

CENTRAL LAW TRAINING

“Copying without infringing”

Conference at Café Royal
23 March 2006

Making and selling spare parts: patent, design and trade mark law

by Martin Howe QC

1. Patents

Is making/using a spare part an infringing act? Distinction between making a new article and repairing an old article. Cases where the spare part itself is an article falling within the claims.

Limited scope for implied licence following House of Lords decision in *United Wire Ltd v Screen Repair Services (Scotland) Ltd* [2001] RPC 24.

2. Designs

A. UK unregistered design right: “must fit” and “must match” exceptions:

Copyright Designs and Patents Act 1988, s. 213(3)(b):-

“(3) Design right does not subsist in–

...

(b) features of shape or configuration of an article which–

(i) enable the article to be connected to, or placed in, around or against, another article so that either article may perform its function,
or

(ii) are dependent on the appearance of another article of which the article is intended by the designer to form an integral part,”

Dyson Ltd v. Qualtex (UK) Ltd (8 March 2006) CA (upholding [2005] RPC 19, Mann

J): cases where there is more than one way of shaping the article so that it will fit.

B. “Complex products” under and Community designs and UK registered designs

Many spare parts will be excluded from protection by the provisions relating to “complex products”:

Relevant parts of the Community Designs Regulation (EC) No. 6/2002:-

Article 3(c):-

(c) ‘complex product’ means a product which is composed of multiple components which can be replaced permitting disassembly and re-assembly of the product.

Article 4(2), (3):-

2. A design applied to or incorporated in a product which constitutes a component part of a complex product shall only be considered to be new and to have individual character:

(a) if the component part, once it has been incorporated into the complex product, remains visible during normal use of the latter; and
(b) to the extent that those visible features of the component part fulfil in themselves the requirements as to novelty and individual character.

3. ‘Normal use’ within the meaning of paragraph (2)(a) shall mean use by the end user, excluding maintenance, servicing or repair work.

These provisions govern Community registered and unregistered design rights. As regards UK registered designs, Arts 1(c), and 3(3), (4) of the Designs Directive 98/71/EC are in identical terms, and are transposed into national law by ss. 1(3), 1B(8) and 1B(9) of the Registered Designs Act 1949 (as amended to conform with the Directive).

C. The “must fit” exclusion for Community designs and UK registered designs:

Designs Regulation, Art 8(2), (3):-

2. A Community design shall not subsist in features of appearance of a product which must necessarily be reproduced in their exact form and dimensions in order to permit the product in which the design is incorporated or to which it is applied to be mechanically connected to or placed in, around or against another product so that either product may perform its function.

3. Notwithstanding paragraph 2, a Community design shall under the conditions set out in Articles 5 and 6 subsist in a design serving the purpose of allowing the multiple assembly or connection of mutually interchangeable products within a modular system.

Article 7(2), (3) of the Directive is identical, and is transposed into national law in s. 1C(2) of the Registered Designs Act 1949. The purpose of these provisions is explained in the recitals of the Regulation (recital (10)) and the Directive (recital (14)) on the basis that “whereas ... the interoperability of products of different makes should not be hindered by extending protection to the design of mechanical fittings.”

The “modular products” exception to the exclusion is believed to have resulted from lobbying by a well known manufacturer of interlocking toy bricks.

D. Spare parts under UK registered designs:

Section 7A(5) of the Registered Designs Act 1949 (as amended) states:-

“7A.-- ... (5) The right in a registered design of a component part which may be used for the purpose of the repair of a complex product so as to restore its original appearance is not infringed by the use for that purpose of any design protected by the registration.”

Treatment of spare parts varies from country to country of the EU and is not harmonised by the Directive (see Art 14). Section 7A(5) is a UK national provision relating to UK registered designs only, and there is no equivalent in the Regulation relating to Community designs.

3. Copyrights

Does the right to repair under *BL v Armstrong* still exist? See:

Canon KK v Green Cartridge Co (Hong Kong) Ltd [1997] AC 728, PC.

Mars UK Ltd v. Teknowledge Ltd [2000] ECDR 99, Jacob J.

4. Trade marks

Trade Marks Directive 89/104/EEC, Art 6(1)(c):-

“1. The trade mark shall not entitle the proprietor to prohibit a third party from using, in the course of trade—

...

(c) the trade mark where it is necessary to indicate the intended purpose of a product or service, in particular as accessories or spare parts; provided that he uses them in accordance with honest practices in industrial or commercial matters.”

This is transposed into Trade Marks Act 1994, s. 11(2)(c).

Case C-63/97 *BMW v Deenik* (23 Feb 1999), ECJ. Unauthorised use of “BMW” to describe specialist repairer of BMWs permissible; but mark must not be presented in misleading way which suggests that connection exists with owner of the mark.

How necessary is “necessary”? Case C-228/03 *Gillette v. LA-Laboratories Ltd* (17 March 2005) ECJ:

“Use of the trade mark by a third party who is not its owner is necessary in order to indicate the intended purpose of a product marketed by that third party where such use in practice constitutes the only means of providing the public with comprehensible and complete information on that intended purpose in order to preserve the undistorted system of competition in the market for that product.

It is for the national court to determine whether, in the case in the main proceedings, such use is necessary, taking account of the nature of the public for which the product marketed by the third party in question is

intended.

The condition of ‘honest use’ within the meaning of Article 6(1)(c) of Directive 89/104, constitutes in substance the expression of a duty to act fairly in relation to the legitimate interests of the trade mark owner.

The use of the trade mark will not be in accordance with honest practices in industrial and commercial matters if, for example:

- it is done in such a manner as to give the impression that there is a commercial connection between the third party and the trade mark owner;
- it affects the value of the trade mark by taking unfair advantage of its distinctive character or repute;
- it entails the discrediting or denigration of that mark;
- or where the third party presents its product as an imitation or replica of the product bearing the trade mark of which it is not the owner.

The fact that a third party uses a trade mark of which it is not the owner in order to indicate the intended purpose of the product which it markets does not necessarily mean that it is presenting it as being of the same quality as, or having equivalent properties to, those of the product bearing the trade mark. Whether there has been such presentation depends on the facts of the case, and it is for the referring court to determine whether it has taken place by reference to the circumstances.

Whether the product marketed by the third party has been presented as being of the same quality as, or having equivalent properties to, the product whose trade mark is being used is a factor which the referring court must take into consideration when it verifies that that use is made in accordance with honest practices in industrial or commercial matters.”

Case C-112/99 Toshiba Europe v. Katun Germany (25 Oct 2001): use of manufacturers’ part numbers in catalogues for competing spares:-

“On a proper construction of Article 3a(1)(g) of Directive 84/450 as amended by Directive 97/55, where product numbers (OEM numbers) of an equipment manufacturer are, as such, distinguishing marks within

the meaning of that provision, their use in the catalogues of a competing supplier enables him to take unfair advantage of the reputation attached to those marks only if the effect of the reference to them is to create, in the mind of the persons at whom the advertising is directed, an association between the manufacturer whose products are identified and the competing supplier, in that those persons associate the reputation of the manufacturer's products with the products of the competing supplier. In order to determine whether that condition is satisfied, account should be taken of the overall presentation of the advertising at issue and the type of persons for whom the advertising is intended.”