The Trademark Lawyer

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Chinese e-commerce: New laws shaking up the system

Ray Zhao of Unitalen interprets how China's e-commerce will be affected with the passing of new legislation.
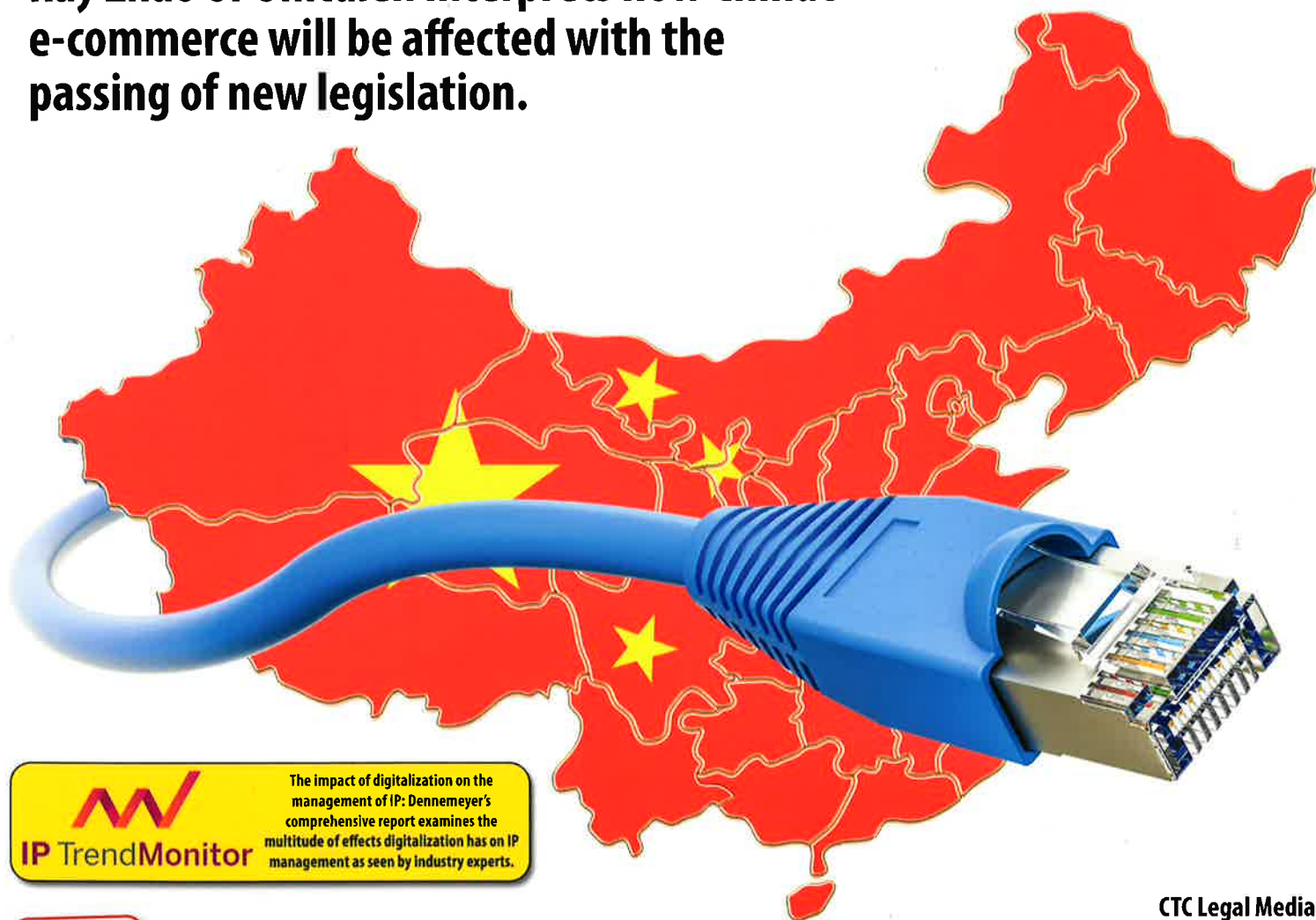
CTC Legal Media

PLUS

China Focus: New Chinese e-commerce rules, Compumark report on Chinese trademark market, talks on trademark speculation, applying for Well-Known Trademark Recognition.

● **Brazil's general trademark rules** ● **First EU-wide design injunction** ● **IKEA's trademark success**
● **USPTO's proposal for U.S. attorneys to represent foreign applicants** ● **Safguarding IoT innovation**

Francesco Bonini

Italy: First EU-wide injunction against design infringement

Francesco Bonini, Vice-President of Studio Bonini, breaks down the first ever European Injunction against a counterfeiter for infringing a Registered Community Design and a non-registered Community Design.

On July 2nd 2018, Milan IP court ruled on the case Diesel-OTB vs Zara (RG n 22303/2016). The well-known jeans manufacturer Diesel sued Zara for design infringement, acting through its holding company OTB ("Only The Brave") and thus joining its sister company Marni in the lawsuit.

Indeed, Marni as well claimed an infringement of its non-registered Community Design of a sandal, named "Fussbett"; Diesel, on the other hand, claimed infringement of its Registered Community Design for a model of ladies' jeans, named "Skinzee-sp".

Before filing this lawsuit, Diesel requested, and was granted, a judicial description of the infringing items. The case is interesting, because Milan IP court issued its judgement, granting the first-ever EU-wide injunction against a design counterfeiter.

Diesel indeed attacked not only Zara Italia srl, i.e. the Italian branch of Zara, but also Zara Home Espana, Inditex SA, and other companies of the same industrial group.

Zara defended itself, first denying any infringement of ladies' jeans design and of the sandal's design (claiming lack of novelty and thus nullity thereof, as well).

Second, and not least, Zara claimed lack of jurisdiction of Milan IP court for any act of supposed infringement, for those companies of Zara Group, which have establishment, production and trade outside Italy.

The ruling judge, Claudio Marangoni, rejected this latter and basic claim of Zara, arguing that the lawsuit needed a single, unitary examination and judgement in order to avoid conflicting and inconsistent judgements through separate rulings.

The court stated that there is no doubt that Spanish home company Zara and its sister companies acted in the same manufacturing and commercial chain, ending with the sale offer of the contested goods.

Third, and most important, the judgement stated that Milan IP court has full jurisdiction also on counterfeiting acts, purported throughout the whole EU territory and not only in Italy.

Following the Judgement on case C-24/16 and C-25/16 Nintendo/BigBen, Milan IP court stated that the defendant's acts shall be taken into account on an overall basis, considering also that Milan IP court received the lawsuit application, in its role of Community Design Court.

Given that, the court also examined the defendant's seized goods, other earlier opposed registered designs and found that "Skinzee-sp" jeans registered design enjoys novelty and individual character.

Its slim profile, the oblique stitchings, the ornamental zippers have all aesthetic and not technical function.

These features, as well as the different overall impression from other earlier cited designs, confirm Diesel's ladies' jeans validity as design.

> **The judgement stated that Milan IP court has full jurisdiction also on counterfeiting acts, purported throughout the whole EU territory and not only in Italy.**

Résumé

Francesco Bonini, Vice-President of Studio Bonini

Francesco has worked on trademarks and designs since 1996. He has gained over 20 years of experience in Italian and EU trademark and design prosecution. He is a member of several IP international associations like LES, ECTA and INTA, and currently serves on the INTA Bulletin Committee as a member of the Europe Law and Practice Sub-committee.

The same conclusion about novelty was confirmed for Marni's non-registered sandal design "Fussbett", and it was copied both on the overall impression and also by using the same particular material, grey felt.

Consequently, the court confirmed the infringement of the jeans and of the sandal design; it ordered inhibitory of further manufacturing, importing, trading and purchase offering of the "Skinzee-sp" registered design.

No inhibitory was granted for the "Fussbett" non-registered design because the three-year term of protection was expired.

However, the court set a fine of €200 for each counterfeiting item, either manufactured, imported or sold in breach of the court's order.

Last, but not least, the court ordered a discovery and an accounting expertise of all Zara's accounting documents, containing sale figures and amounts of the counterfeited goods, in all the EU countries and ordered Zara to exhibit such documents within one month.

The accounting expertise has been ordered, for the purpose of establishing the award of costs, considering the income of all counterfeited goods in all the European Union: a separate judgement will now follow this.

> **The case is interesting, because Milan IP court issued its judgement, granting the first-ever EU-wide injunction against a design counterfeiter.**

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