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ECJ rules on Community design case European Union - Maiwald Patentanwalts GmbH

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- Acacia sought declaration of non-infringement, abuse of dominant market position and unfair competition against BMW
- BMW raised the objection that the Italian courts had no jurisdiction
- ECJ held that actions for declaration of non-infringement must be brought before Community design courts

In *Bayerische Motorenwerke AG (BMW) v Acacia Srl* (Case C-433/16) the European Court of Justice (ECJ) gave a decision on a preliminary ruling under Article 267 of the Treaty on the Functioning of the European Union concerning the interpretation of EU Regulation 44/2001 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters and of EU Regulation 6/2002 on Community designs.

Acacia made replica alloy rims for automobile wheels and marketed them under the trademark WSP ITALY. BMW owned a Community design for alloy rims for automobile wheels. Acacia claimed that its replica rims fell under the 'reparation clause' provided for in Article 110(1) of Regulation 6/2002. It brought an action against BMW before the District Court of Naples seeking a declaration of non-infringement of the Community design as well as a declaration of abuse of a dominant market position and unfair competition by BMW. Acacia also sought an injunction to prevent BMW from taking any action hindering the marketing of its replica rims.

BMW accepted the lawsuit. In its defence it raised as preliminary points, among other things, the objections that the notification of the application was non-existent or void. In the alternative, but still as a preliminary matter, it also contested the jurisdiction of the Italian courts. In the further alternative, it argued that if those objections were refused then Acacia's applications should be rejected as having no basis in fact or law.

Acacia argued that the jurisdiction of the Italian courts was tacitly accepted by BMW given that, after raising, among other things, the objection that notification of Acacia's application was non-existent or void before the District Court of Naples, BMW raised the objection that the Italian courts had no jurisdiction to hear the case only in the alternative.

The Court of Cassation decided, after hearing the opinion of the attorney general on March 4 2015, to stay the proceedings and to refer the questions concerning the jurisdiction of the court and the Community design to the ECJ.

The ECJ held that Article 24 of EU Regulation 44/2001 must be interpreted to the effect that a challenge to the jurisdiction of the court seised, raised in the defendant's first submission in the alternative to other objections of procedure raised in the same submission, cannot be considered to be acceptance of the jurisdiction of the court seised, and therefore did not lead to prorogation of jurisdiction pursuant to that article.

Further, Article 82 of EU Regulation 6/2002 must be interpreted to the effect that actions for declaration of non-infringement under Article 81(b) of that regulation must, when the defendant is domiciled in an EU member state, be brought before the Community design courts of that member state, except where there is prorogation of jurisdiction within the meaning of Article 23 or Article 24 of Regulation 44/2001, and with the exception of the cases of lis pendens and related actions referred to in those regulations.

According to the judgment, the rule on jurisdiction in Article 5(3) of Regulation 44/2001 did not apply to actions for a declaration of non-infringement under Article 81(b) of Regulation 6/2002 or to actions for a declaration of abuse of a dominant position and of unfair competition that are connected to actions for declaration of non-infringement, in so far as granting those applications presupposes that the action for a declaration of non-infringement is allowed.

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