COURT OF JUSTICE
OF THE EUROPEAN UNION

PRESS RELEASE No 122/23

Luxembourg, 13 July 2023

Advocate General's Opinion in Case C-382/21 P | EUIPO v The KaiKai Company Jaeger Wichmann

Advocate General Ćapeta: An international agreement that is denied direct effect due to its specific nature cannot have interpretative effect either

The Paris Convention for the Protection of Industrial Property, at issue in this appeal, can have direct, and thus also interpretative, effect because, in respect of the existence and length of priority rights, the EU legislature intended to align EU design law to that Convention

The KaiKai Company Jaeger Wichmann Gbr ('KaiKai') filed an application with the European Union Intellectual Property Office ('EUIPO') for the registration of gymnastic and sports equipment as Community designs, and claimed priority based on an earlier international application filed under the Patent Cooperation Treaty ('the PCT'). [1] EUIPO refused the priority claim. It found that an international application under the PCT could serve as a basis for a priority claim for a Community design. However, under the EU legislation on Community Designs, [2] such priority had to be claimed within a period of 6 months, which KaiKai had exceeded. KaiKai argued that the applicable priority period was 12 months according to the Paris Convention, [3] and brought an appeal before the General Court.

In its judgment of April 2021, the General Court annulled EUIPO's decision. [4] It considered that EUIPO had erred in applying a 6-month priority period rather than a 12-month priority period. It found that a priority claim for a Community design can be based on a previous international application under the PCT, but that EU law is silent as to the priority period to be applied. In order to fill that legislative gap, the General Court took account of the provisions of the Paris Convention and the period assigned by that Convention for patents, which is 12 months. EUIPO appealed, claiming that the General Court filled a (non-existent) gap in the EU legislation by attributing direct effect to the Paris Convention (which it also interpreted wrongly).

In her Opinion delivered today, Advocate General Tamara Ćapeta first clarifies that this case raises significant issues regarding the applicability of international agreements before the Union Courts — the relationship between direct effect and interpretative effect of international agreements, as well as the limits to the duty of conforming interpretation. That justifies its admission through the appeal filtering mechanism under which the Court will allow an appeal to proceed, in whole or in part, only 'where it raises an issue that is significant with respect to the unity, consistency or development of Union law'. [5]

The Advocate General explains that, even though the European Union is not a party to the Paris Convention, that

[1] Signed on 19 June 1970 and last modified on 3 October 2001.

[2] Council Regulation (EC) No 6/2002 of 12 December 2001 on Community designs (OJ 2002 L 3, p. 1).

[3] Paris Convention for the Protection of Industrial Property, signed on 20 March 1883, last revised on 14 July 1967 and amended on 28 September 1979.

[4] Judgment of 14 April 2021, The Kaikai Company Jaeger Wichmann v EUIPO, T-579/19.

[5] See Press Release No. 53/19.

Convention binds the Union by virtue of the TRIPS Agreement. Effects that this Convention may have in the EU legal order are, therefore, the same as the effects attributed to the WTO agreements. When the Court could establish that the EU legislature wanted to align its legislation to a particular WTO commitment, the Court recognised the direct effect of the WTO agreements. On the contrary, if the EU legislature might have wanted to adopt a specific EU solution, the Court refused to perform judicial review by excluding the direct effect of the WTO agreements. The Advocate General suggests that, in situations in which the direct effect of an international agreement is excluded by virtue of its nature, with a view of safeguarding the political margin of manoeuvre of the EU institutions, the same reasons demand the exclusion of the interpretative effect of that agreement.

Therefore, if the Paris Convention should be denied direct effect, it cannot have interpretative effect either. However, according to the Advocate General, the Paris Convention can have direct, and thus also interpretative, effect in the present case. In her view, by Article 41(1) of Regulation 6/2002, the EU legislature intended to align EU design law to the Paris Convention in respect of the existence and the length of priority rights. The General Court did not interpret EU law *contra legem* by finding a gap in the relevant EU legislation, nor did it err by trying to fill that gap by analogy to the Paris Convention. Nevertheless, according to Advocate General Ćapeta, the General Court wrongly interpreted that Convention, inasmuch as it found that a 12-month priority period applies when a Community design application is based on an earlier patent application.

The Advocate General proposes that the Court should interpret the Paris Convention as allowing for the application for a subsequent design (including a Community design) to be based on a previous patent application, provided that the subject matter of the two applications is substantively the same. The Advocate General considers that the length of the priority period in such a case is 6 months, as attributed to industrial designs by the Paris Convention. Thus, the Advocate General concludes that the General Court erred in law in finding that the length of the priority period depends on the nature of the first application, rather than the subsequent one.

NOTE: The Advocate General's Opinion is not binding on the Court of Justice. It is the role of the Advocates General to propose to the Court, in complete independence, a legal solution to the cases for which they are responsible. The Judges of the Court are now beginning their deliberations in this case. Judgment will be given at a later date.

NOTE: An appeal, on a point or points of law only, may be brought before the Court of Justice against a judgment or order of the General Court. In principle, the appeal does not have suspensive effect. If the appeal is admissible and well founded, the Court of Justice sets aside the judgment of the General Court. Where the state of the proceedings so permits, the Court of Justice may itself give final judgment in the case. Otherwise, it refers the case back to the General Court, which is bound by the decision given by the Court of Justice on the appeal.

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The full text of the Opinion is published on the CURIA website on the day of delivery.

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