

BUSINESS BRIEF: GERMANY

Patents

How do you register or secure patent rights, and is national or international coverage most appropriate?

A patent can be obtained via a German, a European or an international (Patent Cooperation Treaty) patent application. In any of these cases, the application will undergo substantive examination before grant. The maximum patent duration is 20 years from filing, subject to an annual maintenance fee payment. Utility models, which undergo formality examinations only, provide shorter-term protection of up to ten years.

A national patent application is preferable where Germany is the focus. Otherwise, the other two options become more attractive compared to national filings. Strategic considerations, for example differences between German and European processes, may also play a role.

Where can you find information on existing patents in your jurisdiction?

German and European patent registers are available online. Anyone may request physical file inspection.

Is there anything unusual about patent law that companies should be aware of, and what are the most common mistakes businesses make?

A civil court handling a litigation case cannot decide on the validity of the patent, so the defendant has to file an invalidation suit before the Federal Patent Court. The civil court may stay the proceedings up to the invalidation suit's decision. Proper strategic timing of actions is essential.

What are the key threats to patent owners, and what is the best strategy if you suspect someone is infringing your patent?

While German civil patent litigation courts provide fast, foreseeable and typically patentee-friendly decisions, the key threat is invalidation

of the patent which is possible, for example on the basis of new prior art, at any time.

Patent enforcement strategy depends on the specific case. Enforcement tools range from sending warning letters or cease and desist letters to requesting customs action or preliminary injunctions or filing litigation suits of various scope.

Have there been any changes to the patent law(s) in the last 12 months?

In October 2013 there was a change to German patent law that immediately introduced regulations regarding an online file inspection. Further amendments that came into force on April 1, 2014 extended the delay for filing a German translation for parts of a patent application written in English or French from three to 12 months, or 15 months in several other circumstances.

Trademarks

How do you register or secure trademark rights, and what protection do they grant?

National trademarks can be registered at the German Patent and Trade Mark Office (DPMA) for ten years. Any mark used to distinguish goods/services in trade that can be represented graphically is registrable. Identity or similarity with older marks is only examined upon opposition.

Symbols used in trade in Germany that have become well known as a distinctive mark of a particular enterprise are protected without registration.

National registered trademark rights in Germany can be secured by applying for a European Community trademark with the Office for Harmonization in the Internal Market (OHIM) or an international trademark with the World Intellectual Property Organization (WIPO).

A trademark gives the owner the exclusive right to use the mark and to prevent others from using a sign similar or identical to it for the same or

similar goods or services. The owner can also prevent the registration of third parties.

What are the key threats to trademark owners, and what is the best strategy for dealing with infringement?

The key threat to trademark owners is the unauthorised use of the trademark, especially as online infringements increase. Usually the first action against an infringer is a cease and desist letter in which further measures, especially court proceedings, are reserved.

What are the most common mistakes trademark owners make?

A common mistake is not to use the trademark as registered. A registered mark must be genuinely used in Germany for the goods and services registered within five years from the registration to be able to enforce it and to avoid its cancellation.

A trademark owner also needs to protect the mark and act against potential infringers to maintain the full value of the trademark.

Have there been any changes to trademarks law(s) in the last 12 months?

There have been no changes to national trademarks law in the last 12 months. The latest version of the German Trademark Law was amended in November 2011.

Copyright

What are the key challenges to copyright holders in your jurisdiction?

Copyright comprises a bundle of rights coming into existence when the protected work has been created by operation of the law. International treaties (Berne Convention, WCT, TRIPS, etc) afford the mutual recognition of foreign copyrights by granting the same protection as a German resident would have under the German Copyright Act. Some aspects of German copyright law are harmonised in EU law (eg,

computer programs). Germany protects the moral rights of authors.

How should people ensure they are protected against copyright infringement?

Copyright protection exists for any kind of man-made work, and covers artistic works of any kind from novels and paintings to dancing performances or movies (collective works) and computer programs, provided the individual work is a human individual mental creation that distinguishes itself sufficiently when compared to prior art in the concerned field.

The creativity threshold is normally not very high, except for applied art where—as a general rule—technically imposed features are disregarded. A November 2013 precedent has substantially changed the legal situation. Prior to this decision applied art was considered protected by copyright only if it was an outstanding creative achievement.

What is the best way to deal with infringement, and what are the costs associated with it?

Important remedies are cease and desist claims, claims for damages, rendering of account and destruction. The widespread use in Germany of ex parte injunctive relief comprising an order to cease and desist also has an important place in copyright. Recoverable costs are determined by the law's governing court fees and attorney fees. Recoverable costs are borne (proportionally) by the loser.

First instance copyright cases are not very likely to exceed a recoverable five-digit euro amount. Party representation fees exceeding the recoverable amount require a fee agreement.

Counterfeiting

How big a problem is counterfeiting in your jurisdiction?

As Germany is Europe's largest national market, counterfeiting is a big issue. In 2011, European

customs seized counterfeit products worth around €1.3 billion. Germany has a strict law and well-established court practice against counterfeiting, not only to protect the economy and especially consumers, but also to avoid the loss of significant tax revenues.

What industries are particularly at threat?

Since internet sales are thriving, basically every sector of the economy is affected by counterfeiting. The top categories of articles stopped by customs were medicines, packaging material, cigarettes and products for daily use, such as clothes and cosmetics.

What are the best strategies for dealing with the problem?

To prevent counterfeiting, protection technologies, such as holograms and security labels, can be used initially. To detect counterfeiting it is essential to observe the relevant market, for example by controlling fairs and internet sales platforms. Legally, preliminary injunction proceedings and customs applications for border measure proceedings under the EU Customs Regulation or German IP law are most effective and guarantee a wide protection. As a result, trading of the counterfeit products in the national market is prevented and the destruction of these goods is enabled.

General

Are there any legislative changes to the IP regime that would make life easier for businesses?

The political process to establish a European Unitary Patent and the corresponding Unified Patent Court are due to be finalised in 2014/2015. The grant of the first Unitary Patent is expected in 2015 at the earliest. The German stakeholders are generally supportive of the new system. So far, the existing German national infringement proceedings continue to prove their quality

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by the acceptance of German jurisdiction by the parties involved. At the same time, parties abusing the enforcement possibilities do not play any role before the German courts.

On January 1, 2014 the German *Geschmacksmuster* Law got a new name: Design Law. Beside that name change, validity proceedings before the DPMA have been installed. The validity of a design registered without examination of its merits can now be contested in front of the patent office without the necessity to initiate civil proceedings stipulated by the old law. ■

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Cohausz & Florack is a patent attorney and attorneys-at-law firm based in Germany. The consulting services include prosecution, licensing and litigation of IP rights and adjacent areas such as unfair competition or contractual matters. Supported fields of technology are mechanical engineering, materials, life sciences, chemical engineering, electrical engineering, information technology and mechatronics.