

A sure path: jurisdiction on Community designs non-infringement actions

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The CJEU ruled again on jurisdiction (after *Hummel Holding*, C-617/15) in *BMW AG v Acacia Srl* (C-433/16), focusing in particular on the relationship between Reg. 44/2001 ("Brussels Regulation") and Reg. 6/2002 ("CDR").

The case started when Acacia – an Italian manufacturer of replica car rims – filed an action seeking a declaration of non-infringement ("DNI action") of some BMW's Community designs before an Italian Court. Acacia also sought a declaration of abuse of dominant market position and unfair competition by BMW. In its defense, BMW raised some preliminary procedural objections including the lack of jurisdiction of Italian Courts in favor of German ones. BMW then contested Acacia's claim in the merits.

The Italian Court of Cassation asked the CJEU to determine whether Acacia's attempt to litigate before the Italian Court was founded.

In particular, here below are summarized some of the questions made to the CJEU.

1. Can a preliminary objection of lack of jurisdiction, when it is brought in the alternative to other preliminary procedural objections, be regarded as acceptance of jurisdiction under article 24 of Brussels Regulation?
2. Shall article 82 CDR be interpreted to the effect that DNI actions may be

brought only before the Community design courts of the defendant's Member State? Are the rules of the Brussels Regulation on "exclusive jurisdiction" (article 22) and "prorogation of jurisdiction" (article 24) applicable to DNI actions?

3. Following Case C-133/11 "Folien Fischer and Fofitec", is the special jurisdiction provision in article 5.3 of the Brussels Regulation applicable to DNI actions? Thus, is the competent Court that where the harmful event occurred or may occur (article 5.3) or is it that under article 81 CDR, or can the plaintiff choose for one or the other?
4. If connected, can actions for abuse of dominant position and/or unfair competition, on the one hand, and DNI actions, on the other hand, be heard together by the same court? Do the above mentioned-actions constitute a case of tort, delict or quasi-delict (article 5(3) of Brussels Regulation)? If so, could this affect the applicability of the rules of jurisdiction?

As to the first question, the CJEU stated that, irrespective of alternative objections of procedure, what counts is that the defendant unambiguously contests the jurisdiction of the court in its first defence. Thus, in this case, there was not implicit acceptance.

With respect to the second question, the CJEU replied that article 82 CDR is to be interpreted to mean that a DNI action must be brought in the Court of the defendant's Member State, except where there is choice of court (article 23) or voluntary appearance (article 24) under the Brussels Regulation, and with the exception of the cases of *litis pendens* and related actions. The CJEU confirmed once again that the rules under the CDR have the character of *lex specialis* in relation to the Brussels Regulation.

The CJEU answered negatively to the third question, stating that the rules on jurisdiction in article 5.3 of Brussels Regulation do not apply to DNI actions, its applicability being expressly excluded by the CDR.

Finally, as to the fourth question, the CJEU denied the applicability of article 5.3 of Brussels Regulation also with respect to actions of dominant position/unfair competition brought together with DNI actions. In this case the CJEU stated that the jurisdictional rules under the CDR shall apply.

Hopefully, this CJEU decision, which reaffirms principles on jurisdiction held in earlier decisions, in particular that the rules under the CDR have the character of *lex specialis* in relation to the Brussels Regulation, shall curb attempts to circumvent the CDR rules (and the same rules in the EUTM Regulation).