

Interpretative decision of the Bulgarian Supreme Court on a matter related to cases of infringement of industrial design rights

With Interpretative decision No. 2 of 14.03.2023 on interpretative case No. 2/2022. the General Assembly of the Chamber of Commerce of the Supreme Court of Appeals decided that court proceedings on cases of infringed industrial design rights should be suspended until the conclusion of the court proceedings on appeal against a decision of the Patent Office for erasure of the same industrial design.

The rendered interpretative decision clarifies an essential controversial issue – since the provision of Art. 30, para. 2 of the Industrial Design Act has so far been interpreted as allowing infringement proceedings not to be stayed if a dispute regarding the cancellation of the industrial design registration is pending before the administrative court. Since the cancellation has a retroactive effect, the previous interpretation raised questions – as it may lead to a situation where the infringement case is won by the owner of the industrial design, and subsequently it turns out that the registration of the same has been erased.

However, the interpretative decision raises other questions, insofar as it encourages infringers to challenge the registration of the industrial design and thus make it more difficult for the right holder to defend themselves. Probably in this connection, the Supreme Court indicated in the interpretive decision that the basis for suspending the infringement case is only the appeal against the decision of the Patent Office for deletion – so, if the request for deletion is rejected, it can be assumed that the appeal by judicial order of such a decision of the administrative body will not be grounds for suspension. On the other hand, there is no legal basis in Art. 229, para. 1, item 4 of the Code of Civil Procedure to distinguish what is the content of the administrative act that is challenged in court – the existence of such a challenge should in any case affect a preliminary issue and be grounds for suspending the infringement case.

An additional problem arises in view of the fact that the Bulgarian Law on Trademarks and Geographic Indications contains a similar provision and the Supreme Court may assume that the solution for industrial designs is also applicable to trademark infringement cases. In this case, however, the reasons for the interpretative decision are consistent with the formal nature of the industrial design registration proceedings, in which there was no opportunity for third parties to submit objections. The trademark registration proceedings, in contrast, provide for such possibilities – accordingly, the considerations of the Supreme Court might not be applicable to cases of violations of trademark rights.