) Must the terms “employee” and “employer” in Article 14(3) of Regulation No 6/2002 be interpreted broadly so as to include situations other than employment relationships, such as a relationship where, in accordance with a civil/commercial contract (and therefore one which does not provide that an individual habitually works under the direction and in the employ of another), an individual (designer) undertakes to execute a design for another individual for a settled price and, as a result, it is understood that the design belongs to the person who commissioned it, unless the contract stipulates otherwise?

(3) In the event that the answer to the second question is in the negative, on the ground that the production of designs within an employment relationship and the production of designs within a non-employment relationship constitute different factual situations:

(a) Is it necessary to apply the general rule in Article 14(1) of Regulation No 6/2002 and, consequently, must the designs be construed as belonging to the designer, unless the parties stipulate otherwise in the contract? or

(b) Must the Community design court rely on national law governing designs in accordance with Article 88(2) of Regulation No 6/2002?

(4) In the event that national law is to be relied on, is it possible to apply national law where it places on an equal footing (as Spanish law does) designs produced in the context of an employment relationship (the designs belong to the employer, unless it has been agreed otherwise) and designs produced as a result of a commission (the designs belong to the party who commissioned them, unless it has been agreed otherwise)?

(5) In the event that the answer to the fourth question is in the affirmative, would such a solution (the designs belong to the party who commissioned them, unless it has been agreed otherwise) conflict with the negative answer to the second question?

The questions referred to the Court

The first and second questions, concerning the scope of Article 14(3) of the regulation

38 By those questions, which should be examined together, the national court asks, in essence, whether Article 14(3) of the regulation applies also to Community designs which have been produced as a result of a commission and therefore outside that employment relationship.

Observations submitted to the Court

39 The FEIA and the United Kingdom Government submitted that Article 14(3) of the regulation should apply to commissioned designs, taking the view that that provision, and in particular the terms ‘employer’ and ‘employee’ to which it refers, must not be interpreted solely on the basis of the wording of that provision, but also in the light of the overall scheme and objectives of the system of which it forms part.

40 The Commission of the European Communities, Cul de Sac and Acierta propose, on the other hand, that the rule contained in Article 14(3) of the regulation should apply exclusively to the designs produced in the context of an employment relationship.

41 Acierta and the Commission also argue that Article 14(3) contains a derogation or an exception to the general principle set out in Article 14(1), which, as such, may not be interpreted widely or applied by way of analogy to situations not expressly provided for.

42 The Commission maintains, lastly, that the proposed interpretation is confirmed by the drafting history and the procedure by which the regulation was adopted and is consistent with the Community and international rules on other industrial property rights.

The Court’s reply

43 As is clear from Article 14(1) of the regulation, the right to the Community design vests in the designer or his successor in title.

44 On the other hand, according to Article 14(3) the right to the Community design vests in the employer where a design is developed by an employee in the execution of his duties or following the instructions given by his employer, unless otherwise agreed or specified under national law.

45 Accordingly, the arguments of the FEIA and the United Kingdom Government that the terms ‘employer’ and ‘employee’, in particular, in Article 14(3) must be interpreted broadly in order to apply also to commissioned designs, must be rejected.

46 In that connection, it should be pointed out that by Article 14(3) the Community legislature has provided for a special system for Community designs developed in the context of an employment relationship.

47 That is clear in particular from the fact that, when drafting Article 14(3), it decided to use the term ‘employer’ to refer to the proprietor of the Community design developed in the context of an employment relationship rather than the much broader term ‘principal’.

48 Moreover, it appears from the wording of Article 14(3) of the regulation that ownership of the Community design vests in the ‘employer’ where the design is developed by an ‘employee’ in the execution of his duties or following the instructions given by his employer.

49 As regards the term ‘employee’, it should be pointed out similarly that in Article 14(3) the Community legislature did not decide to use the much broader term ‘agent’ to refer to the person who develops a design. Accordingly, the term ‘employee’ refers to the person who works under the instructions of his ‘employer’ when developing a Community design in the context of an employment relationship.

50 As regards the part of Article 14(3) which states ‘unless otherwise agreed or specified under national law’, it must be pointed out that this enables the parties to an employment contract to designate ‘the employee’ as the proprietor of the design, and gives the Member States the option of stipulating in their national legislation that the ‘employee’ is to be the proprietor of a

Community design, provided that in both those cases the design has been developed in the context of an employment relationship.

51 It follows that the Community legislature intended to define the special system set out in Article 14(3) of the regulation by reference to a specific type of contractual relationship, namely that of an employment relationship, which precludes the application of Article 14(3) to other contractual relationships, such as that relating to a Community design that has been produced as a result of a commission.

52 That interpretation is, moreover, confirmed by the drafting history of the regulation.

53 In that connection, the Commission contends that it is stated in the explanatory memorandum to the proposal for a European Parliament and Council Regulation on the Community Design (COM (93) 342 final of 3 December 1993) that the right to a Community design belongs to the employer where the design has been produced by an employed designer in the execution of his duties under the employment contract.

54 Moreover, according to the Commission's arguments, and as can be seen from points 27 to 32 of the Advocate General's Opinion, although the Commission's first proposal for a regulation contained both a provision on the ownership of a Community design developed by an employee and an express provision on the ownership of a Community design that has been produced as a result of a commission, the latter provision was not retained in the regulation.

55 In the light of all the above considerations, the answer to the first and second questions is that Article 14(3) of the regulation does not apply to a Community design that has been produced as a result of a commission.

Part (a) of the third question, on the interpretation of Article 14(1) of the regulation

56 By that question, the national court asks, in essence, whether Article 14(1) of the regulation must be interpreted as meaning that the right to a Community design vests in the designer unless it has been assigned by way of contract to his successor in title.

Observations submitted to the Court

57 The FEIA submits that Article 14 must be interpreted as a whole in the light of the regulation's objectives and taking into account the legislature's intention to create only minimal regulation in the field. The FEIA refers in particular to Articles 27, 88 and 96 of the regulation, which contain a reference to the national laws and allow them to provide a more comprehensive protection of Community designs than that laid down by the regulation, and to recitals 6, 8 and 9 in the preamble thereto, which refer to the requirements concerning compliance with the principles of subsidiarity and proportionality, and set out the objective of aligning the substantive provisions of the regulation with those of Directive 98/71.

58 The FEIA also proposes that the term 'successor in title' in Article 14(1) of the regulation should be interpreted as referring to the various possible means of acquiring a right to the design provided for in the laws

of the Member States, including that laid down in the LPJDI in favour of the person commissioning the design.

59 The Commission, Acierta and Cul de Sac maintain that Article 14(1) of the regulation contains a general provision in favour of conferring the right to the design on its creator. The only exception to that rule appears in Article 14(3) and concerns the specific case of designs developed by an employee in the context of an employment relationship. There is therefore no gap in the regulation as regards determining the ownership of the right to the Community design.

60 Acierta and Cul de Sac argue that the right to the Community design may be assigned to the successor in title by way of contract.

61 The United Kingdom Government argues that Article 14(1) of the regulation makes no provision for the case of the proprietor of a commissioned design. Accordingly, it takes the view that the Member States may apply their national laws on unregistered designs, in accordance with recital 31 and Article 88(2) of the regulation.

The Court's reply

62 First of all, it should be borne in mind that, in the present case, the Court is only asked to rule on the case where, on the one hand, there are unregistered Community designs produced as a result of a commission, and on the other, the LPJDI does not deem such designs to be the same as designs developed in the context of an employment relationship.

63 Thus, it follows from the need for uniform application of Community law and from the principle of equality that the terms of a provision of Community law which makes no express reference to the law of the Member States for the purpose of determining its meaning and scope must normally be given an autonomous and uniform interpretation throughout the Community, having regard to the context of the provision and the objective pursued by the legislation in question (see, inter alia, Case 327/82 Ekro [1984] ECR 107, paragraph 11; Case C-287/98 Linster [2000] ECR I-6917, paragraph 43; and [Case C-316/05 Nokia \[2006\] ECR I-12083, paragraph 21](#)).

64 That is the case for the terms 'designer' and 'successor in title' in Article 14 of the regulation.

65 If those terms were to be interpreted differently in the various Member States, the same circumstances could mean that in some Member States the right to the Community design belongs to the designer, and in others to his successor in title. In that case, the protection afforded to the Community designs would not be uniform throughout the entire area of the Community (see, by analogy, Nokia, paragraph 27).

66 It is therefore essential that those terms be given a uniform interpretation within the Community legal order.

67 That interpretation is borne out by recital 1 in the preamble to the regulation, which states that '[the] unified system for obtaining a Community design ... is given [uniform protection] with uniform effect throughout the entire territory of the Community ...'.

68 It is also clear from Article 1(3) of the regulation that the design is not to be transferred save in respect of the whole Community, unless otherwise provided in the regulation.

69 As regards, more particularly, the transfer of the right to a Community design from the designer to his successor in title within the meaning of Article 14(1) of the regulation, it should be noted that, as pointed out in essence by the FEIA, Cul de Sac and Acierta, the possibility of such a transfer is implicit from the wording of that article.

70 In addition, such an interpretation follows expressly from the term ‘successor in title’ in some language versions, such as the German, French, Polish, Slovenian and Swedish versions which refer to ‘Rechtsnachfolger’, ‘ayant droit’, ‘następcy prawnemu’, ‘pravni naslednik’ and ‘den till vilken rätten har övergått’ respectively.

71 Such a transfer includes contractual assignment.

72 It is clear from the drafting history of the regulation, as the Advocate General notes at points 46 to 50 of his Opinion, that the designer may transfer the right to a Community design to his successor in title by way of contract.

73 That interpretation is supported by recitals 8 and 15 in the preamble to the regulation which emphasise the need to adapt the protection of Community designs to the needs of all sectors of industry in the Community.

74 In addition, it is essential, for the purposes of protecting unregistered Community designs in particular, to uphold the right to prevent the copying of those designs, in accordance with recital 21 and Article 19(2) of the regulation.

75 Apart from individual designers referred to in recital 7, it follows from recitals 16 and 25 that some sectors of industry in the Community may also be the producers of unregistered Community designs.

76 In such circumstances, it cannot be ruled out, as the United Kingdom Government has in essence pointed out, that the successor in title is financially a stronger party than the designer and has more means at its disposal in order to commence proceedings with a view to preventing those designs from being copied.

77 Accordingly, adapting the protection of Community designs to the needs of all sectors of industry in the Community, as set out in recitals 8 and 15 in the preamble to the regulation, by means of a contractual assignment of the right to the Community design is likely to help to achieve the essential objective of the enforcement of the rights conferred by a Community design in an efficient manner throughout the territory of the Community, as set out in recital 29.

78 Moreover, in accordance with recital 7, enhanced protection for industrial design not only promotes the contribution of individual designers to the sum of Community excellence in the field, but also encourages innovation and development of new products and investment in their production.

79 It follows from the above that the possibility of assigning by way of contract the right to the Commu-

nity design from the designer to his successor in title within the meaning of Article 14(1) of the regulation is consistent with both the wording of that article and the aims of the regulation.

80 It is, however, for the national court to ascertain the contents of such a contract and in that regard to determine whether the right to the unregistered Community design has in fact been transferred from the designer to his successor in title.

81 The above considerations clearly do not preclude the national court, in the context of that assessment, from applying the law on contracts in order to determine who owns the right to the unregistered Community design, in accordance with Article 14(1) of the regulation.

82 In the light of all the above considerations, in circumstances such as those of the main proceedings, the answer to part (a) of the third question is that Article 14(1) of the regulation must be interpreted as meaning that the right to the Community design vests in the designer, unless it has been assigned by way of contract to his successor in title.

Part (b) of the third question, and the fourth and fifth questions

83 In the light of the answer to part (a) of the third question, it is not necessary to answer part (b) of that question, or the fourth or fifth questions.

Costs

84 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 (First Chamber) hereby rules:

1. Article 14(3) of Council Regulation (EC) No 6/2002 of 12 December 2001 on Community designs does not apply to Community designs that have been produced as a result of a commission.
2. In circumstances such as those of the main proceedings, Article 14(1) of Regulation No 6/2002 must be interpreted as meaning that the right to the Community design vests in the designer, unless it has been assigned by way of contract to his successor in title.

OPINION OF ADVOCATE GENERAL
MENGOZZI

delivered on 26 March 2009 1(1)

Case C-32/08

Fundación Española para la Innovación de la Artesanía (FEIA)

v

Cul de Sac Espacio Creativo SL

and

Acierta Product & Position SA

(Reference for a preliminary ruling from the Juzgado de lo Mercantil n. 1 de Alicante (Spain))

(Community designs – Ownership of the right to an unregistered Community design – Commissioned designs)

1. By the present reference for a preliminary ruling, the Juzgado de lo Mercantil n. 1 de Alicante (Commercial Court No 1 of Alicante) (Spain) refers several questions to the Court of Justice concerning the interpretation of Articles 14 and 88 of Council Regulation (EC) No 6/2002 of 12 December 2001 on Community designs ('the regulation'). (2)

2. Those questions are raised in the course of proceedings for the alleged infringement of unregistered Community designs, commissioned and produced in the context of a project promoting the incorporation of industrial design into the craftsmanship sector. This is the first time that the Court has been called upon to interpret the provisions of the regulation in the context of preliminary ruling proceedings. (3)

I – Legislative context

A – Relevant provisions of Community law

3. The Community's interest in issues of industrial design protection dates from 1959, when the Commission proposed that the governments of the then six Member States should establish working groups for developing the protection of industrial property rights at the Community level in order to overcome the problems for the proper functioning of the Common market posed by the limited territorial protection offered at the national level. Accordingly, three different working groups were established in the fields of patents, trade marks and designs. The working group on designs, chaired by an Italian, Roscioni, delivered its report in 1962, recommending that uniform rules be adopted at the Community level, but underlining the difficulty of undertaking a process of legislative harmonisation due to the substantial differences that characterised the laws of the Member States in the area.

4. After a long period of inertia, the debate was revived by the Commission with its Green Paper on the Legal Protection of the Industrial Design ('the Green Paper') published in June 1991, which the Commission intended would serve as a basis for consultation of the interested circles. In that document, the Commission discussed the various aspects of the legal protection of the industrial design and the solutions adopted by the laws of the Member States, setting out the broad outline of what it believed the Community's approach to the matter should be. On the basis of the considerations developed in the Green Paper, the Commission proposed, first, that a Community design, valid throughout the Community and subject to uniform rules, should be created, and, second, that the most important features of the national laws in the area should be harmonised. In line with such a proposal, draft proposals for a regulation on the Community design and for a directive to approximate the national laws of the Member States on the legal protection of designs were annexed to the Green Paper.

5. In the light of those proposals, in 1993 the Commission submitted to the Council and the Parliament a proposal for a regulation on the Community

design (4) and a proposal for a directive on the legal protection of designs. (5) The directive was adopted on 13 October 1998, (6) whereas the regulation's legislative course was longer and more tortuous, requiring the submission of two further proposals in 1999 and 2000.

6. As is clear from the recitals in the preamble to the regulation, the purpose of establishing a Community design subject to a uniform set of rules throughout the Community is to eliminate the obstacle to the free movement of goods resulting from the territorial limitation of the protection of designs at national level, and to prevent identical designs being protected differently and for the benefit of different owners in the various national legal systems as a result of the considerable differences still encountered between the laws of the Member States. (7)

7. In order that the protection accorded to the Community design serves the needs of all sectors of industry in the Community, the regulation sets out two forms of protection: the first, less extensive and more short-term, being the unregistered design, and the second, more long-term, being the registered design which confers exclusive rights on the protected party. (8)

8. Title II of the regulation is subdivided into five sections. The third section, entitled 'Right to the Community design', contains Article 14 which, under the same heading, provides that:

'1. The right to the Community design shall vest in the designer or his successor in title.

2. If two or more persons have jointly developed a design, the right to the Community design shall vest in them jointly.

3. However, where a design is developed by an employee in the execution of his duties or following the instructions given by his employer, the right to the Community design shall vest in the employer, unless otherwise agreed or specified under national law.'

9. Title IX of the regulation lays down rules in the area of 'Jurisdiction and procedure in legal actions relating to Community designs'. Article 81, contained in the second section of Title IX, provides that the Community design courts designated by the Member States in accordance with Article 80 are to have exclusive jurisdiction to hear disputes concerning the infringement and validity of Community designs. As to the law applicable by such courts, Article 88(1) and (2) provides that:

'1. The Community design courts shall apply the provisions of this Regulation.

2. On all matters not covered by this Regulation, a Community design court shall apply its national law, including its private international law.'

B – Relevant provisions of national law

10. The Spanish legal system provides for protection only in respect of registered designs. Article 14(1) and (4) of Law No 20 of 7 July 2003 on the Legal Protection of Industrial Designs, in Title III, 'Ownership of the design', under the heading 'Right of Registration', provides as follows:

'1. The right to register the design shall vest in the designer or his successor in title. ...

4. In proceedings before the Spanish Patents and Trade Marks Office, it shall be presumed that an applicant has the right to register the design.'

11. Article 15 is worded as follows:

'Where a design has been developed by an employee in the execution of his duties or following the instructions given by his employer, or as a result of a commission in the context of a contract for services, the right to register the design shall vest in the employer or the party who commissioned the design under the contract, unless otherwise specified in the contract.'

II – The proceedings before the national court and the questions referred for a preliminary ruling

12. The Fundación española para la innovación de la Artesanía (Spanish Foundation for the Innovation of Craftsmanship) ('the FEIA'), the applicant in the main proceedings, sponsored the project known as the 'D'Artes ... Diseño y Artesanía de incorporación del Diseño al Sector Artesiano' ('D'Artes ... Design and Craftsmanship project for the introduction of design into the craftsmanship sector'), the purpose of which was to create and place on the market a range of objects made by a number of skilled workshops on the basis of designs produced by industrial design professionals.

13. In the context of that project, the company AC&G S.A. ('AC&G') was tasked by the FEIA with selecting the designers and concluding agreements with them for developing a design and providing technical assistance to the craftsman at the production stage. On that basis, AC&G concluded a contract with the company Cul de Sac Espacio Creativo S.L. ('Cul de Sac'), under which Cul de Sac was to design a series of cuckoo clocks for the craftswoman Verónica Palomares. The clocks were unveiled as part of the first D'Artes series as the 'Santamaría' collection.

14. In 2006 Cul de Sac and the company Acierta Product & Position S.A. ('Acierta') placed on the market a range of cuckoo clocks, known as the 'Timeless' collection. Believing that this infringed its rights to the designs of the clocks in the 'Santamaría' collection, the FEIA brought an action against both companies before the Juzgado de lo Mercantil n. 1 de Alicante. Before that court, the FEIA claimed ownership of the rights to the designs in question in a number of capacities, relying on both the provisions of the regulation and the Spanish legislation. (10) The defendant companies maintained that the FEIA lacked standing to bring the action, on the ground that it did not own the rights to the designs at issue.

15. Considering that a number of provisions of the regulation needed to be interpreted in order to resolve the dispute, the national court stayed the proceedings, and referred the following questions to the Court of Justice for a preliminary ruling in accordance with Article 234 EC:

'(1) Must Article 14(3) of [the regulation] be interpreted as referring only to Community designs developed in the context of an employment relationship where the designer is bound by a contract governed by employment law whose provisions are such that the de-

signer works under the direction and in the employ of another? or

(2) Must the terms "employee" and "employer" in Article 14(3) of [the regulation] be interpreted broadly so as to include situations other than employment relationships, such as a relationship where, in accordance with a civil/commercial contract (and therefore one which does not provide that an individual habitually works under the direction and in the employ of another), an individual (designer) undertakes to execute a design for another individual for a settled price and, as a result, it is understood that the design belongs to the person who commissioned it, unless the contract stipulates otherwise?

(3) In the event that the answer to the second question is in the negative, on the ground that the production of designs within an employment relationship and the production of designs within a non-employment relationship constitute different factual situations,

(a) is it necessary to apply the general rule in Article 14(1) of [the regulation] and, consequently, must the designs be construed as belonging to the designer, unless the parties stipulate otherwise in the contract? or

(b) must the Community design court rely on national law governing designs in accordance with Article 88(2) of [the regulation]?

(4) In the event that national law is to be relied on, is it possible to apply national law where it places on an equal footing (as Spanish law does) designs produced in the context of an employment relationship (the designs belong to the employer, unless it has been agreed otherwise) and designs produced as a result of a commission (the designs belong to the party who commissioned them, unless it has been agreed otherwise)?

(5) In the event that the answer to the fourth question is in the affirmative, would such a solution (the designs belong to the party who commissioned them, unless it has been agreed otherwise) conflict with the negative answer to the second question?

III – Proceedings before the Court of Justice

16. The FEIA, Cul de Sac, Acierta, the United Kingdom and the Commission submitted written observations in the present preliminary ruling proceedings in accordance with the second paragraph of Article 23 of the Statute of the Court of Justice. A hearing was held on 29 January 2009.

IV – Analysis

A – First and second questions referred for a preliminary ruling

17. The first two questions referred by the national court for a preliminary ruling, which should be examined together, concern the interpretation of Article 14(3) of the regulation. By those questions, the national court in essence asks the Court of Justice whether that provision applies only in the case of designs developed by an employee in the context of a contract of employment or whether, on the other hand, it applies also to 'commissioned designs', that is to say designs developed by a self-employed person in the context of a contract for services.

18. Both the FEIA and the United Kingdom are in favour of also applying Article 14(3) of the regulation to commissioned designs, submitting that the provision should be interpreted not only on the basis of its wording, but also in the light of the overall scheme and objectives of the system of which it forms part. The proposed interpretation is justified, in particular, in the light of the need to coordinate the provisions of the regulation and of Directive 98/71, which only harmonises in part the national laws on the protection of the industrial design. In the absence of such coordination, overlapping Community and national protection, made possible by the provisions of the regulation, could lead to protective rights being recognised for different persons in respect of the same design. The Commission, Cul de Sac and Acierta maintain, on the other hand, that the first two questions referred for a preliminary ruling should be interpreted as meaning that the rule laid down in Article 14(3) of the regulation is to apply exclusively to designs created in the context of an employment relationship. The Commission and Cul de Sac maintain, in particular, that the provisions of Community law which, like the provision at issue, do not contain an express reference to national law in order to determine their scope and the meaning of their terms must be given an autonomous and uniform interpretation throughout the Community. In addition, Acierta and the Commission maintain that Article 14(3) contains an exception to the general rule set out in Article 14(1), and as such may not be interpreted widely or applied by way of analogy to situations not expressly provided for. Lastly, the Commission contends that the proposed interpretation is confirmed by the drafting history and the procedure by which the regulation was adopted, and is consistent with Community and international rules on other industrial property rights.

19. Article 14(3) provides that where ‘a design is developed by an employee in the execution of his duties or following the instructions given by his employer, the right to the Community design shall vest in the employer, unless otherwise agreed or specified under national law.’

20. As maintained by the defendants in the main proceedings and by the Commission, the literal wording of that provision leads to the conclusion that the situation covered by the rule contained in that provision relates only to designs developed in the context of an employment relationship. This is borne out in particular by the use of the terms ‘employee’ and ‘employer’, which shows the clear intention of the Community legislature that there should be an employment relationship as defined by employment law in order for the provision to apply.

21. A different interpretation, as put forward by the FEIA and the United Kingdom, also bringing contracts for services within the scope of the provision, would inevitably strain the construction of the provision in question, expanding the sense of the terms used beyond their ordinary meaning, and would, in my estimation, conflict with the actual wording of the regulation.

22. Nor does it seem to me possible, contrary to the FEIA’s submission, to reach such an interpretation on the mere assertion that the text of Article 14(3) makes a distinction between designs developed in the execution of the employee’s duties, which would form part of the performance of the contract of employment, and those developed following instructions from the employer, which, on the other hand, would be entrusted to the employee on the basis of a different contractual relationship. Both are situations that relate to the performance of the employment relationship: the first relates to the employee’s duties in performing the individual contract of employment, and the second to the tasks specifically entrusted to him by the employer in the context of such a relationship. The purpose of the distinction is to limit the scope of the rights acquired by the employer only to those creations of the employee which are in fact attributable to the performance of the contract of employment. It is not therefore permissible, in my estimation, to interpret the reference to designs developed by the employee in the execution of the ‘instructions given’ by the employer as meaning that the Community legislature intended to extend the system laid down in Article 14(3) of the regulation to designs created in the context of a contract for services.

23. Once it has been clarified that the system set out in Article 14(3) relates only to designs developed in the context of an employment relationship, it must then be established whether it is possible to infer from that provision a rule that may be applied by way of analogy to the different case of ‘commissioned’ designs. In that connection, it is necessary to refer, first, to the rationale of the provision in question, and, second, to the drafting history of the regulation.

24. First, the rule that the employer acquires the rights to exploit the product of the employee’s labour, without the need for an express transfer, is commonplace in both national and international legislation in respect of the various industrial property sectors. In Community law, that rule is expressed in Article 14(3) of the regulation, and also in Article 3(2) of Council Directive 87/54/EEC of 16 December 1986 on the legal protection of topographies of semiconductor products, (11) Article 2(3) of Council Directive 91/250/EEC of 14 May 1991 on the legal protection of computer programs, (12) Article 11(3) of Council Regulation (EC) No 2100/94 of 27 July 1994 on Community plant variety rights, (13) and in the draft regulation on patents. The rule in essence serves the requirement to balance the opposing interests at stake: on the one hand, that of the employer in acquiring the product of an activity which he has usually funded, and, on the other hand, that of the employee in being adequately remunerated for the work done. The direct acquisition by the employer of the economic rights to the works created by the employee enables the employee to be adequately remunerated irrespective of the result of the work’s commercial exploitation – for which moreover the employee may not have the necessary financial and organisational resources – and assures the employer that the economic rights to the works created by the

employee are not assigned by that employee to another party.

25. The choice in Article 14(3) of the regulation to confer on the employer the right to disclose and to register the design developed by its own employee, in order to be able to acquire ownership of the protective rights obtained from completing such acts, is based on a notion of the employment relationship as an ‘all-encompassing’ one that justifies the transfer to the employer, by virtue of the contract of employment, of all the rights to the commercial exploitation of the work produced by the employee.

26. The foregoing considerations lead me to believe that the system laid down in the provision at issue, conceived in relation to a specific contractual situation, does not lend itself to application by analogy to other contractual arrangements.

27. Such a conclusion appears to be confirmed by the drafting history of the regulation.

28. Second, the draft proposal for a regulation annexed to the Green Paper did not contain any provision similar to Article 14(3). Article 11 of the draft proposal reproduced the wording of the current Article 14(1), while Article 12, entitled ‘Design of an employee or in pursuance of a commission’, merely sets out, in line with the proposal submitted by the Max Planck Institute, (14) the conflict rules for determining the national law governing the ownership of the right to a Community design for a design developed by an employee (Article 12(1)) and a design in pursuance of a commission (Article 12(3)). (15)

29. In its commentary to Article 12(1) of the draft proposal, the Commission underlined in the Green Paper the difficulty, already experienced by the negotiators of the 1973 European Patent Convention and of the 1989 Agreement relating to the Community Patent, of reaching an agreement on a uniform substantive rule on the question of the entitlement to the work carried out by an employee in the course of the employment relationship. While advocating the adoption of such a rule in the long term, the Commission believed that it was satisfactory at that stage of development, in order to avoid delays in the procedure for adopting the regulation, to include in the proposal a rule of conflict modelled on Article 6 of the 1980 Rome Convention on the law applicable to contractual obligations. With regard to commissioned designs, on the other hand, in the commentary to Article 12(3) of the draft proposal, the Green Paper merely recalled the need to give the parties ‘the widest possible choice to decide on the entitlement to the design and as regards the law applicable to the contract’, (16) and suggested the adoption of a more precise connecting criterion than the ‘narrower connection’ laid down by the Rome Convention. No reference was made to the possibility of devising, even in the medium to long term, uniform substantive rules on the point.

30. Already in the Green Paper the Commission was therefore adopting a clearly different approach to the issues concerning the ownership of the rights to designs

developed in the context of an employment contract and a contract for services.

31. That different approach is also reflected in the procedure for the adoption of the regulation. In the 1993 proposal, (17) for designs produced by an employee, the Commission followed the more ambitious objective already set out in the Green Paper and at Article 14(2) inserted a substantive rule (18) to replace the rule of conflict in Article 12(1) of the draft proposal for a regulation in annex to the Green Paper. However, the rule of conflict for commissioned designs contained in Article 12(3) of the draft project was deleted.

32. The wording of the provision contained in Article 14(2) of the 1993 proposal remained substantially unchanged in the subsequent drafts (19) – with the only exception being the addition of the reference to the national law applicable – and also in the final version of the regulation. However, the question of the ownership of the rights to Community designs that have been produced as a result of a commission remained, as has been seen, without a specific body of rules even on the basis of private international law.

33. In that context, it appears difficult to justify the use of analogy in order to extend to commissioned designs the uniform rules laid down by the Community legislature exclusively for designs developed by an employee.

34. On the basis of the foregoing considerations, I therefore propose that the Court should answer the first two questions referred for a preliminary ruling to the effect that the rule contained in Article 14(3) of Regulation No 6/2002 applies only to designs produced by an employee in the course of an employment relationship.

B – Third, fourth and fifth questions referred for a preliminary ruling

35. By the third, fourth and fifth questions, which I shall address together, the national court in essence asks the Court of Justice whether, if the answer to the first two questions is that Article 14(3) of the regulation does not apply to designs developed in the context of a contract for services, the ownership of the right to such designs must be determined on the basis of the provision contained in Article 14(1), or whether there is a gap in the regulation on that point which must be supplemented by the laws of the Member States pursuant to Article 88(2) of the regulation.

36. The FEIA submits that Article 14 should be interpreted as a whole in the light of the regulation’s objectives and taking into account the legislature’s intention to create only minimal regulation in the field. The FEIA refers in particular to Articles 27, 88 and 96 of the regulation, which contain a reference to the national laws and allow them to provide a more comprehensive protection of Community designs than that laid down by the regulation and to recitals 6, 8 and 9 in the preamble thereto, which refer to the requirements concerning compliance with the principles of subsidiarity and proportionality, and set out the objective of aligning the substantive provisions of the regulation with those of Directive 98/71. The FEIA

also proposes that the notion of ‘successor in title’ in Article 14(1) of the regulation should be interpreted as referring to the various means of acquiring the right to the design provided for in the laws of the Member States, including that laid down in Article 15 of the Spanish Law in favour of the person commissioning the design. The United Kingdom for its part submits that, if the Court excludes commissioned designs from the scope of Article 14(3), the ownership of the rights to such designs should be determined on the basis of the laws of the Member States in accordance with the principle laid down in Article 88(2) of the regulation.

37. The Commission, Acierta and Cul de Sac maintain that Article 14(1) of the regulation contains a general provision in favour of conferring the right to the design on its creator. The only exception to that rule appears in Article 14(3) and concerns only the case of designs produced by an employee in the context of the employment relationship. There is therefore no gap in the regulation concerning the ownership of the right to the Community design, and accordingly recourse to Article 88(2) is not permitted.

38. As set out in Article 14(1) of the regulation, ‘The right to the Community design shall vest in the designer or his successor in title.’

39. It should be noted as a preliminary point that the right to the Community design referred to throughout Article 14 consists in the right to disclose the Community design or to file an application for its registration. The right is thus the entitlement to complete those acts which give rise to the protective rights laid down in the regulation, necessary in order to exploit the Community design.

40. In relation to the acquisition of such rights, Article 14(1) lays down a general rule in favour of the designer and his successors in title. (20) Both categories of subject are moreover placed on an equal footing.

41. In those circumstances, for the purposes of replying to the national court, it is necessary, in my opinion, to clarify first of all the scope of the notion of ‘successor in title’ pursuant to Article 14(1).

42. The notion of ‘successor in title’ is also found in other provisions of the regulation, (21) even though this varies according to the different language versions, which at times use different expressions. (22) Even though the issue is one that was raised at the hearing, I do not consider that it is necessary to determine the extent to which the notion appearing in Article 14(1) corresponds to that used in the other provisions of the same regulation or to the alternative expressions used, since such an assessment would entail a complex procedure comparing the different language versions of the regulation, the results of which would not be very significant in any event.

43. At the hearing, the Commission contended that the notion of ‘successor in title’ has the same scope in all the provisions of the regulation in which it appears, and refers only to cases of inheritance or of succession or merger between companies, but does not include cases of contractual assignment of the right to a design.

44. I am not convinced by such an interpretation.

45. Even disregarding the fact that in certain language versions of the regulation (for example, the English, German, Italian and Portuguese versions) the same expression used in Article 14(1) also appears in Article 28, and refers to the transferee of the registered Community design, the Commission’s argument appears in any event to be disproved by the drafting history of the regulation.

46. In that respect, it should be noted first of all that the provision appearing in the current version of Article 14(1) was already contained in Article 11 of the draft proposal for a regulation annexed to the Green Paper and also in the first proposal for a regulation published by the Commission in 1993, and has not been amended during the procedure by which the regulation was adopted.

47. In the commentary on Article 11 of the draft proposal, the relevant passages of which are reproduced below, the Commission sets out the following in the Green Paper:

‘The basic principle, common to many national legislations, is that the right originates in the person of the designer. The principle is, however, qualified by the subsidiary principle that the original right may be transferred or assigned in its entirety to another person, the successor in title. The Community design needs probably to apply the same principles These principles express the common sense solution one would look for in case where a person, having created a design, has to choose between exploiting the design himself (whether personally or through a licensee) or assigning it to a manufacturer’. (23)

48. From the initial stages of the legislative process that led to the adoption of the regulation, the notion of ‘successor in title’ therefore referred to the transferee of the rights to exploit the Community design, that is to say the person to whom such rights, initially vested in the designer, were contractually assigned.

49. If the notion of ‘successor in title’ contained in Article 14(1) of the regulation must be interpreted in that manner – and in my view there is no evidence to suggest otherwise – the interpretation put forward by the Commission in the present case, according to which Article 14 sets out a general rule in favour of conferring the right to the Community design on the designer, must be rejected; such a rule would only permit the exception expressly set out in Article 14(3), and would not allow any contribution from the laws of the Member States.

50. The regulation in fact places the designer and his successor in title, as defined above, on the same footing as regards acquiring the ownership of the rights to exploit the Community design, the only obvious difference being that the designer acquires such rights in an original capacity, as a result of creating the design, while the successor in title derives them by means of transfer.

51. In that context, the employer and the person commissioning the Community design are both successors in title to the designer.

52. In the first case, however, the Community legislature has seen fit to introduce uniform rules on the basis of which, in the absence of a specific agreement of the parties to the contract of employment or of a provision of national law applicable to such a contract that would confer the right to the design produced by the employee on the designer, the right to the design is to vest in the employer without the need for a specific transfer. In that respect, contrary to the Commission's argument, Article 14(3) does not introduce an exception to the rule laid down by Article 14(1), but supplements it, providing for a separate set of rules where it is necessary to determine the right to the Community design in the context of a specific contractual relationship.

53. In the second case, on the other hand, in the absence of a specific provision in the regulation providing a uniform set of rules for determining the right to the commissioned design, the scope and method of transferring such a right from the designer to the person commissioning the design are to be specified on the basis of the intention of the parties set out in the contract, and also in accordance with the applicable law. Furthermore, since, unlike the initial contents of the draft proposal annexed to the Green Paper, the regulation also does not lay down a uniform rule of conflict to identify the law applicable to the contract – the contract which commissions the creation of the design to a service provider with a view to the subsequent exploitation of that design – such a law must therefore logically be determined on the basis of the Member States' rules of private international law.

54. In the case before the national court, it therefore falls to that court, in accordance with Article 88(2) of the regulation, to apply the relevant provisions of Spanish law, as the law applicable to the contract entered into between AC&G and Cul de Sac, in order to determine who owns the unregistered Community design which is the subject of the infringement proceedings brought by the FEIA before the national court.

V – Conclusion

55. In light of the foregoing, I propose that the Court should answer the questions referred for a preliminary ruling by the Juzgado de lo Mercantil n. 1 de Alicante as follows:

(1) Article 14(3) of Council Regulation (EC) No 6/2002 of 12 December 2001 on Community designs must be interpreted as referring only to Community designs produced by the employee in the context of an employment relationship.

(2) Articles 14 and 88 of Council Regulation (EC) No 6/2002 of 12 December 2001 on Community designs must be interpreted as meaning that the ownership of the right to a design created in the context of contractual relationship other than an employment relationship, as is the case of designs produced by a service provider on behalf of the person commissioning the design, must be determined on the basis of the intention expressed by the parties and of the law applicable to the contract. The law of a Member State is not in conflict with Article 14(3) of the regulation

where, for the purpose of determining the ownership of the right to a design, it places on an equal footing designs produced by a service provider on behalf of the person commissioning the design and designs created by an employee in the context of an employment relationship.

1 – Original language: Italian.

2 – OJ 2002 L 3, p. 1.

3 – The failure to notify the list of Community design courts referred to in Article 80(2) of the regulation has been the subject of two infringement proceedings, the first against France, giving rise to the judgment in Case C-507/07 Commission v France [2008] ECR I-85, and the second against Luxembourg, which resulted in an order for removal from the register. In addition, two actions are pending before the Court of First Instance against OHIM decisions concerning invalidity proceedings in respect of Community designs (Case T-9/07 Grupo Promer Mon-Graphic v OHIM and Case T-10/08 Kwang Yang Motor v OHIM).

4 – COM(93) 342 final (OJ 1994 C 29, p. 21).

5 – COM(93) 344 final (OJ 1993 C 345, p. 14).

6 – Directive 98/71/EC of the European Parliament and of the Council of 13 October 1998 on the legal protection of designs (OJ 1998 L 289, p. 28).

7 – See recitals 2 and 4 in the preamble to the regulation.

8 – See recitals 15 to 17 in the preamble to the regulation and Articles 11 and 12.

9 – I note that in their observations some of the intervening parties have drawn the Court's attention to many other provisions in the regulation which, in their submission, are relevant for the purposes of answering the questions referred by the national court. For reasons of brevity, I have, however, considered it appropriate to refer above only to the text of the articles which are the subject of those questions.

10 – As the sponsor of the D'Artes project in which the designs were produced, as Cul de Sac's principal and as an assignee of AC&G.

11 – OJ 1987 L 24, p. 36.

12 – OJ 1991 L 122, p. 42.

13 – OJ 1994 L 227, p. 1.

14 – See International Review of Intellectual Property and Competition Law, No 4/1991, p. 523 et seq.

15 – The full text of Article 12 is as follows:

‘(1) If a design has been developed by an employee, the right to the Community Design shall be determined, to the extent that the parties to the contract of employment have not chosen a different law, in accordance with the law of the State in which the employee habitually carries out his work, even if he is temporarily employed in another country; if the employee does not habitually carry out his work in any one country, the right to the Community Design shall be determined in accordance with the law of the State in which the employer has his place of business to which the employee is attached.

(2) A choice of law made by the parties to govern a contract of employment shall not have the result of depriving the employee of the protection afforded to him by any mandatory rules of the law which would be applicable under paragraph (1) in the absence of choice.

(3) If the design has been developed in pursuance of a commission, the right to the Community Design shall be determined, in the absence of a different choice of law by the parties to the contract, in accordance with the law of the State in which the commissioner has his domicile or his seat.’

16 – Green Paper on the Legal Protection of Industrial Design. Working document of the services of the Commission, June 1991 (III/F/5131/91-EN, p. 98).

17 – See point 5 above.

18 – The provision in question was worded as follows: ‘Where a design is developed by an employee in the execution of his duties or following the instructions given by his employer, the right to the Community design shall vest in the employer, unless otherwise provided by contract.’

19 – See point 5 above.

20 – By contrast, the moral right to be recognised as the author of a design vests only in the author of that design, who by virtue of Article 18 of the regulation ‘has the right to be cited as such before the Office and in the register’, even where the author has assigned the rights to the commercial exploitation of the design to a third party.

21 – That notion also appears in recital 20 in the preamble to the regulation, which states that: ‘It is also necessary to allow the designer or his successor in title to test the products embodying the design in the market place before deciding whether the protection resulting from a registered Community design is desirable. To this end it is necessary to provide that disclosures of the design by the designer or his successor in title ... should not be prejudicial in assessing the novelty or the individual character of the design in question.’

22 – In the Italian, German and English language versions, for example, the same expression (‘*avente causa*’, ‘*successor in title*’ and ‘*Rechtsnachfolger*’ respectively) appears in both Article 14(1) and Article 28 on the transfer of the registered design, whereas the French and Spanish language versions use two different expressions (‘*ayant droit*’ and ‘*causa habiente*’ in Article 14(1) and ‘*ayant cause*’ and ‘*cesionario*’ in Article 28).

23 – Emphasis added.