

## RECENT DEVELOPMENTS IN AUSTRIAN IP LANDSCAPE

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Amendments of Trademark Act, Patent Act, Utility Model Act, Semiconductor Act, Design Act and Patent Office Fee's Act have been published on 1 August 2017, Federal Gazette I No 124/2017. The main reason for the amendments is EU-directive 2015 / 2436 of 16 December 2015 to approximate the laws of the member states relating to trademarks which has to be brought into force in Austria until beginning of 2019. The main changes of Trademark Act are that the period of protection of a trademark is 10 years from the date of filing and the introduction of a new legal institution of a "guarantee mark" certifying quality, accuracy etc. of goods and services.

In all IP laws the recordal of a change of name or ownership has been somewhat simplified. In general just a copy of the respective document has to be filed whereas in the past only an original was accepted. A document other than a public document has still to bear the duly certified signature of the physical or juridical person alienating her/his/its right. Instead of such a document just an unanimous declaration of the parties or their representatives may be submitted. The Patent Office reserves, however, still the right to request any originals, certified copies or further documents.

### **Patents and Supplementary Protection Certificates**

- The Vienna Upper Provincial Court (VUPC) ruled in a landmark decision that in the course of a declaratory proceedings the defence of "free state of art" is admissible. This decision was released in a case where an applicant has requested from the Austrian Patent Office a decision that its device does not fall under the scope of the patent of a defendant because the features of its device are closer to the free state of art than the features of the defendant's patent. Such a defence results, in case of acceptance, implicitly in the nullity of the litigious patent although that nullity is only effective inter partes.
- The VUPC ruled that a new development does not lack inventiveness if only a person skilled in the art could have reached at it based on the state of art. It is only non-inventive if the person skilled in the art would have suggested it upon a reasonable

cause with expectation of an improvement or advantage (“could-would-approach”).

The assessment of an inventive task may be especially performed based on a problem-solution-approach: at first the most pertinent state of the art is to be determined, secondly the factual technical problem to be solved is to be defined and finally it is to be examined whether the claimed invention would have been obvious to a person skilled in the art in the light of the pertinent state of art and the factual setting of the problem.

- In a preliminary injunction proceedings the plaintiff demanded not only immediate discontinuance but also a product recall of the alleged infringing goods by the defendant. Finally the Austrian Supreme Court dismissed the request for product recall. It held that a claim for product recall of infringing goods falls under the claim for elimination. An elimination can, however, only be ordered when the elimination of the illegal condition lies actually within the disposal of the infringer. In a preliminary proceedings a recall of infringing goods has to be left out of consideration because an effected recall would create a non-recoverable condition.
- In two recent decisions the VUPC held that object of an SPC is a product, but not the invention protected by the basic patent, and can only be granted if the claims of the basic patent refer implicitly but necessarily to that product. A functional formula given in the claims of the basic patent may suffice for the definition of a product. An ingredient which is just mentioned as “other therapeutical constituent” is not disclosed as active ingredient by the basic patent.

## **Designs**

In assessing an infringement, the recognition of the overall impression is crucial: namely, whether the comparison of two styles results in the impression of similarity. Concerning the infringement of a design, only that design is to be compared with the allegedly infringing product. For example, if the design is registered in black and white, then the specific colour of the infringing product is not to be taken into account when assessing the design right.

## Trademarks

- In the course of a trademark infringement proceedings the Supreme Court dealt, in a landmark decision, with the question of delimitation between, on one hand, information in compliance with customs in trade or industry about kind, purpose, geographical origin etc. of goods and services covered by a trademark and, on the other hand, unfair use without due cause. It held that the criterias for unfair use are exploitation of reputation, damage of reputation, exploitation of attention and dilution. The representation of a descriptive indication may be unfair if it additionally comes close to a prior sign by adoption of special features of design marks, logos, typical letterings, colour schemes or figurative motifs. Moreover the degree of distinctiveness of the impaired trademark is to be taken into account and, in case of geographical designations, also the relation of the junior mark's user to the region.
- At the VUPC two different boards had to deal with confusing similarity of two trademarks, namely on one hand in an opposition and on the other hand in a parallel infringement proceedings, and came to different results. Upon appeal the Supreme Court stated that diverging rulings are lawful as long as each board stays within its given scope of decisional margin.
- The VUPC held that a three-dimensional trademark lacks a priori distinctiveness if additional accessory is missing that would be regarded, in comparison to common shapes of goods, as attractive, peculiar or ingenious and thus would award her the capability of being distinguishable from existent, current, usual morphologies in order not to be identified as an arbitrary good but instead as a product of a specific enterprise just on basis of its shape.
- In two different proceedings the Austrian Supreme Court dealt with unlawful acquisition of trademark rights. It held that bad faith of a trademark application can be assumed even if the applicant has an own intent to use but also wants at least to disturb the distribution of goods and services of a competitor having senior priority. An acquisition of a trademark right which occurred in violation of public order does not, however, create a claim for competitors for discontinuance of the use of the trademark, because that requires a specific basis in the respective laws (Trademark Act, Law

against Unfair Competition). The question of acquisition contrary to public policy may be, e.g., relevant if the acquirer will defend its use by relying on an own right.

### **Domain Names**

- Against a second-level domain grabbed from a European Union Trademark and registered in connection with different top-level domains, but not yet in use, a request for assignment or cancellation as well as discontinuance of use was filed in Austria based on trademark infringement and obstruction competition. Finally the Austrian Supreme Court rejected the claim in the scope of infringement of EUTMs on the ground that there is no domestic place of action. In the scope of alleged obstruction competition it confirmed competence of Austrian courts, however only with regard to the Austrian top-level domain.

### **Copyright**

- At the end of a long-lasting legal dispute the Austrian Supreme Court held that the storage media compensation according to Austrian Copyright Act is in conformance with EU regulations as long as it is to be paid in the course of delivery of the media to intermediary merchants or to physical persons (which do not use the media in their enterprise). It is a legal assumption that media delivered to private persons are also used for the production of so-called private copies wherefore no proof of such use is necessary.
- Close relatives have a claim for discontinuance of publication of images of a deceased in case of a legitimate interest. Such an interest is generally given if a balance of interest during the lifetime of the deceased would have resulted to the benefit of the latter. While the forgoing is established legal practice, the Austrian Supreme Court had recently to deal with the question whether a post mortem's claim for recovery of immaterial damages is also rightful. It held that such a claim would only be justified in case of a direct affection of the relative.

- The producer of a photographic picture has the right of being named in connection with the picture. So far it was e.g. sufficient to put the name onto the backside of a picture's printout. Now the Austrian Supreme Court held that in case of an electronic image file it suffices when the reference to the manufacturer is contained in the meta data.