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**Council for Trade-Related Aspects
of Intellectual Property Rights**

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REVIEW OF LEGISLATION ON TRADEMARKS, GEOGRAPHICAL INDICATIONS AND INDUSTRIAL DESIGNS

Italy²

The present document reproduces the questions put to the delegation of Italy and the responses given in the review of legislation on trademarks, geographical indications and industrial designs at the Council's meeting of 11-15 November 1996.³

I. REPLY TO THE GENERAL QUESTION CONCERNING PRIORITY RIGHTS⁴

Does your country recognize a right of priority on the basis of an earlier trademark application filed in any other WTO Member by a national of a WTO Member?

The Regulations under the Italian Trademark Law (Article 19 of Decree No. 795/1948) provide that claiming priority shall concern a first trademark application filed in a Member State of the International Union for the Protection of Industrial Property.

Literally, this rule does not recognize a priority right for nationals of WTO Members, which are not Members of the Paris Union. However, Article 17 of Decree No. 795/1948 generally establishes that the applicant can invoke, *according to the international Conventions*, priority rights of an application filed in another State; so it is possible to recognize priority rights on the basis of an application filed in any WTO Member by a national of a WTO Member.

It should be noted that the final interpretation is up to the competent courts.

¹The original language of the answer to the follow-up question from the US to its initial question No. 5 is French.

²As regards laws and regulations relevant to the areas under review as notified by Italy under Article 63.2 of the Agreement, reference is made to documents IP/N/1/ITA/1; IP/N/1/ITA/1/Add.1-2; IP/N/1/ITA/G/1; IP/N/1/ITA/T/1; IP/N/1/ITA/D/1; and IP/N/1/ITA/I/1.

³The minutes of the meeting are contained in document IP/C/M/11.

⁴At the meeting of the TRIPS Council of 11-15 November 1996, Members agreed to respond to this question in the context of the present review (document IP/C/M/11, paragraph 43).

II. REPLIES TO QUESTIONS POSED BY THE UNITED STATES

1. *Please explain whether a presumption of likelihood of confusion is provided through Italian law in the determination of confusing similarity involving identical marks that are used on identical goods, as required by TRIPS Article 16.1. If so, please identify and explain the legal basis for this presumption.*

In pursuance of Article 1.1(a) of Royal Decree No. 929 of 21 June 1942, as replaced by Article 1 of Legislative Decree No. 198 of 19 March 1996, the owner of a registered trademark has the right to prevent third parties not having his consent from using a sign identical with or similar to his own trademark for goods or services which are identical with those in respect of which the trademark was registered. A likelihood of confusion is therefore presumed under the law in such cases as regards the use of a sign conflicting with the registered trademark - which is fully consistent with Article 16.1, second sentence of the TRIPS Agreement.

2. *TRIPS Article 20 states that use of a trademark shall not be encumbered by special requirements such as use with another trademark. However, Article 12 of the Italian Trademark Law states that “a merchant may affix his own mark to the goods he puts on sale, but may not remove the mark of the producer or merchant from whom he has received the products or goods”. Please explain how this provision of Italian law complies with TRIPS Article 20.*

Under Article 12 of Royal Decree No. 929 of 21 June 1942, the owner of a trade name may apply the latter to the products offered for sale by adding it to the manufacturer's trademark. This provision, which is not mandatory as to its nature, cannot result in affecting the knowledge or distinctiveness acquired by the trademark, since a producer who is the owner of a trademark has the right to prescribe modalities for the use of such trademark by the seller and all subsequent dealers (*see judgment No. 3211 of 15 May 1986 by the Court of Cassation, Civil Section - Division II*). Furthermore, it is prohibited to make use of one's own trademark in a manner capable to mislead the public, especially as regards nature, quality or origin of a product (Article 11 of Royal Decree No. 929 of 21 June 1942, as replaced by Article 12 of Legislative Decree No. 480 of 4 December 1992).

3. *Article 16 of Italy's Trademark Law sets forth the type of sign that is capable of being protected as a trademark. Please explain whether a colour, as distinguished from “colour combinations or tonalities” is registrable as a trademark under Italian trademark law, as required by TRIPS Article 15.1.*

Under Article 16 of Royal Decree No. 929 of 21 June 1942, as replaced by Article 16 of Legislative Decree No. 480 of 4 December 1992, colours as well as any combinations of colours or chromatic tonalities are eligible for registration as trademarks if capable of distinguishing goods or services. Actually, the examples made both in the aforesaid Article 16 and in Article 2 of the First Council Directive 89/104/EEC of 21 December 1988, Article 4 of Council Regulation No. 40/94 of 20 December 1993 and Article 15 of the TRIPS Agreement are only meant as an exemplification.⁵

4. *Please explain whether the nature of the goods or services to which a trademark is to be applied can serve as an obstacle to the registration of the mark under Italian law. If so, please identify and explain the subject matter excluded under this authority, and the relative provisions of the Italian law that serve as a basis for these exclusions.*

⁵The texts of the Community instruments referred to can be found in documents IP/N/1/EEC/T/1 and 2.

The nature of the goods or services in respect of which an application is filed for trademark registration does not generally form an obstacle to registration, provided obviously that production or sale of such goods or services are not prohibited by criminal law.

5. *Please explain how unregistered well-known marks are protected in Italy, as required by TRIPS Articles 16.2 and 16.3.*

The special protection of well-known trademarks is due to the fact that signs which are identical with or similar to well-known trademarks, as per Article 6bis of the Paris Convention, are not eligible for registration as trademarks since they are not new, even if registration is applied for in respect of goods which are not similar (see Article 17.1(g) and (h) of Royal Decree No. 929 of 21 June 1942, as replaced by Article 3 of Legislative Decree No. 198 of 19 March 1996). Thus, Italian law complies with Articles 16.2 and 16.3 of the TRIPS Agreement.

[Follow-up question from the United States]

Can the owner of an unregistered well-known trademark recover damages and obtain injunctive relief related to the use of that mark in Italy?

As already explained in item 5 of our replies to the questions by the United States, special protection of well-known trademarks, as required by Article 16.2 of the TRIPS Agreement, is provided for in Article 17, paragraph 1(h) of Royal Decree No. 929 of 1942, as replaced by the recent Legislative Decree No. 198 of 1996. Please note that this provision does not require a well-known mark to be registered in Italy, whereas the other enforceable trademarks under Article 17, paragraph 1(d) to (g) must be registered in Italy or effective in Italy.

Under Article 47 of Royal Decree No. 929 of 1942, as replaced by Legislative Decree No. 480 of 1992, the trademark is null and void if it is registered in breach of Articles 16 and 17 of the same Decree, including, obviously, the above-mentioned provision in Article 17, paragraph 1(h). This means that any interested party - including, therefore, the owner of the well-known trademark - may bring legal proceedings to obtain nullity of the mark. Generally speaking, in any dispute an interested party may ask the court for provisional and precautionary measures necessary to ensure the effects of the final ruling required (Code of Civil Procedure, Articles 700 *et seq.*).

The infringer may be sentenced to payment of damages under Article 66(2) of Royal Decree No. 929 of 1942, as amended by Legislative Decree No. 480 of 1992.

6. *Article 42(1) of the Italian Trademark Law allows the proprietor of a trademark to present "legitimate reasons" to justify continued registration despite non-use of a trademark. Please explain the types of circumstances that would be sufficient to satisfy this provision, including, where relevant, results of administrative or judicial decisions addressing this issue.*

Non-use of a trademark does not entail its forfeiture if the owner can show a valid [legitimate] reason therefor. Thus, Article 42 of Royal Decree No. 929 of 21 June 1942, as replaced by Article 39 of Legislative Decree No. 480 of 4 December 1992, is in line with Article 10(1) of the First Council Directive 89/104/EEC of 21 December 1988.⁶ No decisions of courts are known to exist as regards application of the new legislation. However, it should be pointed out that the latter is equivalent to the original wording of Article 42, whose application was limited, in light of the decisions rendered,

⁶The text of the Community instrument can be found in document IP/N/1/EEC/T/1.

to very few circumstances arising independently of the will of the owner - such as war or sequestration of the undertaking (*Brescia Appellate Court, 9 February 1956; Milan Appellate Court, 16 June 1953*).

7. *Please explain how geographical indications are protected under Italy's law, as required by TRIPS Articles 22 and 23.*

Under the provisions currently in force in Italy, geographical indications are protected by Article 31 of Legislative Decree No. 198 of 19 March 1996, which complies with the requirements laid down in Articles 22 and 23 of the TRIPS Agreement. It should be pointed out that such protection results from considering an act of unfair competition, as per Article 2598 of the Civil Code, any use of geographical indications in a manner capable to mislead the public.

8. *Please describe the methods by which industrial designs are protected in Italy, in particular:*

- (a) *the form or forms of intellectual property used to protect the design (e.g., patent, copyright, sui generis);*
 - (b) *the conditions that must be satisfied to obtain the grant of such protection (e.g., whether designs must be new or original and the parameters of these concepts), and a brief description of the registration or granting procedure;*
 - (c) *the nature of the rights granted and the term of protection provided;*
 - (d) *the nature of remedies available to the owner of each type of protection, including a description of the conditions that may be imposed (e.g., whether commercial use is required); and*
 - (e) *whether any exceptions to protection or rights exist for each type of intellectual property involved.*
- (a) Designs or models are protected by patents in Italy. In this regard, it should be noted that Article 1 of Royal Decree No. 1411 of 25 August 1940 makes reference, as appropriate, to the provisions included in Royal Decree No. 1127 of 29 June 1939 concerning patents for inventions.
 - (b) For the purposes of registration, designs or models must be both new and original. Novelty must be assessed according to the criteria applicable to patents for inventions (see Article 14 of Royal Decree No. 1127 of 29 June 1939) - i.e., by taking account of pre-existing designs and models. Originality must consist in a specific ornament. It is therefore necessary that such designs or models are the expression of a new aesthetic concept. As to the main procedures for registration of designs and models, it should be stressed that under Italian law up to 100 designs may be deposited by a single application; a graphic representation of the design or model is to be submitted along with the deposit, and a two-dimensional specimen of the design or model may also be provided. No provision applies to publication of the graphic representation, and therefore to the possibility to defer such publication, whereas deposit under sealed cover is not allowed. No examination procedure is laid down, nor are third party proceedings permitted in respect of registration.
 - (c) The owner of a design or model has the exclusive right to put the design or model into practice; to make use of and trade in the products embodying such design or model; designs or models are protected for a term of 15 years from the time of deposit.

- (d) Since reference is made to the provisions concerning patents for inventions (see Articles 74 to 89 of Royal Decree No. 1127 of 29 June 1939, as last replaced by Legislative Decree No. 198 of 19 March 1996), the following rights and legal actions are also available to the owner of a patent on a design or model: actions for infringement against unlawful utilization of the design or model and/or actions for determination of patent validity; presumption of validity of the design or model, since the burden of proof is on the person claiming invalidity or forfeiture of the design or model; right to obtain information from the alleged infringer on the production and/or marketing network; right to obtain description and sequestration of the allegedly infringing products and/or the implements used to produce them; right to obtain a judicial decision, whether final or as a precautionary measure, prohibiting manufacture, sale and use of any goods which represent an infringement of the design or model; right to claim damages for the injury suffered on account of the infringement. The aforementioned remedies are without prejudice to the criminal penalties imposed on the infringer.
- (e) Since reference is made to the provisions concerning patents for inventions (see Royal Decree No. 1127 of 29 June 1939, as last replaced by Legislative Decree No. 198 of 19 March 1996), compulsory licensing and expropriation are allowed in respect of patents for designs or models (see, in particular, Articles 54 to 60 of Royal Decree No. 1127 of 29 June 1939, as amended by Legislative Decree No. 198 of 19 March 1996).

9. *Please explain how textile designs are protected under your law.*

Registration of textile designs is simple and inexpensive in Italy, there being no compulsory examination as to novelty and originality and no publication requirements (see answer to question 8(b) above); furthermore, payment of the protection tax may be made - exclusively as regards textile designs - on a yearly basis rather than for five-year terms (see Article 12 of Royal Decree No. 1411 of 25 August 1940, as replaced by Article 11 of Legislative Decree No. 198 of 19 March 1996).

III. REPLY TO QUESTION POSED BY JAPAN

Since it is not clearly stipulated in the laws and regulations of Italy concerning industrial designs that textile designs are protected in conformity with the TRIPS Agreement, please explain under which provision of the laws and regulations or other copyright related law these designs are protected. Moreover, to make sure that the opportunity to seek and obtain protection for textile designs is not impaired unreasonably, please explain your system or practice particularly with regard to cost, examination or publication (cf. paragraph 2 of Article 25 of the TRIPS Agreement).

Textile designs are protected by patents in Italy, according to Royal Decrees No. 1127 of 29 June 1939 and No. 1411 of 25 August 1940, as modified by Legislative Decree No. 198 of 19 March 1996.

For the purposes of registration, designs or models must be both new and original. Novelty must be assessed by taking account of pre-existing designs and models. Originality must consist in a specific ornament. It is therefore necessary that such designs or models are the expression of a new aesthetic concept. As to the main procedures for registration of designs and models, it should be stressed that under the Italian law up to 100 designs may be deposited by a single application; a graphic representation of the design or model is to be submitted along with the deposit, and a two-dimensional specimen of the design or model may also be provided. No provision applies to publication of the graphic representation, and therefore to the possibility to defer such publication, whereas deposit under

sealed cover is not allowed. No examination procedure is laid down, nor are third party proceedings permitted in respect of registration.

The owner of a design or model has the exclusive right to put the design or model into practice; to make use of and trade in the products embodying such design or model; designs or models are protected for a term of 15 years from the time of deposit.

The following rights and legal actions are also available to the owner of a patent on a design or model: actions for infringement against unlawful utilization of the design or model and/or actions for determination of patent validity; presumption of validity of the design or model, since the burden of proof is on the person claiming invalidity or forfeiture of the design or model; right to obtain information from the alleged infringer on the production and/or marketing network; right to obtain description and sequestration of the allegedly infringing products and/or the implements used to produce them; right to obtain a judicial decision, whether final or as a precautionary measure, prohibiting manufacture, sale and use of any goods which represent an infringement of the design or model; right to claim damages for the injury suffered on account of the infringement. The aforementioned remedies are without prejudice to the criminal penalties imposed on the infringer.

Registration is simple and inexpensive in Italy, there being no compulsory examination as to novelty and originality and no publication requirements; furthermore, payment of the protection tax may be made for textile designs on a yearly basis (Article 12 of Royal Decree No. 1411 of 25 August 1940, modified by Article 11 of Legislative Decree No. 198 of 19 March 1996).