

# News

Home : E-News - Articles : Design “Repair Clause”: A Brief Overview of European and Swiss Law

## Design “Repair Clause”: A Brief Overview of European and Swiss Law

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The Court of Justice of the European Union recently clarified the scope of the “repair clause” contained in the Council Regulation (EC) n° 6/2002 on Community designs. This is an opportunity to take a brief look at the situation, under European and Swiss law.

### European law

Let’s consider a product with several parts, like a car. If it is new and original, the car itself can be protected by a design, which prevents competitors from commercializing an automobile whose appearance too closely resembles the design. By way of an example, the VW “New Beetle” vehicle is protected by a European design. Parts of a car, such as wing mirrors and wheel rims, can also be protected by a design. This may grant automakers a monopoly on car spare parts, compelling buyers to enter an extended relationship with them. Assuming that you break the wing mirror of your New Beetle, you would have no choice but to buy an original VW wing mirror (if it is protected by a design, obviously), even if you would have preferred, as the case may be, to purchase a cheaper replica.

This is where the “repair clause” comes into play: article 110(1) of the Council Regulation (EC) n° 6/2002 on Community designs – which is not directly applicable but may be implemented by the EU member states – provides that “(...) protection as a Community design shall not exist for a design which constitutes a component part of a complex product used (...) for the purpose of the repair of that complex product so as to restore its original appearance.”

The objective of this provision is “to avoid the creation of captive markets in certain spare parts and, in particular, to prevent a consumer who has acquired a long lasting and perhaps expensive product from being indefinitely tied, for the purchase of external parts, to the manufacturer of the complex product” (Court of Justice of the European Union [“CJEU”], 20 December 2017, C-397/16 and C-435/16, § 50).

The main characteristics of the “repair clause” may be summarized as follows:

First, it applies to both fixed (e.g. wing mirrors) and non-fixed (e.g. wheel rims) spare parts (C-397/16 and C-435/16, § 30 and 53).

Second, it only covers spare parts which are necessary for the normal use of the complex product, such as wheel rims (the spare parts) for cars (the complex product). The EU Advocate General mentioned child seats, roof racks and sound systems as products not complying with this condition (Opinion, § 89) but this has been neither formally confirmed nor infirmed by the CJEU to date (CJEU, C-397/16 & C-435/16, § 69 and 70).

Third, it only covers parts which aim at repairing the complex product so as to restore its original appearance. Any use for reasons of preference or convenience such as, for instance, the replacement of a part for aesthetic purposes or customisation, is excluded from the “repair clause” exception. Parts which do not correspond, in terms of colour or dimensions, to the original part do not benefit from the “repair clause” (CJEU, C-397/16 & C-435/16, § 70 and 77).

Fourth, spare parts manufacturers must inform the downstream user that the part is intended exclusively to be used for the purpose of the repair of the complex product so as to restore its original appearance; further, they must ensure that downstream users comply with this requirement (CJEU, C-397/16 & C-435/16, § 86 and 87).

Finally, the “repair clause” is of no effect on trademark rights; it does not, in particular, allow spare parts manufacturers to affix, on spare parts covered by the “repair clause”, trademarks owned by third parties (CJEU, C-500/14, 6 October 2015). In other words, commercializing wheel rims protected by a design right may be authorized by the “repair clause” but affixing a trademark (such as “VW” for instance) on such wheel rims without the owner’s consent – on the ground that this would be the only way to restore the original appearance of the car – is unlawful.

#### Swiss law

Unlike the European Council Regulation (EC) n° 6/2002 on Community designs but like many other legal systems, Swiss design law does not provide for a “repair clause” exception.

This does not prevent third parties from *repairing* a design-protected product (P. Heinrich, DesG / HMA Kommentar, 2014, art. 9 Ldes N 38-39; CR PI – Cherpillod, art. 9 Ldes, N 12; N. Mayer, Der designrechtliche Schutz von Ersatzteilen (...), 2004, pp. 165-166). It does, however, prevent third parties from *manufacturing and commercializing* such a product – even if it is a spare part that is necessary for the normal use of a complex product, and which aims at repairing said product so that as to restore its original appearance.

As all products, spare parts are excluded from design protection if their features are dictated solely by technical functions; this said, spare parts are not functionally conditioned (and thus excluded from design protection) solely on account of their nature as repair or replacement components (P. Heinrich, op. cit, art. 9 Ldes N 38).