



OFFICE FOR HARMONIZATION IN THE INTERNAL MARKET  
(TRADE MARKS AND DESIGNS)

The Boards of Appeal

**DECISION  
of the Third Board of Appeal  
of 20 March 2014**

In Case R 2183/2012-3

**ARGO DEVELOPMENT AND MANUFACTURING LTD.**

P.O. Box 2270  
Raanana 43000  
Israel

RCD Proprietor / Appellant

represented by T MARK CONSEILS, 31, rue Tronchet, FR-75008 Paris, France

v

**Clapbanner Limited**

49 Lawrence Avenue, Mill Hill  
London NW7 4NL  
United Kingdom

Invalidity Applicant / Respondent

represented by IPHEIONS INTELLECTUAL PROPERTY, Buzzard Office,  
The Hawk Creative Business Park, Easingwold YO61 3FE, United Kingdom

APPEAL relating to Invalidity Proceedings No 8577 (registered Community design  
No 796 446-0001)

**THE THIRD BOARD OF APPEAL**

composed of Th. M. Margellos (Chairperson), C. Rusconi (Rapporteur) and  
H. Salmi (Member)

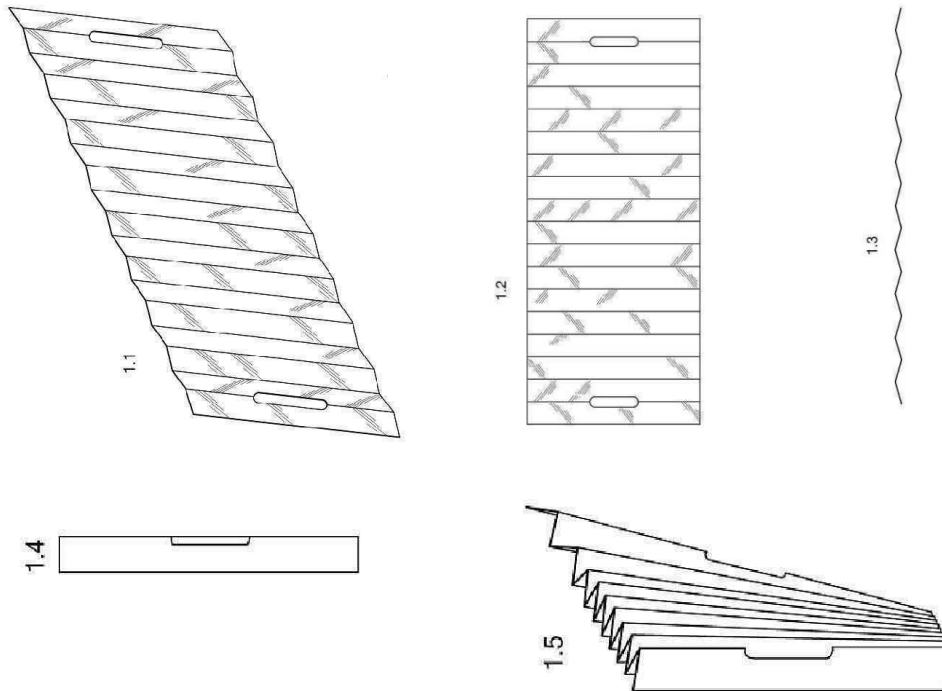
Registrar: P. López Fernández de Corres

gives the following

## Decision

### Summary of the facts

- 1 By an application filed on 26 September 2007, Argo Development and Manufacturing Ltd. ('the RCD proprietor') sought to register the following design for 'advertising articles':



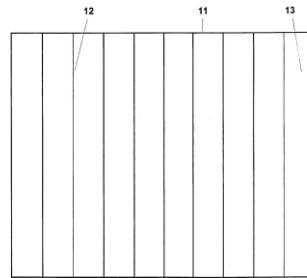
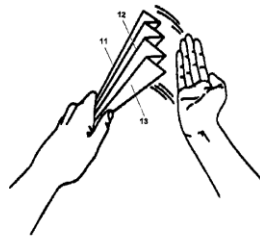
- 2 The design was registered and published on the same date and renewed in 2012.
- 3 On 3 October 2011 Clap banner Limited ('the invalidity applicant') filed an application for a declaration of invalidity, alleging lack of requirements of Article 4 to 9 CDR. It attached the following evidence:
  - Annex 1: Invoice dated 26 June 2006 for sale in UK of allegedly 550 articles shown hereunder



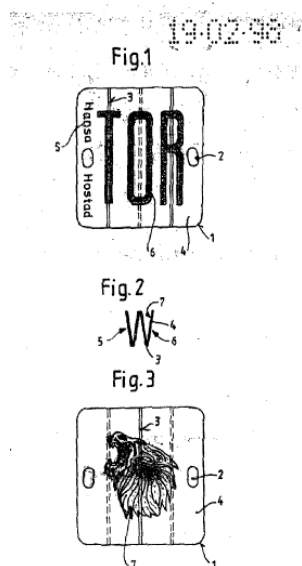
- Annex 2: Invoice dated 12 July 2006 for sale in UK of allegedly 7000 of the following article



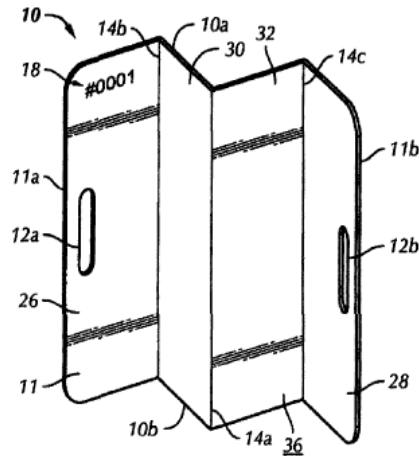
- Annex 3: German utility model No DE 202004019520U1 published in 2005



- Annex 4: German utility model No DE 29802892U1 published in 1998



- Annex 5: US patent application No US 2005/0198875A1 published 17 September 2005



- The invalidity applicant indicated that the contested design is not new (Article 5 CDR) and has no individual character (Article 6 CDR) because of this prior art. The differences are the number of folds and the presence of handles, however they are immaterial and there is a serious ‘likelihood of confusion’ between the two products on the part of the informed user, who is anybody ordering the article as well as using it.
- The RCD proprietor replied on 9 January 2012 that the evidence is inconclusive and does not demonstrate disclosure prior to the relevant date. As regards Annexes 1 and 2, it noted that the invoice did not contain any illustration of the invoiced product and that the illustration of the article had no date on it.
- The invalidity applicant responded to these objections on 7 April 2012 by producing:
  - A colour picture of the article (as Annex 1a), reproduced hereunder



- A letter (Annex 1b) from the firm producing the products described in the invoice attached earlier as Annex 1;

- A letter and an invoice (Annex 2a) issued by the firm who made the 7000 articles referred to as Annex 2.

The invalidity applicant reserved the right to submit a Witness Statement as evidence of the ‘prior use’ of the article referred to as Annex 2.

- 7 By decision dated 24 September 2012 the Invalidity Division declared the registered Community design invalid in view of German utility model No DE 202004019520.8 (Annex 3), pursuant to Article 5, 6 CDR for the following reasons:

*Disclosure*

- The prior design was published in the registration of the utility model, to which the prior design relates, before the date of filing of the application for registration of the contested RCD, and hence it was made available to the public within the meaning of Article 7(1) CDR.

*Novelty and individual character*

- According to Article 5 CDR, the RCD lacks novelty when an identical design has been made available to the public prior to the date of filing of the RCD or the date of priority. Designs shall be deemed to be identical if their features differ only in immaterial details;
- According to Article 6 CDR, the RCD lacks individual character if the overall impression produced on the informed user is the same as the overall impression produced on such a user by any design which has been made available to the public before the date of filing of the RCD or the date of the priority claimed. In assessing individual character of the RCD, the degree of freedom of the designer in developing the design shall be taken into consideration;
- If the features of foldable effect and cut-out portions are not considered for their technical effect in the assessment of novelty and the individual character, the only element in which the RCD differs from the prior design is the length of the sheet, respectively, the number of ridges. In the view of the Office the difference between both the designs in this aspect is banal and hardly spotted by the informed user. For this reason the feature of the different length or number of ridges in the foldable sheet does not deliver to the contested RCD novelty and individual character in comparison to the prior design;
- In view of the arguments given above, and the evidence presented by both parties, the RCD consists of two essential features chosen solely for technical reasons. Moreover the different number of ridges and difference in the length of the sheet recognized in the RCD do not deliver it novelty and individual character. Hence, the RCD cannot enjoy the protection conferred on it by the registration of a Community design.

*Conclusion*

- The RCD is declared invalid on the ground of Article 25(1)(b) CDR in conjunction with Article 5 and 6 CDR.
- 8 The RCD proprietor appealed the decision on 23 November 2012 and submitted the grounds on 25 January 2013. The invalidity applicant submitted no observations in response.

**Submissions and arguments of the parties**

- 9 The RCD proprietor argues as follows:

*Disclosure*

- No relevant prior art, including the German model mentioned in the decision, has been disclosed for the reasons indicated below.

*Novelty and individual character*

- The German model is overall different from the contested design as regards the features of the folds and the handle portions which are only included in the contested design; the German product is not designed to be held up in the air, unlike the contested design; this is an important characteristic;
- The goods covered by the designs are different: the contested design is for advertising and to promote goods and services; the German design is for making noise.

*The informed user*

- He is particularly observant due to his personal experience and knowledge of the sector without being a design or expert;
- He will notice the differences between the designs, namely the manner in which the pleats are designed and the handles.

*Bad faith*

- The invalidity applicant was the agent of the RCD proprietor until they fell out in February 2010 (correspondence of 2009/2010 attached);
- Subsequently, the invalidity applicant registered Community design No 1 684 325/0001 in violation of the RCD proprietor's rights;
- The bad faith of the invalidity applicant is relevant in this case.

*Conclusion*

- The application for a declaration invalidity must be dismissed.

## Reasons

- 10 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.
- 11 The appeal is well founded because the earlier design No DE 202004019520U1 does not deprive the Community design from novelty and individual character. The decision shall accordingly be annulled and the file shall be remitted to the Invalidity Division for examination of the invalidity application against the rest of the designs invoked by the invalidity applicant. The reasons are explained hereafter.

*Novelty (Article 5 CDR) with respect to DE 202004019520U1 ('the earlier design')*

- 12 The contested design is not identical to the earlier design and the presence of handles may not be regarded as an immaterial detail within the meaning of Article 5 CDR because it concerns a part of the product which is functionally important and because it has an impact on the aspect of the designs (see decision of 22 October 2013, R 981/2012-3, 'Advertising articles').

*Individual character (Article 6 CDR) with respect to DE 202004019520U1 ('the earlier design')*

- 13 According to Article 6(1)(b) of Regulation No 6/2002, a registered Community design has individual character if the overall impression which 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 before the date on which the application for registration was filed.
- 14 As regards the definition of the informed user, it must be borne in mind that, according to the case-law, the term 'informed user', within the meaning of Article 6 CDR, does not refer to either a manufacturer or a seller of the product in which the design concerned is intended to be incorporated or to which it is intended to be applied. The informed user is a person who is particularly observant and has some awareness of the state of the prior art, that is to say, the previous designs relating to the product in question that had been disclosed on the date of filing of the design concerned (see judgment of 18 March 2010, T-9/07, 'Metal rappers', para. 62).
- 15 Furthermore, the status of 'user' implies that the person concerned uses the product in which the design is incorporated in accordance with the purpose for which that product is intended (see judgment of 22 June 2010, T-153/08, 'Communications equipment', para. 46).
- 16 The contested design represents a product that has been identified by the RCD proprietor as 'advertising articles'. The parties agree that these articles, which are typically made of lightweight cardboard and may be folded as an accordion, are used by clutching them at the shorter sides with the hands and holding them high

above the head. The parties agree that these signboards can bear messages (of whatever nature) and are used at events in order to convey these messages to those watching. They may be used by football fans at stadiums in order to support their teams; they may be used by people assembling or protesting in, for example, political or social demonstrations, etc., at open air concerts, etc.

- 17 This signboard, which is blank in the contested design, is clearly intended to be adorned with various messages: names of sport teams, commercial advertisements, political slogans, etc. The signboards are, in fact, lightweight supports on which messages can be written, painted or printed and which can easily be shown around in multitudinous events. The users, in the Board's assessment, are firstly the individuals who use these signboards. They are 'informed' in the sense that they are fans who attend sports events at stadiums – and like to support, for example, their team – or participate at multitudinous events of another nature – political, social, musical, etc. – and are thus familiar with these signboards. The users are, secondly, collective bodies who buy blank signboards, have them covered with promotional messages and distribute them among their membership: for example, football clubs, political parties, trade unions, etc.
- 18 The earlier design, on the contrary, is not an advertising article but, according to the description of the device in the certificate of the utility model that the invalidity applicant has produced, a 'noise-making device' (Klatsch-Vorrichtung). The description of the utility model makes it clear that the device has no other purpose than that of being used as a noise maker (see para. 0014 of the description). The description makes it clear, in particular, that the device does not have an advertising purpose.
- 19 The earlier design concerns, therefore, a product that is different in nature and purpose from the product covered by the contested design. One design concerns an advertising article whose purpose is to convey texts and/or images to an audience; the other design concerns a sound-making device – the description of the utility model even classifies it as a 'musical' instrument belonging to the category of percussion instruments (see para. 0005) – whose purpose is to produce sounds.
- 20 In the Board's opinion, the fact that an earlier design concerns a different product to that of a contested design does not automatically rule out the possibility that it may deprive the contested design of novelty or individual character because what must be compared are the designs, i.e. appearances rather than products.
- 21 However, the fact that the conflicting designs concern different products may explain why they also differ in appearance and why these differences in appearance are likely to make an impression on informed users.
- 22 In the present case, the most immediately visible difference between the designs is the presence vs. absence of handles on the product. In the Board's opinion, this difference is a fundamental one because it confirms that the designs concern different products having a different nature and purpose.



- 23 The contested design concerns an advertising article, i.e. a signboard that a person is able to hold – stretched out open – in his/her two hands, high above his/her head. On the contrary, the earlier design is, in essence, a musical instrument that is used by clutching it – in its closed mode – at one extremity with one hand and striking it on the other hand. This explains why the contested design displays handles and why the earlier design has no handles.
- 24 It is well established that the manner in which a design product is used plays a decisive role in the assessment of individual character (see judgment of 25 April 2013, T-80/10, ‘Montres’, para. 137). Therefore, the presence or absence of the handles will play an essential role, from the perspective of the informed user, in the overall impression of the designs at issue.
- 25 In the Board’s opinion, the informed user of advertising articles will immediately notice that the earlier design is for a different product and that, for that reason, it has no handles. The presence of handles in the contested design is, therefore, a feature that influences its overall impression and that overall impression differs, from the perspective of that informed user, from the overall impression of the earlier design.
- 26 As a result, the application for a declaration for invalidity, based on the earlier design No DE 202004019520U1, is unfounded.
- 27 The contested decision, which was exclusively based on that earlier design, must accordingly be annulled. The file is remitted to the Invalidity Division in order to complete the examination of the invalidity application with respect to the rest of the earlier designs claimed by the invalidity applicant.

### **Costs**

- 28 Even though the appeal is successful, the issue concerning the invalidity of the contested design has not been settled by this decision. No party may therefore be considered, at the present stage, as winner or loser within the meaning of Article 70 CDR.
- 29 For reasons of equity, the Board decides that each party will bear its own costs in these appeal proceedings (Article 70(2) CDR).

**Order**

On those grounds,

THE BOARD

hereby:

- 1. Annuls the contested decision;**
- 2. Remits the file to the Invalidity Division for further prosecution;**
- 3. Orders that each party bears its own costs in these appeal proceedings.**

Th. M. Margellos

C. Rusconi

H. Salmi

Registrar:

P. López Fernández de Corres