

# LAW OF GEORGIA ON DESIGN

## Chapter I General Provisions

### Article 1. Scope of Regulation

1. According to the Constitution of Georgia this Law recognizes the inviolability of the property right of intellectual property subject-matter – design; it shall regulate relations associated

with creation, registration, use, legal protection of a design and enforcement of the deriving rights.

2. Application of this Law shall extend to a design registered by the National Intellectual

Property Center of Georgia Sakpatenti in the Register of Industrial

Property (hereinafter - the Register) according to the rule established by the law or to which an international registration extends.

3. A design which is not registered at Sakpatenti or to which an international registration

does not apply shall be subject to protection under the Law of Georgia “On Copyright and

Related Rights”.

### Article 2. Definition of Terms

1. Terms used in the Law shall have the following meanings:

a) National Intellectual Property Center Sakpatenti (hereinafter – Sakpatenti) – legal entity of public law defined by the Patent Law of Georgia;

b) International Bureau – the International Bureau of the World Intellectual Property Organization;

c) Paris Convention – the Paris Convention for the Protection of Industrial Property, signed at Paris on March 20, 1883 (as revised at Stockholm on July 14, 1967, and as amended on September 28, 1979);;

- d) Designer – a natural person who has created a design as a result of creative intellectual work.
- e) Co-designer - a natural person who has created a design as a result of joint creative intellectual work with other natural person(s).
- f) Design holder– a person who possesses an exclusive right on a design and who is entered as a design holder in the Register by Sakpatenti;
- g) Certificate – a document issued according to this Law in the name of the design holder, which confirms the fact of design registration at Sakpatenti at the moment of its issuance;
- h) Applicant – a natural person or legal entity who requests registration of a design;
- i) Application – unity of the documents necessary for the design registration according to this Law;
- j) Hague Agreement – Hague Act of November 28, 1960 and/or Geneva Act of July 2, 1999 of the Hague Agreement Concerning the International Registration of Industrial Designs;
- k) International Design – a design registered by the International Bureau with the request of extension of rights to the territory of Georgia according to the Hague Agreement;
- l) International Classification of Designs – the international classification established by the Locarno Agreement Establishing an International Classification for Industrial Designs, signed on October 8, 1968;
- m) Priority – the privilege enjoyed by an application as compared with an application filed later; n) Convention Priority – the priority established under Article 4 of the Paris Convention

which the applicant can exercise in another member state of the Paris Convention or the

World Trade Organization;

o) Exhibition Priority – the priority established under Article 11 of the Paris Convention which the applicant can exercise in another member state of the Paris Convention

or the World Trade Organization;

p) Chamber of Appeals – the Chamber of Appeals, functioning at Sakpatenti, defined by the

Patent Law of Georgia.

### **Article 3. Design and its Protection Criteria**

1. A design is the appearance of the whole product or its part resulting from the features of

the product proper, including lines, contours, colors, shape, texture and/or material or decoration of the product.

2. A product is any industrial or handmade item, including packaging, get-up, graphical symbol, printing type, component part intended to be incorporated into a complex product, except a computer program

3. A complex product is a product which is composed of a number of components, which

may be replaced by disassembling and re-assembling the product.

4. A design is eligible for protection if it is new and has individual character.

5. A design is novel if no identical design has become available to the public before the application filing date or the date of priority. (02.07.2010 № 3279)

6. In the course of determining the novelty of the design, a design filed with Sakpatenti or

registered by the International Bureau with the request of extension of rights to the

territory of Georgia shall be considered available to the public if it was published after filing an application for the design for which novelty is being established, but the application for which has an earlier priority.

7. Designs shall be deemed to be identical even if their features differ only in insignificant details.

8. A design is of individual character if the overall impression it produces on the informed user differs from the overall impression produced on the same user by another design which has been made available to the public before the application filing date or the priority date. (02.07.2010 № 3279)

9. In the course of assessing individual character, the degree of freedom of the designer during creation of the design shall be considered.

10. A design incorporated in a product or used for it, which is a component part of a complex product, shall be considered novel and individual if it is visible within the complex product in the course of its normal use and the visible parts meet the criteria of novelty and individual character.

11. For the purposes of this Article "normal use" shall mean the use by the end user, except for technical service, current and repair works.

#### **Article 4. Scope of Legal Protection of a Design**

1. The scope of legal protection of a design shall be determined by its appearance.
2. The scope of legal protection shall not extend to a word or sequence of words incorporated in the design.

3. The scope of legal protection of a design shall include any design which does not produce on an informed user a different overall impression.
4. In the course of determining the scope of legal protection of a design, the degree of freedom of the designer during creation of the design shall be considered.

#### **Article 5. Accrual of Exclusive Rights on a Design and the Term of Validity**

1. Exclusive rights on a design originate in case of its registration at Sakpatenti from the date of filing of an application, also according to this Law, through extension of an international registration, based on the Hague Agreement.
2. A certificate shall be issued for a design registered at Sakpatenti.
3. An applicant shall be authorized to register a design at Sakpatenti for one or more periods of five years, but not for more than 25 years from the date of filing the application with Sakpatenti.

#### **Article 6. Disclosure of Information on a Design**

1. A design shall be deemed available to the public, if it was published, exhibited, used in trade or otherwise became publicly known before the application filing date or the priority date. (02.07.2010 № 3279)
2. A design shall not be deemed to be publicly available regardless of the referred in Paragraph 1, if:
  - a) the actions, provided for in Paragraph 1 of this Article, were not of the kind to become publicly known to the persons working in the respective field in Georgia;

b) information on the design has been disclosed to a third party, under direct or indirect conditions of confidentiality.

3. The disclosure of information on a design shall not be considered if it has become available to the public within 12 months before the date of filing the application or the priority date: (02.07.2010 № 3279)

a) by way of disclosing information on the design by the designer or his/her successor;

b) as a result of an unlawful action conducted by a third party in relation to the designer or his/her successor.

#### **Article 7. Design Determined Solely by its Technical Function and Interconnected Design**

1. Protection shall not extend to those features of a design:

a) which are solely determined by their technical function;

b) which should be necessarily presented in the design exactly in such a form and dimension in order to allow the product into which the design is incorporated, or for which it is

applied, to be mechanically connected to or placed in, around or on the opposite side of another product so that each product can perform its own function.

2. Sub-paragraph “b” of Paragraph 1 of this Article shall not extend to a design which

serves the purpose of allowing multiple assembly or connection of mutually interchangeable products within a modular system.

#### **Article 8. Relationship between Co-designers**

Relationship between co-designers shall be defined by the agreement concluded between

them. In case of absence of the agreement, each of them enjoys equal joint rights.

## **Article 9. Right to Register a Design**

1. The right to file an application shall vest in the designer or her/his successor in title, except for the cases referred to in this Article.
2. The right to file an application for a design developed jointly by several designers shall vest in all designers jointly as well as in each of them in case of the written consent of other co-designers, unless otherwise provided for by the agreement between the co-designers.
3. The right to file an application for a design created by a staff member and/or a hired employee in the course of fulfilling the official or contract duty, shall vest in the employer/contractor, unless otherwise provided by the contract.
4. Where creation of a design is not related to fulfilling the official or contract duty of a staff member or a hired employee, but for the creation of a design the staff member/hired employee has made use of the resources owned by the employer or contractor, the employer/contractor has the right to register the design. ,
5. In case envisaged by Paragraph 4 of this Article, the staff member/hired employee has the preemptive right to acquire free of charge a non-exclusive private license on this design, or to acquire exclusive rights deriving from the design, unless otherwise provided by the contract 6. If one and the same design is created independently by two or more persons, the exclusive right to the design belongs to the applicant whose application has an earlier priority.
7. If several applications for identical designs have been established the same priority, the right to register design belongs to the person(s) indicated in the agreement of the applicants. A dispute in case of disagreement of the parties shall be resolved by the court.

## **Article 10. Grounds for Refusal of Design Registration**

A design shall not be registered if:

- a) it does not comply with the requirements envisaged by Paragraph 1 of Article 3 of this Law.
- b) it is identical to an earlier design, which was filed with Sakpatenti or registered in the International Bureau with the request to extend protection to the territory of Georgia and became available to the public prior to filing the above-mentioned application or the date of priority; (02.07.2010 № 3279)
- c) it is identical to an earlier design, which became available to the public after the filing the application or the date of priority, (02.07.2010 № 3279) but is filed with Sakpatenti or registered in the International Bureau with the request to extend protection to the territory of Georgia before the above-mentioned date.
- d) its registration is contrary to the public order.
- e) it completely or in any of its constituent elements coincides with the armorial bearings, flag, banknote, full or abbreviated name of Georgia or its territorial entity or a foreign country and no consent of a competent body is given for its use;
- f) it completely or in any of its constituent elements coincides with the herald, flag, full or abbreviated name of an international organization and this coincidence is evident to an examiner and no consent of the organization is given for its use;
- g) the design or its constituent element displays an appellation of origin of goods or geographical indication which has been granted protection on the territory of Georgia based on the local registration, a bilateral or international treaty.

## **Chapter II**



## **Filing an Application, Examination and Registration**

### **Article 11. Application**

1. An application shall be filed with Sakpatenti by the applicant or his/her representative.
2. If the applicant is the designer's successor in title, a document verifying the succession shall be attached to the application at the time of filing or within 2 months from the filing date.
3. If the application was filed by an applicant's representative, a document verifying representation shall be attached to the application at the time of filing or within 2 months from the filing date.
4. The application shall contain:
  - a) a request for the registration of the design (hereinafter - the request);
  - b) a view of the design.
5. An application may contain a description which is only of explanatory nature.
6. An application shall be filed with Sakpatenti by means of direct submission of the application material or in other way.
7. An application shall be considered to be filed with Sakpatenti from the moment of filing of the application and the view of design.
8. The form of the application and the rule of filing shall be determined by the Instruction on Design Registration (hereinafter - the Instruction).

### **Article 12. Multiple Application, Unification and Division of Applications**

1. An application may contain one or more designs if its constituent designs belong to one class of the International Classification of Designs (multiple application).
2. An applicant is entitled:
  - a) to unify applications and file a unified application if its constituent designs belong to one class of the International Classification of Designs (unified application);

b) to divide the filed patent application into separate applications (divisional application).

3. Each design contained in a multiple or unified application shall be considered independently from others and shall constitute an independent object of protection.

### **Article 13. Priority**

1. An applicant wishing to enjoy the convention priority should file an application with Sakpatenti within 6 months from filing the first application for this design in a member state of the Paris Convention or the World Trade Organization.

2. An applicant wishing to benefit from the exhibition priority shall file an application with Sakpatenti within 6 months from the date of exhibiting the design at an official or officially recognized exhibition held in a member state of the Paris Convention or the World Trade Organization.

3. The exhibition and convention priorities shall not be cumulative.

4. In cases envisaged by Paragraphs 1 and 2 of Article 12 of this Law an applicant has the right to request for a particular design the priority that it has.

5. A priority shall not be established for an application by the date of filing the application for which an earlier priority has already been claimed.

### **Article 14. Examination of a Design Application**

1. Sakpatenti shall conduct examination of an application, on the basis of which it shall take a decision on the registration of a design.

2. Examination includes confirmation of the application filing date, conducting of examination as to form and substantive examination, the rule of conducting which shall be determined by the Instruction.

### **Article 15. Confirmation of the Filing Date**

1. Sakpatenti shall confirm the date of filing an application within 2 weeks from its filing.

2. Where an application is found to be lacking any of application materials required by Paragraph 4 of Article 11 of this Law, the applicant shall provide such materials within 1 month from the date of receiving the notification.

3. Where an applicant complies with the requirements of Paragraph 2 of this Article, the date of compliance shall be considered as the application filing date. In case of the failure to comply, the application shall not be considered filed.

#### **Article 16. Examination as to Form**

1. After the confirmation of an application filing date, Sakpatenti shall conduct examination as to form in the course of which the completeness of the application and compliance with the form as well as its correspondence with the requirements of Article 12 of this Law shall be checked.

2. Sakpatenti shall conduct examination as to form within one month from the confirmation of the application filing date

3. Based on the examination as to form, Sakpatenti shall take a decision on the completion of examination as to form or termination of the application proceedings and shall inform the applicant.

#### **Article 17. Substantive Examination**

1. Within 3 months from the completion of the examination as to form, Sakpatenti shall conduct substantive examination, which envisages checking of compliance of the design with the requirements of Article 10 of this Law and search to determine novelty.

2. In the course of determining novelty according to Sub-paragraphs “b” and “c” of Article 10 of this Law Sakpatenti shall take into consideration designs filed with Sakpatenti or designs registered by the International Bureau with the request to extend rights to the territory of Georgia.

3. A design revealed as a result of the study indicated in Paragraph 2 of this Article which complies with the condition contained in Sub-paragraph “a” of Paragraph 3 of

Article 6 of this Law shall not be considered in the course of establishing novelty.

4. Based on the substantive examination Sakpatenti shall take a decision on the design registration or on refusal to register the design.

5. In case envisaged by Paragraphs 1 and 2 of Article 12 of this Law Sakpatenti may take a positive decision in relation to a part of the designs contained in the application.

#### **Article 18. Extension and Restoration of the Procedural Timeframes**

1. In the course of application proceedings, the applicant has a right to request according to the prescribed rule:

a) to make an amendment and/or correction to the filed application material, provided that such action does not change the scope of the design protection;

b) to postpone publication of the design for no more than 30 months from the date of filing the application or the priority date. In case of a multiple application, the request for postponing publication may concern all as well as separate designs contained in it;  
(02.07.2010 № 3279)

c) to suspend the consideration of the application;

d) to extend the timeframe for submission of a reply to the requirement of Sakpatenti;

e) to reinstate the rights related to the application forfeited due to the failure to meet the timeframes.

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2. The rule of implementation of the actions under Paragraph 1 of this Article shall be determined by the Instruction.

#### **Article 19. Publication of a Design**

1. In case of taking a decision on the design registration Sakpatenti shall publish the application data and the design view according to the prescribed rule in the Official Bulletin of Industrial Property (hereinafter – Bulletin).

2. In case of replacement of a refusal to register a design, taken by examination

by a legally enforced positive decision of the court, Sakpatenti shall publish the application data and the design view according to the prescribed rule in the Bulletin.

3. In case of a designer's request Sakpatenti shall not publish his/her name. **Article**

## **20. Grounds of Appeal at the Chamber of Appeals**

1. An applicant shall be entitled to file an appeal to the Chamber of Appeals against a decision of Sakpatenti on the completion of examination as to form or termination of the application proceedings, as well as a decision of the substantive examination on refusal of the design registration.

2. An interested party shall be entitled to file an appeal to the Chamber of Appeals of against a decision on the substantive examination on the design registration if the requirements of Article 17 of this Law are violated;

3. An interested party shall be entitled to file an appeal to the Chamber of Appeals and request abolishment of the decision of substantive examination on a design registration, if:

a) the design does not meet the requirements of Paragraphs 4-10 of Article 3 of this Law, except for the cases provided for by Paragraphs 2 of Article 17 of this Law; b) grounds envisaged by Sub-paragraphs "f", "g" and "h" of Paragraph 1 of Article 29 of this Law exist.

4. In case of a multiple or a unified application the appeal may concern one or several designs contained in it.

5. An appeal may be filed to the Chamber of Appeals within 3 months from the publication/receipt of the respective decision.

6. The Chamber of Appeals shall hear the appeal under the established rule within 3 months from the filing date of the appeal.

7. A decision of the Chamber of Appeals may be appealed in the court within the term prescribed by law.

## **Article 21. Design Registration**

1. If within the term provided for by Paragraph 5 of Article 20 of this Law no appeal is filed to the Chamber of Appeals, or the Chamber of Appeals takes a decision to register a design on the basis of a filed appeal, Sakpatenti shall register the design in the Register under the established rule.
2. Sakpatenti shall publish the data on the registered design in the Bulletin and issue a certificate.
3. Sakpatenti shall define the form of the certificate and the data to be entered into the Register.
4. Any person has the right to familiarize with the Register data.

## **Article 22. Accelerated Procedure of Design Registration**

1. Unless provided otherwise by this Article, the rule under Chapter II of this Law shall apply for the accelerated procedure of design registration.
2. At the time of filing an application or within a month from the application filing, the applicant may request conducting accelerated examination.
3. The application requesting accelerated examination shall be accompanied by all documents specified by Article 11 of this Law and the fee prescribed for the accelerated procedure of design registration shall be paid.
4. If an applicant wishes to benefit from the priorities defined in Paragraphs 1 and 2 of Article 13 of this Law, application requesting to conduct accelerated examination shall be accompanied by a document certifying the right to claim priority and the fee prescribed for claiming priority shall be paid.
5. Within 3 days from requesting accelerated examination Sakpatenti shall check whether the application meets the requirements of Paragraphs 3 and 4 of this Article. If the application materials lack any document provided for in Paragraphs 3 and 4 of this Article, the applicant shall submit this document within 15 days. Otherwise, Sakpatenti shall take a decision to refuse conducting accelerated

examination and shall process the application according to the rule provided for in Chapter II of this Law.

6. If the application requesting accelerated examination meets the requirements of Paragraphs 3 and 4 of this Article, within 7 working days Sakpatenti shall conduct substantive examination under Article 17 of this Law and in case of taking a positive decision shall register the design in the Register, publish the data on the registered design in the Bulletin and issue a certificate.

7. Within 3 months from the publication of the data on the design registration in the Bulletin any interested person shall be entitled to file an appeal to the Chamber of Appeals under the rule established by paragraph 20 of this Law.

8. If after the registration of a design through the accelerated procedure, an application entitled to enjoy an earlier priority is filed with Sakpatenti and if there exists the ground or refusal of an application registration provided for by Paragraphs “b” or ”c” of Article 10 of this Law exists in relation to the design registered through the accelerated procedure, Sakpatenti shall take a decision on the cancellation of the accelerated registration of the design and shall publish it in Bulletin.

9. The decision on the cancellation of the accelerated registration of the design, referred to Paragraph 8 of this Article may be opposed under the rule established by Paragraph 1 of Article 20 of this Law .

### **Article 23. Service Fee**

1. The fee shall be paid for examination of an application as to form, substantive examination, design publication and registration, maintenance of the accelerated examination registration validity for every 5 years, appeal, making amendments to Register data and other acts.

2. Non-payment of the fee determined under Paragraph 1 of this Article within the specified time limit shall entail the termination of application proceedings.
3. The form and amount of the fee shall be determined by the resolution of the Government of Georgia.
4. The form and the rule of payment of the fee shall be determined by the Instruction.

### **Chapter III**

#### **International Design**

##### **Article 24. Extension of Effect of an International Design Registration to the Territory of Georgia**

An international design the effect of the registration of which is extended to the territory of Georgia shall have the same legal force as a design registered in Georgia.

##### **Article 25. Examination of an International Design**

1. For an international design Articles 10, 12, 17, 19 and 20 shall apply.
2. If a design does not meet the registration requirements of this Law, within the timeframe established by the Hague Agreement Sakpatenti shall take a decision on the refusal of extension of the effect of the international design registration to the territory of Georgia and shall notify the International Bureau.
3. Norms established by the Hague Agreement shall apply to the term of the effect of international design registration and its extension.

### **Chapter IV**

#### **Exclusive Rights on Design**

##### **Article 26. Scope of the Exclusive Rights on Design**

1. A design holder exploits the design at his/her discretion. The design holder has the right to sell or otherwise alienate the design, issue a private license under the established rule.
2. Design registration assigns the design holder the exclusive right to permit or



prohibit making, selling, offering for sale, using, importing, exporting or putting on the market the product, into which the design is incorporated or for which it is used, and storage of such a product for these purposes.

3. If the design is held by several persons:

- a) the right can be assigned or a private license can be issued only with the consent of all holders;
- b) each holder has the right to use a registered design in his/her own production without the consent of the other holders.

4. From the day of the publication of an application to its registration the applicant shall be conventionally assigned the same rights which he/she would have been granted after the registration. If the registration is not implemented, the referred rights shall not be deemed originated.

5. The following shall not be deemed as violation of the exclusive rights deriving from the design registration:

- a) dissemination after putting on the market or other use of the product prepared by the design holder or by his/her permission into which the design is incorporated or for which it is used;
- b) application of the design for personal use, if such an action is not intended for entrepreneurial purposes;
- c) use of the design for experimental purposes;
- d) copying the design, which is performed for the purposes of citation or teaching, provided that such copying is not considered as a bad faith action and does not damage the normal use of the design and the source is indicated.
- e) use of the design on the sea vessel, aircraft or land vehicle of any country during its temporary presence on the territory of Georgia. In this case the design shall be used only on such a vehicle and not for entrepreneurial purposes;
- f) use of the design in case of urgent necessity (force majeure) determined by the

legislation of Georgia.

### **Article 27. Right of Prior Use**

1. The right of prior use means a person's right to use a design regardless of the effect of its registration, if such a person has been using the design in good faith or conducted preparatory works for its use before the date of filing the application with Sakpatenti or the priority date. (02.07.2010 № 3279)

2. The right of prior use allows a third party to exploit the design for a purpose and to such an extent with which he/she has already used this design or for which he/she has made

preparation works, before the application filing or priority date. (202.07.2010 № 3279)

3. It shall be impermissible to issue a private license for the right of prior use.

4. The right of prior use can be transferred only together with such an enterprise, where the actions envisaged by Paragraph 2 of this Article were implemented.

### **Article 28. Revocation of a Design Registration**

1. A design registration may be revoked by Sakpatenti:

a) on the basis of a request of the design holder;

b) in case of non-payment of the maintenance fee for extension of the term of validity of the registration by the design holder;

c) based on Paragraph 22 of Article 8 of this Law.

2. In case envisaged by Sub-paragraph "b" of Paragraph 1 of this Article, the registration of a design shall not be deemed revoked if within 6 months from expiration of the term of validity of the registration the design holder pays the maintenance fee for the following period and if at the same time 25 years have not lapsed from the effect of the design registration.

3. The rights assigned by the design registration shall be considered terminated from the date of the entry of the record on the revocation of the registration into the Register.

### **Article 29. Invalidation of a Design Registration**

1. A design registration shall be declared invalid by the court if it is ascertained that:
  - a) the design is represented only with the features corresponding to Paragraph 1 of Article 7 of this Law;
  - b) the design contradicts Article 10 of this Law;
  - c) the design does not comply with the requirements of Paragraphs 4-10 of Article 3 of this Law;
  - d) the applicant or the design holder was not an authorized person according to Articles 8 and 9 of this Law;
  - e) the design contains a work protected under the Law of Georgia on Copyright and Related Rights;
  - f) the design wholly or by any constituent element coincides with a trademark with earlier priority registered in Georgia, except for the case when the design registration is requested by the holder of the exclusive right in this trademark.
  - g) the design wholly or by any constituent element coincides with a mark recognized as a well-known mark according to Paragraph 4 of Article 3 of the Trademark Law of Georgia.
  - h) the design wholly or by any constituent element coincides with the emblem of an international or intergovernmental organization, its full or abbreviated name, official controlling, guarantee, sampling seal, stamp, order, medal, historic name, armorial bearings, flag, emblem, banknote of Georgia or its territorial unit, or represents an imitation of a symbol indicated in this sub-paragraph;
  - i) registration of the design was implemented in bad faith.

2. In case envisaged by Sub-paragraph “d” of Paragraph 1 of this Article, an interested party instead of requesting recognition of design registration invalid may require assignment of rights deriving from the design registration.

3. In case of a multiple or unified application, the appeal may concern one or several designs.

4. Recognition of invalidity of the design may be requested:

a) based on Sub-paragraphs “a”, “b”, “c” or “i” of Paragraph 1 of this Law – by an interested person;

b) based on Sub-paragraph “d” – only by a person who has a right on the design according to Article 8 and 9 of this Law;

c) based on Sub-paragraph “e” – only by the copyright owner;

d) based on Sub-paragraph “f” or “g” – only by the owner of the trademark.

e) based on sub-paragraph “h” – only by a natural person or legal entity interested in the use of the symbol indicated in Sub-paragraph “h” or by a relevant competent authority.

5. As a consequence of declaring a design registration invalid, the rights granted by the registration shall be considered terminated from the date of origination of such rights on a design unless another date is indicated in the legally enforced court decision.

### **Article 30. Responsibility for Infringement of Exclusive Rights on a Design**

Producing, sale, use, import or placing on the market of a product into which a design is incorporated, or for which it is used, without the permission of the design holder, or storage of such a product for these purposes, also deliberate disclosure of its essence (except by the designer) prior to the publication of the data on the design by Sakpatenti, or misappropriation of design authorship shall entail responsibility under the rule established according to the legislation of Georgia.

**Article 30<sup>1</sup>. Protection of Exclusive Rights on a Design** (23.12.2017 N1920)

1. Where exclusive rights on a design are infringed, the holder of exclusive rights on a design is entitled to demand:

a) prohibition of actions provided for in Article 26(2) of this Law:

b) removal from public circulation of goods made in violation of exclusive rights on a design or removal of goods in which a design is incorporated or for which is used, imported or stored on the territory of Georgia with the purpose of inclusion in the public circulation;

c) destruction of goods incorporating the design or used thereof, made in violation of exclusive rights on a design, included in public circulation;

d) destruction of a picture, label, imprint, packaging, packaging material and advertisement material that contain the design view, its copy or imitation, including destruction of the material and representations containing the view of the design, published in the internet;

e) destruction of the clichés, matrices, other implements, technical equipment and tools intended for the production of the design.

2. The holder of exclusive rights on a design is entitled to demand simultaneous application of several measures provided for in Paragraph 1 of this Article at his/her discretion.

3. In case of infringement of exclusive rights on a design, upon the request of the holder of exclusive rights on the design, the actions provided for by Subparagraph “a” of Paragraph 1 of this Article may apply also with respect to a person who was aware or should have been aware that his/her service is or was used in activities infringing exclusive rights on a design on a commercial scale.

4. On the basis of a request of the infringer of exclusive rights on a design, in special cases, the court is authorized, instead of actions provided for under Subparagraphs “b”-“e” of Paragraph 1 of this Article, to demand from him payment of a lump sum compensation, if the infringer of rights acted unintentionally, or if execution of the relevant measure would cause him/her disproportionate harm and if, along with this, the amount of pecuniary compensation defined by the court appears satisfactory to the holder of the exclusive rights on the design.

5. In addition to the actions provided for Paragraph 1 of this Article, in case of infringement of exclusive rights on a design the holder of exclusive rights on the design shall be entitled to request any one of the following acts:

- a) compensation for damages (including lost profits), if the infringer of the exclusive rights on the design was aware or should have been aware of the infringement of exclusive rights on the design;
- b) confiscation of the profits gained by the infringer of the exclusive rights on the design in violation of exclusive rights on the design in favour of the holder of exclusive rights on the design;
- c) payment of a lump sum compensation.

6. When determining the amount of damages, the essence of the infringement of exclusive rights on the design, profits gained through infringement of exclusive rights on the design, the economic and moral damage caused to the holder of exclusive rights on the design, as well as the expected income that would have been gained by the holder of exclusive rights on the design as a result of the lawful use of the design shall be taken into consideration.

7. The compensation shall at least the amount which would have been due if the infringer of exclusive rights on the design acquired a permit for the use of the design.

8. When determining the amount of a lump sum compensation, the quantity of the goods made without the permission in of the holder of exclusive rights on the design incorporating the design or used thereof, the intention of the infringer of the exclusive rights on the design, as well as the scale, character and other features of the service offered in violation of exclusive rights on the design and/or any other circumstance which may be taken into account in determining the amount of the compensation, shall be taken into consideration.

### **Article 31. Transfer of Rights on a Design**

1. An agreement on transfer of exclusive rights on a design shall be concluded in writing.

2. An agreement on assignment of exclusive rights on a design as well as amendments

thereto shall be registered under the established rule in the Register and the data shall be published in the Bulletin.

3. A new holder of the design is not entitled to use the rights deriving from the design registration against a third party before the recording of the relevant amendments in the

Register.

### **Article 32. Private License on the Use of a Design**

1. A design holder has a right to issue a private license on the use of the design.

2. A private license is not a license envisaged by the Law of Georgia “On Licenses and

Permits”.

3. A private license agreement shall be executed in writing. The license shall define the scope of use of the design.

4. A private license may be exclusive or non-exclusive. If the private license agreement does not define the type of the license, the private license shall be regarded to be non-exclusive..
5. Granting of a non-exclusive private license does not deprive the licensor of the right to issue another license with equivalent terms.
6. Issuance of an exclusive private license deprives the licensor of the right to issue another license with equivalent terms.
7. A private license holder has a right to file an appeal to the court on infringement of the right deriving from the design registration, unless the design holder files an appeal within a reasonable time from the receipt of a notification on infringement of the rights.
8. A private license agreement and its amendments may be recorded in the Register.
9. If a private license agreement envisages restrictions regarding the development, dissemination and/or export of a design only on a definite market, a corresponding indication shall be made in the labeling data of the product. If there is no such indication, the restriction envisaged by the private license agreement shall have no effect for a third party.

### **Article 33. Conflict of Interests**

1. A design application shall not be filed by:
  - a) a natural person employed by Sakpatenti currently or 12 months prior to filing an application;
  - b) a legal entity in which a person envisaged by Sub-paragraph “a” of this paragraph is a member, partner, stockholder or head.
2. A person directly involved in taking a decision on the appealed design shall not be



a member of the Chamber of Appeals in the course of hearing a legal dispute over the design registration.

## **Chapter V**

### **Transitional Provisions**

#### **Article 34. Application of the Norms of this Law to the Relations Originated Earlier**

1. This Law shall apply to the relations linked with the development, registration, use and legal protection of the designs:

- a) which originated after the enactment of this Law;
- b) which are in force by the date of the enactment of this Law;

2. An application which by the date of the enactment of this Law is being processed at Sakpatenti shall be considered by the rule established by the Patent Law of Georgia of February 5, 1999. (*The Legislative Herald of Georgia № 5(12) 1999, Art. 21*).

#### **Article 35. Measures Related to the Enactment of this Law (26.10.2010. №3742)**

Sakpatenti shall issue the Instruction on Design Registration.

## **Chapter VI**

### **Final Provision**

#### **Article 36. Enactment of the Law**

This Law shall be enacted after 1 month from the date of its publication.

President of Georgia

*Mikheil Saakashvili*

Tbilisi,

May 4, 2010

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