



Barbara
Krystkowiak

Appeal court upholds criminal sentence for possession of infringing handbags

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Intellectual Property, Spain

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On 4 October 2019 the Barcelona Court of Appeal confirmed a criminal sentence of six months' imprisonment, a fine and compensation of legal costs for the possession of 240 round bags which infringed the famous Robin Ruth Group (RRG) design. The RRG design consists of a city's name repeated in the same font, with one repetition highlighted using a different-sized font.

Trial court decision

On 11 October 2018 the Arenys de Mar Trial Court Number 1 handed down a condemnatory sentence based on Article 273.3 of the Criminal Code, as the infringed design was a registered Community design (for further details please see "Criminal sentence for possession of handbags which infringe Robin Ruth Group design").

The defence appealed the trial court's decision.

Appeal

The defence claimed that the trial court had erred in its assessment of the facts as:

- the bags had never been commercialised. Therefore, intention of enrichment could not be proven;
- RRG had consented to the commercialisation of the bags; and
- the accused owned a registration concerning the bags.

Further, the defence claimed that the trial court had erred in its assessment of the evidence as:

- the accused had been unaware of the prior RRG registration;
- the police officers' cross-examinations had provided insufficient proof to issue a sentence; and
- the expert report had not assessed the differences between the seized bags and the RRG ones, which prevented the existence of a risk of consumer confusion.

The defence also argued that the court had infringed procedural norms – namely, the minimal

intervention principle.

Appeal court decision

The appeal court qualified the importance of judges' perception of personal evidence, which is subjective, and the role of second-instance courts as regards the valuation of proof. Having seen the trial recording, the appeal court considered that the assessment of evidence had been carried out logically, rationally and consistently by the trial court.

With regard to the trial court's assessment of the facts, the appeal court concluded that:

- the intention of enrichment derived from the quantity of the bags, which was large enough to suggest that the defence had intended to commercialise them – even though this had not happened;
- the defendant's statement regarding the rights holder's alleged consent was unverified and did not coincide with the rights holder's denial of such consent or the non-existence of the licence; and
- the defence's registration – which covered a set of compositions, letters and legends – did not excuse its behaviour due to the fact that:
 - according to the expert report, the design in question lacked the individual character of the original RRG bag; and
 - Article 51.2 of the Design Act establishes that a design does not exempt the rights holder from responsibility for actions taken against it for infringement of a prior IP right, as in the case of the RRG design.

Moreover, with regard to the defence's supposed lack of knowledge of the registered design, the appeal court declared that:

- the defendant's statements implied that it had known of the design as it had had previous conversations with the rights holder; and
- the allegation was senseless in that the defendant claimed that it had been authorised by the owner of the registration to commercialise the bags.

With regard to the assessment of the expert reports and witness statements, the appeal court agreed with the trial court that more credibility should have been given to the expert report issued by the police agent, which was clear, solid and explicit in comparison with the *ex parte* report, which was undermining and concluded that the infringing bags lacked their own individual character and that the character that they did have derived from the original RRG bags.

Finally, with regard to the allegation of infringement of procedural norms, the appeal court highlighted that, according to doctrine, the minimal intervention principle is aimed at the legislature and that, in this case, the proven conduct was infringement.

The judgment is final.

For further information on this topic please contact Barbara Krystkowiak at Grau & Angulo by telephone (+34 93 202 34 56) or email (b.krystkowiak@ga-ip.com). The Grau & Angulo website can be accessed at www.ga-ip.com.

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