# DECISION of the Third Board of Appeal of 2 December 2009

In Case R 1130/2008-3

# SPHERE TIME INTERNATIONAL société anonyme

50, rue de Koerich L-8437 Steinfort Luxemburg

Appellant

represented by OFFICE ERNEST T. FREYLINGER S.A., 234, route d'Arlon, L-8001 Strassen, Luxemburg

 $\mathbf{v}$ 

### PUNCH, société par actions simplifiée

Hibiscus Park 29, avenue Auguste Vérola F-06200 Nice France

Respondent

represented by Nathalie Fayette, 7, rue des Aulnes - Bâtiment B, F-69410 Champagne au Mont d'Or, France

APPEAL relating to Invalidity Proceedings No ICD 3804 (Registered Community Design No 325949-0002)

## THE THIRD BOARD OF APPEAL

composed of Th. Margellos (Chairperson), D.T. Keeling (Rapporteur) and H. Salmi (Member)

Registrar: J. Pinkowski

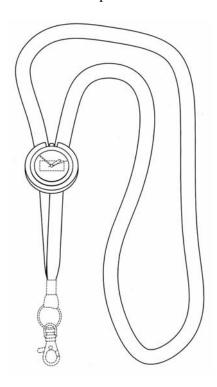
gives the following

Language of the case: English

#### Decision

### **Summary of the facts**

The appellant is the holder of Registered Community Design No 325949-0002 ('the contested RCD'), which has a filing date of 14 April 2005. The contested RCD is registered for 'watches'. It is represented as follows:

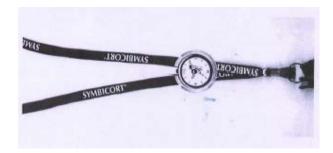


- On 26 March 2007 the respondent filed an application for a declaration of invalidity against the contested RCD. The appellant argued that the design did not fulfil the requirements of novelty and individual character under Articles 4 to 6 of Council Regulation (EC) No 6/2002 of 12 December 2001 on Community Designs ('CDR') (OJ EC 2002 No L 3, p.1).
- 3 The respondent contended that the RCD was almost identical to several earlier watch designs marketed before the filing date of the contested RCD.
- 4 As evidence the appellant produced a copy of catalogues showing these designs plus certificates by the manufacturers declaring that they had marketed the respective designs before the filing date of the contested RCD.
- At a later date (apparently on 5 July 2007, though the document is undated) the appellant submitted further evidence that watches sufficiently similar to the contested RCD to destroy its novelty or individual character had been placed on the European market before the filing date. The new evidence mentioned 'two models C and F' with the commercial reference WT 3305 and two models with the commercial references TC-001 and TC-002.

- The evidence relating to models C and F consisted of a certificate and catalogues issued by the manufacturer of those watches (Fuzhou Eagle Electronic Co Ltd). The certificate stated that the watches in the catalogues had been marketed in Europe in 2001.
- As regards models TC-001 and TC-002, the appellant submitted a catalogue and a certificate issued by the manufacturer (Great Sun Technology Corp) stating that the models had been marketed in 2004; in particular, 2,000 examples of model TC-001 had been sold to a customer in the Netherlands (Bovi Salespromotion V.O.F.). The appellant also submitted a shipping invoice and a certificate of origin relating to the aforesaid consignment of 2,000 examples of model TC-001 which was sold under the trade mark SYMBICORT.
- 8 On 31 March 2008 an Invalidity Division of the Office issued a decision ('the contested decision') declaring the contested RCD invalid. The appellant was ordered to bear the costs.
- 9 The Invalidity Decision reasoned as follows:
  - The certificate issued by Fuzhou Eagle Electronic Co Ltd is a statement in writing pursuant to Article 65 (1)(f) CDR. Its contents are supported by the company's catalogue. Together these documents prove that the designs disclosed in the catalogue were made available to the public prior to the filing date of the contested RCD. The catalogue shows the following designs:



The certificate from Great Sun Technology Corp in combination with the shipping invoice and the certificate of origin are evidence of the fact that a 'lanyard with watch' containing the trade mark SYMBICORT® was sold and shipped to the specified company in the Netherlands in April 2004. The certificate contains the following design:



- The prior designs C and F in the catalogue of Fuzhou Eagle Electronic Co Ltd and the contested RCD have in common a relatively small circular watch attached to a longer lanyard at the back side of the watch casing and at around 1.5 to 2 heights of the watch casing away from one of the lanyard's ends, where the front side of the watch casing has the shape of a circle.
- The prior designs and the contested RCD differ in the following features:
  - (i) In all the prior designs the end of the lanyard has some additional elements for attaching other items, whereas in the RCD such elements are disclaimed and thus not specified.
  - (ii) The proportions of the lanyard towards the height of the watch casing in the prior designs differ from the RCD, because in the prior designs the lanyard appears to be narrower and shorter in comparison to the width of the watch casing than in the RCD.
  - (iii) The front side of the watches in the prior designs C and F consists of a circular watch dial and a circular border of the watch casing, whereas in the contested RCD the front side contains an additional circular border resembling a ring that is placed between the dial and the exterior border of the watch casing.
  - (iv) The watch dial in the prior designs has a classical shape with all twelve hours indicated by a corresponding number in designs C and F, and with four quarterly hours indicated by a corresponding number and the others only by lines in the SYMBICORT design. In the contested RCD, on the other hand, the watch dial and the hour, minute and second hands are disclaimed and thus not specified.
  - (v) No colour and no other elements are specified in the contested RCD. On the other hand, the prior designs show different colours and motives on both lanyard and watch dial.
- These differences subsist in features which are not immaterial details.
   Therefore the designs of comparison are not identical. The contested RCD does not lack novelty.
- The informed user is familiar with watches on lanyards and the requirements this kind of watch has to fulfil in order to perform its function as a watch worn around the neck.

- The user takes into account the limited degree of freedom in design as far as the functions of the watch itself and the lanyard for wearing it around the neck are concerned. As a consequence, the user will pay more attention to the details where the designer was not limited in his creativity, such as the shape of the watch, casing, dial, and hands and the configuration of the lanyard.
- The contested RCD and the prior designs C and F and the SYMBICORT design all have the same general combination of the relatively small circular watch attached to the lanyard at the back side of the watch casing and at around 1.5 to 2 heights of the watch casing away from one of the lanyard's ends.
- The SYMBICORT design is not shown in its entirety, because only a part of the lanyard is represented. When comparing its features with the RCD revealing the entire lanyard these two designs produce different overall impressions on the informed user.
- The general shape of the combination of the circular watch casing and dial with the lanyard prevails in the overall impression of this type of design. In its visual perception the overall shape thus dominates over details of the faceplate and dial configuration and over details of the attachment elements at the lanyard's end.
- Considering the almost unlimited freedom of the designer in developing this type of design, the above stated slight differences in proportions, in the configuration of the watch faceplate and the watch dial and the differences in colour and the attachment elements at the lanyard's end do not render the overall impressions produced on the informed user by the RCD and the designs C and F different from each other.
- The contested RCD therefore lacks individual character.
- 10 On 13 May 2008 the appellant filed a notice of appeal against the contested decision. The appellant submitted a statement of grounds on 28 July 2008 and a further statement on 11 December 2008.

## Submissions and arguments of the parties

- 11 The appellant requests the Board to annul the contested decision and to dismiss the application for a declaration of invalidity. Its arguments may be summarized as follows:
  - The certificate and catalogue issued by Fuzhou Eagle Electronic Co Ltd should not have been taken into consideration by the Invalidity Division. It is obvious that the copies of the catalogues have been made by companies linked to the respondent which aim to strengthen their client's position in the European market. Statements by a party or its business partners are generally

- given less weight, since their perception may be affected by their personal interest.
- The certificate issued by Great Sun technology Corp only shows a part of the respective design and it cannot therefore be taken into consideration at all.
- The respondent has not sufficiently shown that the designs referred to have been made available to the public, since the catalogue extracts provided do not refer to a publication in the European Union other than the export in April 2004 which took place within the disclosure period in Article 7 CDR.
- The overall impression of the contested RCD differs significantly from the overall impression of the designs C and F.
- Considering that the informed user is familiar with lanyards and with watches
  on lanyards he will pay more attention to the features where the designer is not
  limited in his creativity.
- The element allowing the user to attach things to the lanyard must be taken into consideration when assessing the overall impression.
- The lanyards to be compared differ in length and width. The lanyard of the designs C and F is held together by a supplemental element.
- The watch case of the contested RCD consists of two pieces, whereas the designs C and F seem to be fixed on the lanyard without any watch case at all.
   The designs to be compared also differ in the representation of the lanyard, the watch dial and the attachment element.
- The consumer pays particular attention to the watch case and the watch dial.
   Even among round watch cases he will detect the origin of the watch. The contested RCD shows a double watchcase which is particularly noticeable.
- 12 On 3 October 2008 and 20 February 2009 the respondent submitted a response arguing as follows:
  - The appellant cannot be allowed to challenge the evidence emanating from Fuzhou Eagle Electronic Co Ltd and Great Sun Technology Corp solely on the ground that they are Chinese companies.
  - Differences in length of the lanyard are immaterial details that cannot confer individual character on the contested RCD. However, the length of the lanyards of the designs to be compared is identical due to its function, namely to hold the watch around the neck.

#### Reasons

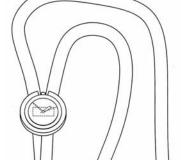
13 The appeal complies with Articles 55 to 57 CDR and Article 34(1) (c) and (2) of Commission Regulation (EC) No 2245/2002 of 21 October 2002 implementing

- Council Regulation (EC) No 6/2002 on Community designs ('CDIR') (OJ EC 2002 No L 341, p. 28). It is therefore admissible.
- 14 Under Article 4(1) CDR, one of the conditions for the validity of a Community design is that it must possess individual character. Individual character is defined by Article 6 CDR:
  - '1. A design shall be considered to have individual character if the overall impression it produces on the informed user differs from the overall impression produced on such a user by any design which has been made available to the public:
    - (a) ...
    - (b) in the case of a registered Community design, before the date of filing of the application for registration or, if a priority is claimed, the date of priority.
  - 2. In assessing individual character, the degree of freedom of the designer in developing the design shall be taken into consideration.'
- The contested RCD was declared invalid, for lack of individual character, on the ground that it produced the same overall impression on the informed user as the designs referred to in the proceedings as 'models C and F' or 'designs C and F', which were manufactured by Fuzhou Eagle Electronic Co Ltd. The Board is therefore called upon to decide whether designs C and F were made available to the public before 14 April 2005 (the filing date of the contested RCD) and, if so, whether either of them makes the same overall impression on the informed user as the contested RCD, taking into account the freedom of the designer in developing the design. Alternatively, the Board could take into account the design referred to as model TC-001, which was manufactured by Great Sun Technology Corp and sold under the trade mark SYMBICORT. Again, the issue will be whether that design was made available to the public before 14 April 2005 and, if so, whether it and the contested RCD make the same overall impression on the informed user, taking into account the freedom of the designer in developing the design.
- 16 The appellant challenges the admissibility of the certificate and catalogue issued by Fuzhou Eagle Electronic Co Ltd on the ground, not that the company is Chinese, but that it is a business partner of the respondent, to which it supplies merchandise, and is therefore simply trying to strengthen the respondent's competitive position on the marketplace. The gist of the appellant's argument is that the Chinese company has a direct interest in the outcome of the proceedings, because of its relationship with the respondent, and that the probative value of its evidence must be assessed in the light of that interest. The same point could of course be made with regard to the evidence supplied by Great Sun Technology Corp.
- 17 It is true that both Fuzhou Eagle Electronic Co Ltd and Great Sun Technology Corp have an interest in demonstrating that their designs predate the contested

RCD. In so far as the designs produce the same overall impression on the informed user, it must suit them to show that their designs constitute prior art, the disclosure of which invalidates the contested RCD, rather than objects that would, if placed on the market after 14 April 2005, infringe the contested RCD. The mere assertion by an interested party that certain facts occurred is of limited value, unless it is corroborated by further evidence. Such corroboration exists, in the form of a shipping invoice and certificate of origin, for the assertion made by Great Sun Technology Corp regarding the export of a consignment SYMBICORT watches to a customer in the Netherlands. It is logical therefore to begin by considering whether that design, which was undoubtedly disclosed before 14 April 2005, makes the same overall impression on the informed user as the contested RCD.

18 The following designs must be compared





earlier design



- 19 The two designs are obviously very similar. Both consist of a simple round watch face attached to a ribbon (known in the trade as a 'lanyard'). The watch face in both designs has two concentric rings around the edge. The position of the watch face in relation to the lanyard is exactly the same in both designs. The two strips of the lanyard join at the bottom and continue to overlap all the way to the base of the watch face. The separation between them at the top of the watch is identical. In both cases the area between the two strips at the top of the watch face is marked by a gap in the outer ring and the presence of a winder knob.
- 20 The differences between the two designs are relatively insignificant. The lanyard in the earlier design is black. In the RCD it is shown white with dark edges. The difference is of no relevance. The contested RCD has been registered in black and white and the comparison with the earlier design must proceed on the basis of the assumption that the RCD is intended to be used in different colour schemes. The

presence of the SYMBICORT trade mark is also irrelevant. The RCD could also be used with a trade mark, without the identity of the design being affected. The lanyard in the earlier design is incomplete but that is simply because the product is not seen in its entirety. It is clearly meant to have a lanyard that enables the watch to be worn round a person's neck. That lanyard will be the same as the lanyard in the RCD. The watch face in the earlier design has numbers and other details but that can hardly be said to have a major impact on the overall impression. The bottom of the lanyard in the contested RCD has a clip appended to it which is obviously intended to make it possible to suspend a set of keys, a mobile telephone, an identity card or some other small object from the lanyard. No such clip is visible in the earlier design. This is not decisive. The clip in the contested RCD is shown by means of dotted lines. The Office's practice – not referred to in the Examination Guidelines – is apparently to allow dotted lines to be used to indicate features for which protection is not sought. The clip does not therefore form part of the design. It is in any event a standard feature of such products.

- 21 The informed user is an ordinary consumer who is familiar with watches attached to a lanyard and suspended from the neck. Such a consumer will be aware that the designer's freedom of design is fairly limited in relation to certain standard features of such products: the lanyard will be of roughly the same length and thickness, the watch will be in the same position. Small differences in such features might catch the informed user's attention. However, in the contested RCD these standard features do not differ from those of the earlier design. In the area where the designer has greatest freedom namely, the watch face little use has been made of that freedom. The watch face has the same shape and configuration as in the earlier design.
- 22 The conclusion must be that the similarities in the two designs greatly outweigh the differences. Moreover, the characteristic features of the designs i.e. the ones that determine the overall appearance are largely the same. In those areas in which the designer enjoyed some freedom of design little use has been made of it. The two designs make the same overall impression on the informed user. The contested RCD lacks individual character and must therefore be declared invalid.

#### Costs

23 Since the appeal has been unsuccessful, the appellant must be ordered to bear the fees and costs incurred by the respondent, in accordance with Article 70(1) CDR.

Order		
On those grounds,		
	THE BOARD	
hereby:		
1 Dismisses the appeal;		
2 Orders the appellant to bear the fees and costs incurred by the respondent.		
Th. Margellos	D.T. Keeling	H. Salmi
Registrar:		
J. Pinkowski		