Press release, March 21, 2024,

UNIFAB AWARDS: UNIFAB PRESENTS 2 PRIZES AT THE 28TH EUROPEAN INTELLECTUAL PROPERTY FORUM!

The Union des Fabricants (UNIFAB), a French association for the promotion and defense of intellectual property rights - which is currently organizing its European Intellectual Property Forum (FEPI), **is pleased to present the Unifab Award and grants 2 prizes, intended to reward the most interesting decisions of 2023 for:**

THE BNIC **HERMES**

These prizes were awarded following the deliberations of an eminent jury, chaired by Philippe Coen, Secretary General of Unifab and Legal Vice-President of Disney, made up of recognized anti-counterfeiting professionals: Guylène Kiesel-Lecoquer - President of the Compagnie Nationale des Conseils en Propriété Industrielle (CNCPI), Patricia Garcia Ecudero - Director of the EUIPO Observatory on Infringements of Intellectual Property Rights, Julien Delucenay - President of the Association of Intellectual Property Law Practitioners (APRAM), John Anderson - President of the Global Anti-Counterfeiting Group (GACG) and Yann Basire - Director of the Centre for International Intellectual Property Studies (CEIPI).

Faced with the growing number of applications, 2 innovative decisions, tied for first place, which mark a real advance in the protection of the authentic, are therefore rewarded today.

"Often flouted, intellectual property law must be preserved and protected - current events place it in the spotlight with the imminent arrival of the Olympic Games, proposals for national and European legislative changes, or technology which, by its evolving nature, can infringe this fundamental right. These prizes awarded today attest to the importance of the decisions that shape IP law, the spearhead of economic health and of the transmission of a colossal intellectual heritage, also dedicated to preserving the environment and consumers." says Philippe Coen - Secretary General of Unifab and chair of the jury of the Unifab Award.

Summary of the decisions

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BNIC August 9, 2023

Intellectual Property / Geographical Indications / Unfair Competition

Country: China

FACTS

In 2018, Ford China launched a series of high-end vehicles under the name “COGNAC Special Edition” with models such as the “EcoSport COGNAC Special Edition” and the “Mondeo EcoBoost 180 COGNAC Special Edition”. These vehicles were heavily promoted on Ford China’s official website and in other media. In addition, as part of its promotional campaign, Ford China used the term “COGNAC Brown” to designate the color of the interior decoration of these vehicles and the following slogan: “not all brandy are called Cognac, not all Fords are COGNAC”.

Following the failure of amicable negotiations, the BNIC brought a civil action to challenge this misuse of the Cognac GI by Ford China and to put an end to the infringement, solely on the basis of the “COGNAC” GI, registered as such in China with the China National Intellectual Property Administration (CNIPA).

In the absence of a specific law on geographical indications in China, and in the absence of registration as a collective mark, the BNIC based its action on the law against unfair competition.

PROCEEDINGS

First instance: The case was first brought before the Suzhou Intermediate People’s Court, with a first-instance decision rendered on November 23, 2020, in favor of the BNIC. The Court held that the committee can seek legal protection for the geographical indication “Cognac” in China; that “Cognac” and “Cognac Brown” are not generic names; and that the alleged acts constitute unfair competition.

APPEAL

The opposing party appealed to the Jiangsu Provincial High People’s Court, which rendered its decision more than two years later, on August 9, 2023.

DECISION

Both courts reached the same conclusion, namely that Ford China’s actions constituted unfair competition and thus infringed the Cognac GI. The companies were ordered to pay damages of more than RMB 2,000,000. First, the Court recognizes that GIs can benefit from protection under Chinese unfair competition law by resorting to the general principle of good faith, under Article 2 of that law and in accordance with the TRIPS Agreement (Article 22, §2(b)), to which China is a signatory.

Furthermore, although Ford China and the BNIC operate in different sectors, the judges emphasize that the entities are indeed in a competitive relationship: both compete for the attention of consumers in the broad sense.

Moreover, the judges consider that the evidence provided by Ford China in an attempt to justify its use of the Cognac GI by arguing that the terms “Cognac” and “Cognac brown” [Cognac color] had become generic in China is insufficient. According to the judges, there is no Chinese national standard relating to a “Cognac” color.

The courts also ruled that by using the terms “Cognac” and “Cognac brown”, Ford China engages in acts of unfair competition with respect to the “Cognac” GI. Indeed, to the extent that Ford China exploits the

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reputation of a protected GI to give value to its own brand, Ford China obtains an unfair competitive advantage. In addition, the judges emphasize that such behavior could cause other harm, such as (1) a significant increase in the risk of weakening the Cognac GI, which could thus contribute to its becoming generic, (2) a risk of damage to the image of Cognac, (3) due to the promotion of a hypothetical "Cognac color", a commercial risk for Cognacs of a different shade and (4) the limitation of opportunities for the GI holder who would like to engage in cross-class commercial cooperation.

HERMES – May 25, 2023

Chaîne d'Ancre

Country: France

Intellectual property – Anti-counterfeiting

FACTS

For several years, the company Hermès Sellier has marketed a precious-metal jewelry piece, the "Chaîne d'Ancre", in the form of a bracelet and a necklace made of a succession of interlocked links forming a chain fastened with a T-shaped clasp, and has extended this composition into a range of jewelry.

Having observed, following a customs hold, that the company Guiot de Bourg was marketing bracelets, necklaces, earrings and cufflinks that, in its view, infringed its copyright in the "Chaîne d'Ancre" jewelry piece and its derivatives, and that this jewelry was being offered for sale on the internet, it sued that company for infringement and unfair competition.

PROCEEDINGS

First instance: In its judgment of March 30, 2017, the Paris Tribunal de Grande Instance recognized the originality, and therefore the copyright protection, of the emblematic "Chaîne d'ancre" bracelet and necklace created by Robert Dumas in 1938 and inspired by naval industry chains, the protection of this jewelry until January 1, 2049 (70 years after the death of its author), whereas the opposing party claimed that it was in the public domain, Hermès Sellier's ownership of the rights,
the originality of jewelry of the same collection after analyzing the original characteristics of each piece, the infringement of the Chaîne d'Ancre jewelry and of jewelry of the same collection through unauthorized reproduction of the combination of their original characteristics, and the existence of acts of unfair and parasitic competition.
Prohibition and destruction measures were ordered. The company Guiot de Bourg was ordered to pay €35,000 for copyright infringement, €5,000 for design infringement and €40,000 for unfair and parasitic competition.

APPEAL

In its judgment of January 11, 2022, the Court of Appeal held that the company Hermès Sellier has standing to bring an action for infringement of copyright in the "Chaîne d'ancre" jewelry piece exploited in the form of a bracelet and a necklace, the Marine cufflinks, the Mini Chaîne d'ancre cufflinks, the Granville bracelet, the Chaîne d'Ancre mini ring, the Maillon Ancre ring, the Farandole jewelry piece and the Farandole earrings. The Court of Appeal also recognizes that the "Chaîne d'ancre enchaînée grand

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modèle" ring of the company Hermès Sellier is protected by copyright and that the company Hermès Sellier has standing to bring an action for infringement of rights in the Community designs DM/063981 and DM/078873 that it holds.

The company Guiot de Bourg appealed to the Court of Cassation on both copyright and unfair and parasitic competition grounds.

DECISION

In its judgment of May 25, 2023, the Court of Cassation dismisses the appeal in its entirety.
The grounds raised concerned the originality of the jewelry and unfair and parasitic competition, and are all rejected.

On the merits, the Court of Cassation's judgment holds in particular that the originality of the ring

Chaîne d'Ancre enchaînée was established by the Court of Appeal on account of the specific combination, which reflects aesthetic choices.

The judgment also holds that acts of unfair and parasitic competition, distinct from infringement, are established by the marketing of an entire range of jewelry copying Hermès jewelry, thus creating a risk of confusion, since Hermès has been exploiting this jewelry for many years, to the point that the chaîne d'ancre motif, which has become its iconic motif and to which it has devoted substantial promotional budgets, is recognized by professionals as an emblem.

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