

Switzerland

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1. Summary of design protection

In Switzerland, design protection is primarily governed by the Federal Act on the Protection of Designs of October 5 2001 (the Designs Act). Protection under the act is available for novel and original designs for up to 25 years, but only upon registration. Switzerland does not recognise the concept of unregistered design rights – unlike, for example, under the EU Regulation on Community Designs. This situation is mitigated in part by the Federal Act on Copyright and Neighbouring Rights of October 9 1992 (the Copyright Act), which protects individual designs as works of applied art for 70 years following the death of their creator.

These two acts form the basis of design protection in Switzerland. They are supplemented by the Federal Act on Trademarks and Indications of Origin of August 28 1992 (the Trademarks Act). Under this act, certain distinctive shapes of products or their packaging can be registered as trademarks and protected for an unlimited period. When the Trademarks Act was enacted, it was widely assumed that the regime would provide an easy-to-obtain and effective means of design protection. However, the last 20 years have shown that trademark protection for industrial designs – at least for objects of utility, equipment, apparatus and furniture – is rather limited. This is mainly because the Swiss Federal Institute of Intellectual Property (IPI) takes a strict approach to the required distinctiveness of a product's shape. It often registers industrial designs only if it can be proved (typically through consumer surveys) that they have acquired a secondary meaning. Similar problems exist under the Federal Act against Unfair Competition of December 19 1986. This act offers a basis to take action against the use of an identical or similar design, but in practice such use is considered unfairly competitive only if a distinctive design is involved. As the Trademarks Act and Unfair Competition Act have limited application to industrial designs, they are not examined further in this chapter.

Any Swiss or foreign individual, partnership or legal entity may avail itself of the means of protection described above. While design and copyright protection is available only to a party that either is the creator of a design (which by definition can only be an individual) or has acquired the right in the design from the creator, trademark protection is granted to whoever files the design for registration.

A design may enjoy protection under the Designs Act, the Copyright Act and the Trademarks Act simultaneously, provided that it meets the material and formal (registration) protection requirements under each of these acts.

2. Registered design rights

2.1 Nature of rights

As mentioned above, the main method for obtaining protection of an industrial design is registration under the Designs Act. Upon registration, the rights holder is granted a real monopoly right in the design, which may be enforced against any third party that uses an identical or similar design, irrespective of whether the third party has counterfeited the design or created it independently (Article 9 of the Designs Act). It is unclear whether this monopoly right is tied to the product type for which the design is registered. The question has been debated in academic circles, but a 2007 Swiss Federal Supreme Court judgment (4A_288/2007, Cons 6.2) suggests that the court views the design right under the Designs Act as not being tied to the product type for which it is registered. This means that the use of an identical or similar design for product types other than those claimed in the application may qualify as infringement of the registered design right.

Where a design meets the criteria for protection under the Designs Act, the rights therein vest in the individual or group that created it (Article 7 of the Designs Act). An exception exists for designs created by employees during the course of their work, whereby the rights vest in the employer (Article 332 of the Swiss Code of Obligations). The rights can be freely assigned by contract, even before their creation (Article 14 of the Designs Act).

2.2 Qualification

The appearance of products or parts of products – as characterised by the arrangement of lines, surfaces and contours, as well as by the colours or materials applied – can be protected as the object of a registered design right (Article 1 of the Designs Act). For the registration to be valid, the design must be novel and original (Article 2 of the Designs Act).

The Designs Act provides for a so-called ‘relative novelty’ requirement, whereby a design is not novel if an identical design disclosed to the (worldwide) public before the filing or priority date was or could have been seen by the relevant public (potential consumers and industrial circles) in Switzerland (Article 2, paragraph 2 of the Designs Act). It follows that any presentation of the registered design to the public prior to the filing or priority date may destroy its novelty. However, Article 3 of the Designs Act provides that any disclosure made in the 12 months preceding the filing or priority date, by the rights holder itself or by a third party acting abusively and to the detriment of the rights holder, will not compromise the novelty of the design.

The originality requirement is satisfied if the overall impression created by the design differs from that of other designs known by the relevant public in Switzerland as a result of the inclusion of features that are considered more than insignificant (Article 2, paragraph 3 of the Designs Act).

Irrespective of novelty and originality, a design cannot be protected if its features are wholly determined by the technical function of the product (Article 4(c) of the Designs Act). According to commentators, this ground for exclusion must be interpreted narrowly and excludes only designs that are an unavoidable consequence

of the technical function of the product. Designs that violate international treaties or Swiss federal law (Article 4(d) of the Designs Act), or that are contrary to public policy or principles of morality (Article 4(e) of the Designs Act), are also excluded from protection. Unlike the EU Regulation on Community Designs, the Designs Act does not provide for an exclusion of must-fit and must-match parts. However, interconnections are regularly regarded as being exclusively determined by the technical function of the product and are therefore excluded under Article 4(c) of the Designs Act.

2.3 Registration procedure

The design right arises as soon as the design has been registered in the Design Register (Article 5 of the Designs Act). The registration process starts with the filing of a design application with the IPI. The application must be accompanied by reproducible illustrations of the design(s) (Article 19, paragraph 1 of the Designs Act). These may be filed in paper form (minimum size A7, maximum size A4) or electronically (admissible formats include .tif, .eps, .psd, .jpg, .pcd and .bmp, with a recommended resolution of 300 dpi). Standard application forms are available on the IPI's website at www.ipi.ch. The application must specify the applicant's details, the name of the creator of the design and the type of product for which the design is intended. Applicants domiciled outside Switzerland must either appoint a Swiss representative or, at minimum, have a Swiss domicile for service (Article 18 of the Designs Act).

It is possible to include several designs in the same application, provided that they all relate to goods within the same class of the Locarno Classification (Article 20 of the Designs Act). There is no limit to the number of designs that may be included in an application, but the total weight of illustrations must not exceed five kilograms and the package must not measure more than 0.3 metres in any dimension (Article 10 of the Ordinance on Design Protection of March 8 2002). Applications can be filed by post, fax or email to design@ipi.ch.

The IPI will examine the application to ensure that it is complete and complies with the requirements (Article 24, paragraph 2 of the Designs Act). It will further check whether the objects filed qualify as designs under Article 1 of the Designs Act and do not manifestly violate Swiss law, international treaties, public policy or principles of morality (Article 24, paragraph 3 of the Designs Act). However, it will not investigate whether the material protection requirements (novelty and originality) have been satisfied, or whether the design is determined by the technical function of the product. This means that registration gives little comfort regarding the validity and enforceability of the design right.

Once the IPI has approved the application and the registration and publication fees have been paid, the IPI will register the design and publish the registration at www.swissreg.ch. The current (2012) fees are as follows:

- applications – Sfr200 for the first design and Sfr100 for each additional design, with a cap of Sfr700 per application; and
- publication – Sfr20 per illustration.

Publication can be suspended upon written application for up to 30 months from

the filing or priority date (Article 26 of the Designs Act). However, the design right is then not enforceable against any third party that has started in good faith to use the design before its publication (Article 12, paragraph 1(b) of the Designs Act).

The same rights as are granted to a design registered in Switzerland are likewise granted to designs registered under the Hague Convention on the International Registration of Industrial Designs and designating Switzerland (Article 29 of the Designs Act). Switzerland is a party to each version of the Hague Convention, including the Geneva Act of 1999.

2.4 Term of protection

Once registered, a design is protected for five years from the filing date. Protection may be extended for up to four additional five-year periods, giving a maximum term of protection of 25 years (Article 5 of the Designs Act). Renewal is effected by written application and/or payment of the renewal fees, which are the same as the registration fees, within six months of the expiry of the preceding term of protection (Article 21, paragraph 1 of the Designs Ordinance). If this deadline is missed, renewal is still possible if authorised by the IPI. Authorisation will be granted based on a related application, provided that the application is made and the renewal fees are paid within two months of becoming aware of the missed renewal deadline or, at the latest, within six months of its expiry (Article 31 of the Designs Act).

2.5 Rights granted

The holder of a registered design right can stop any third party from using the design for any commercial purpose (Article 9 of the Designs Act). Using a design within the meaning of Article 9 includes, in particular, manufacturing, stocking, offering, putting on the market, importing, exporting or transiting through Switzerland products that incorporate the design, or possessing such products for such purposes. Any use that has an economic basis in the widest sense – irrespective of whether for consideration or profit-oriented – qualifies as use for a commercial purpose. This means that the distribution of free goods (eg, as give-aways or samples), non-profit-oriented use by charitable organisations and use for experimental purposes also constitute infringements of a registered design right. Only purely private use is exempted. Private use includes use for an individual's own purposes or use for the benefit of his closest friends and family. Legal entities or other commercial undertakings may not claim private use. One exception is that the rights holder has the right to prohibit the import, export and transit of counterfeit goods through Switzerland, even if this is for private use (Article 9, paragraph 1*bis* of the Designs Act). This provision was introduced to provide a basis for taking action against the import of counterfeit goods, such as watches, that consumers purchase for their private use during holidays abroad.

Unlike the Copyright Act, the Designs Act does not afford any further rights in the design to the rights holder. In particular, it does not provide for moral rights. The creator of a design thus has no right to be named as such on or in connection with the design, and has no means to take action against any modification or distortion of the design.

A registered design right cannot be enforced against the continued use of the design by a third party that was already using it in good faith to the same extent before the filing or priority date, or, if a suspension of publication has been requested, during the period of suspension (Article 12 of the Designs Act). Article 13 of the Designs Act grants a similar right of continued use to parties that started to use a registered design in good faith between the end of the renewal deadline and a late renewal based on Article 31 of the Designs Act (see above).

2.6 Infringement

Any commercial use in Switzerland (within the meaning outlined above) of a product incorporating a design that is identical or similar to a registered design qualifies as infringement of the registered design. Protection extends to any design that has the same essential features and produces the same overall impression as the registered design (Article 8 of the Designs Act): an imitation that is distinguishable only upon close examination is likewise infringing. A change of colour or materials alone does not avoid an infringement.

Although one of the declared objectives of the last revision of the Designs Act was to extend its scope of protection, the Swiss Federal Supreme Court has shown that this is still relatively narrow (eg, ATF 129 III 543 (no infringement); ATF 130 III 636 (infringement); ATF 130 III 645 (no infringement)).

2.7 Remedies

The Designs Act provides for the standard civil-law remedies available under Swiss law in the event of infringement of intellectual property rights. These include injunctions (Article 35, paragraphs 1(a) and (b) of the Designs Act), and the seizure and destruction of infringing goods (Article 36 of the Designs Act). Further, the rights holder may request a declaratory judgment establishing infringement (Article 33 of the Designs Act), or an order obliging the infringer to disclose the origin and amount of infringing goods in its possession, as well as the number of goods transferred to commercial third parties and the addresses of the recipients (Article 35, paragraph 1(c) of the Designs Act). Financial remedies include damages and the surrender of profits earned through the infringement (Article 35, paragraph 2 of the Designs Act).

Design infringements are also subject to criminal sanctions. Large-scale infringements committed for professional purposes are prosecuted *ex officio* and are punishable by up to two years' imprisonment and/or a monetary penalty. Other infringements are prosecuted only upon application by the rights holder and are punishable on conviction by up to one year's imprisonment or a monetary penalty (Article 41 of the Designs Act).

2.8 Licensing

Design rights may be freely licensed by the rights holder on an exclusive or non-exclusive basis (Article 15, paragraph 1 of the Designs Act). Under Swiss law, a licence is a purely contractual relationship between the licensor and licensee. As such, a licence does not grant the licensee any rights that it can enforce against third parties. However, the Designs Act provides for two exceptions in this regard:

- under Article 35, paragraph 4 of the act, an exclusive licensee is deemed authorised to initiate a design infringement action in its own name, unless this is expressly excluded in the licence agreement. However, in such an action the licensee is enforcing not its own rights, but rather those of the licensor. As a consequence, the licensee cannot claim damages suffered through the infringement – these are reserved to the licensor; and
- if the licence is registered in the Design Register, it may also be enforced against a third-party acquirer of the registered design right (Article 15, paragraph 2 of the Designs Act).

With the exception of the licence-like rights for continued use conferred to third parties by Articles 12 and 13 of the Designs Act, the act does not provide for compulsory licences.

2.9 Validity issues

As mentioned above, the IPI's examination of the material protection requirements and grounds for exclusion during registration proceedings is very limited. The novelty and originality requirements, and whether the design is determined by the technical function of the product, are not examined. Although the novelty and originality requirements (as well as the right of the applicant in the design) are assumed to be fulfilled upon filing (Article 21 of the Designs Act), a Swiss registered design is thus regarded as a rather weak right. Its validity is typically tested only within the context of an infringement action, upon the filing of a nullity objection or even a nullity counterclaim by the defendant (which often takes place).

3. Unregistered design rights

3.1 Nature of rights

As set out above, the Designs Act protects only registered designs. In Switzerland, protection for unregistered designs is available only, if at all, under the Copyright Act.

Unlike the Designs Act, the Copyright Act does not grant a real monopoly right in the design to the creator or its legal successor, but only a right to prohibit third parties from using or otherwise exploiting an identical or similar design that copies, or at least was inspired by, the original design. In other words, the rights holder has no means under the Copyright Act to proceed against a third party that has created an identical or similar design independently (so-called 'parallel creations'). This weakness in enforcement is somewhat mitigated by the fairly high material protection requirements under the Copyright Act (see below). These reduce the probability of parallel creations occurring, leading to an assumption that the later design has been copied. As the copyright in a design is not product-type bound, the rights holder may also prevent a third party from applying its design to goods that are completely different from those for which the design was initially created.

Copyright vests exclusively in the individual or group that created the design (Article 6 of the Copyright Act). This also applies to designs made by employees in