



DESIGN ENTITLEMENT PROCEEDINGS

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Questions and answers – ‘Design Entitlement Proceedings’

If an entitlement applicant asks for invalidity of an RCD, can the applicant still re-register the design in their own name if they are within their ‘grace period’ from first disclosure of the design?

The applicant in invalidity proceedings based on a lack of entitlement needs to prove that there is a decision in their favour showing that they are the legitimate holder of the design.

For the legitimate holder to be able to request invalidity based on lack of entitlement, and then apply for a new registration of the design on their name by keeping the novelty of the design, the conditions of Article 7(2) or (3) CDR should be met.

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However, as national entitlement proceedings may take a long time to be finalised, the 12-month ‘grace period’ foreseen in Article 7(2) CDR is likely to lapse before the legitimate holder has the chance to apply again for the design. Therefore, the legitimate holder, who would like to benefit from the rights conferred to the registered holder by the RCD, is advised to proceed with entering the commencement of the entitlement proceedings in the RCD Register, culminating in a change of ownership once finalised, instead of invalidating the design and risking the loss of its novelty.

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After transfer of ownership, licence does not cease to exist? Does it mean that the owner is bound by the licence agreement signed by the previous owner?

It is important to differentiate between the validity of a licence under national law, on one side and the records in the EUIPO Register, on the other side.

The EUIPO is not obliged to, and does not, assess the validity of a licence when registering it. Any dispute regarding the licence is a matter that must be resolved among the parties concerned under the relevant national law (Article 19 EUTMR, Article 27 CDR).

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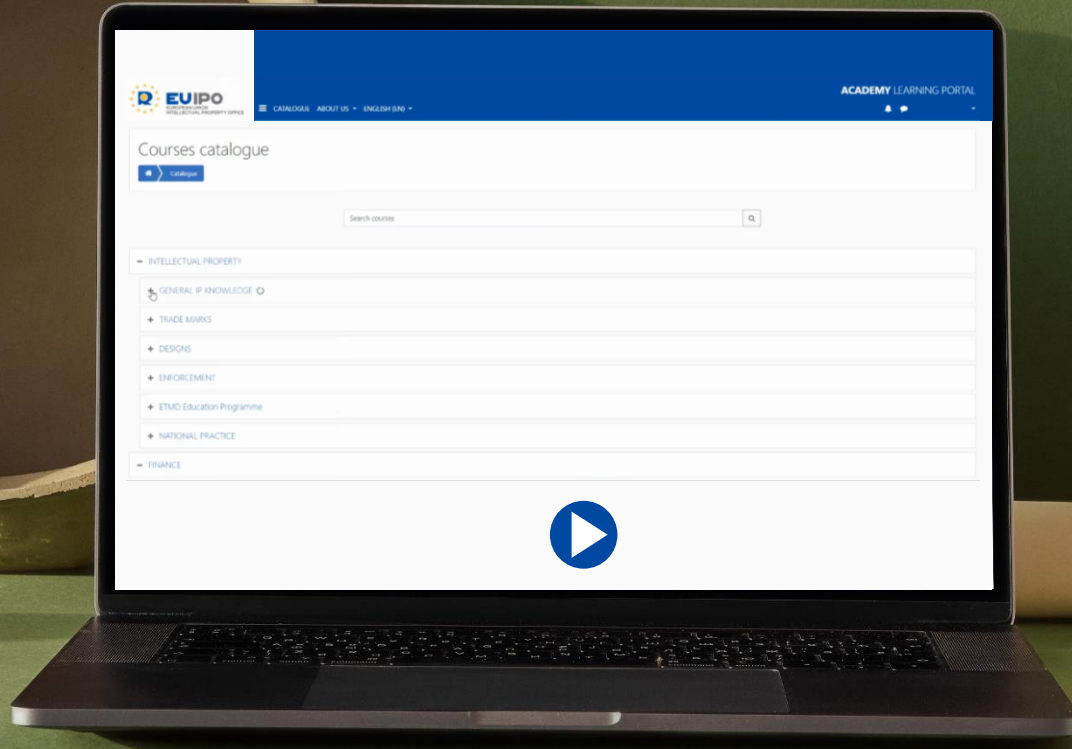
Therefore, if there is a registered licence for an EUTM or RCD, this recordal in the EUIPO Register is not automatically affected by registering a transfer before the EUIPO. Whether the new owner is bound by the licence agreement is subject to national law and the assessment of such validity falls into the competence of national authorities.

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However, the new owner or licensee may request the cancellation of the licence in the EUIPO Register at any time. In the case of a joint request submitted by the new RCD holder and the licensee, or of a request submitted by the licensee, no proof of the cancellation of the licence is required. A request for cancellation submitted by the RCD holder alone must be accompanied by proof that the registered licence no longer exists, or by a declaration from the licensee to the effect that it consents to the cancellation (for further information see [Guidelines Part E. Section 3 Point 3.2.1.1 cancellation of a licence](#)).

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