

Pursuant to Article 95, Item 3 of the Constitution of Montenegro I hereby pass the

**DECREE
PROMULGATING THE LAW ON AMENDMENTS TO THE LAW ON LEGAL
PROTECTION OF INDUSTRIAL DESIGN**

I hereby promulgate the **Law on Amendments to the Law on Legal Protection of Industrial Design**, adopted by the 25th assembly of the Parliament of Montenegro, at the third sitting of the first regular (spring) session in 2013, held on the 28th May 2013.

No: 01-1111/2

Podgorica, 4th June 2013

The President of Montenegro,
Filip Vujanović, m.p.

Pursuant to Article 82, Paragraph 1 and Article 91, Paragraph 2 of the Constitution of Montenegro, the Parliament of Montenegro of the 25th assembly, at the third sitting of the first regular (spring) session in 2013, held on the 28th May 2013, adopted the

**LAW ON AMENDMENTS TO THE LAW ON LEGAL PROTECTION OF INDUSTRIAL
DESIGN**

”Official Gazette of Montenegro”, No. 27/13

Article 1

In the Law on Legal Protection of Industrial Design (‘Official Gazette of Montenegro’, No. 80/10), in Article 2, paragraph 2, the words: 'handicraft product' shall be replaced by the words: 'handicraft item'.

In paragraph 3, the word 'any' shall be deleted.

Article 2

In Article 7, after paragraph 1 a new paragraph shall be added as follows:

'Within the meaning of Articles 5 and 6 of the present Law, a design shall be deemed to have been made available to the public if it has been disclosed by means of registration or otherwise, exhibited, used in trade or otherwise disclosed prior to the date of filing the application for design registration or if the priority right was claimed prior to the date of registered priority right, except where these events could not reasonably have become known in the usual course of business to the groups in European Union specialized in the given sector.'

In paragraph 3, the words 'if the design has become available to the public' shall be replaced by the words: 'as in the case when the design has become available to the public'.

The previous paragraphs 2 and 3 shall become paragraphs 3 and 4.

Article 3

In Article 11, paragraph 1, item 4 the word 'identical' shall be replaced by the words: 'in conflict'.

Item 6 shall be amended to read as follows:

'6) which constitutes an unauthorized use of a work protected under the Law governing copyright and related rights'.

After item 6 a new paragraph shall be added to read as follows:

'7) which constitutes improper use of any element specified in Article 6.ter of the Paris Convention for the Protection of Industrial Property (hereinafter referred to as the Paris Convention), or marks, emblems or coats of arms that are not covered by Article 6.ter of the Paris Convention and which are of particular interest for Montenegro'.

Article 4

Article 14 shall be amended to read as follows:

'Scope of protection of registered design shall include any design which does not produce a different overall impression on the informed user.

When determining the scope of rights to the design the degree of freedom of the designer in creating a design shall be taken into consideration in terms of Article 6, paragraph 2 of this Law.'

Article 5

In Article 15, paragraph 2, after the word 'shall include' the words 'in particular' shall be added.

Paragraph 3 shall be replaced to read as follows:

'Should the disclosure of the registered design be deferred pursuant to Article 35 of the present Law, for the duration of the deferment of publication, the holder of design shall be entitled to prevent other persons from taking actions referred to in paragraph 2 of the present Article, only if such actions are aimed at copying the registered design.'

Article 6

In Article 16, paragraph 2, item 1 shall be amended to read as follows:

'1) equipment of ships and aircrafts registered in another country, when these temporarily residing in Montenegro'.

In paragraph 2, the point at the end of the text shall be deleted and the words: 'under Item 1 of this paragraph' shall be added.

After item 2, a new item shall be added to read as follows:

'3) execution of repairs of ships and aircrafts as referred in item 1 of this paragraph'.

Article 7

After Article 23, a new Article shall be added to read as follows:

'Rights from the application

Article 23a

The provisions of Articles 21, 22 and 23 of this Law shall be applied to the rights from the application for registration of the design.'

Article 8

In Article 24, paragraph 2 shall be amended to read as follows:

'At the request of the applicant or holder of a design or ex officio, a correction of the name or address of the applicant or the holder of the design, correction of errors in the text or transcript or correction of some other obvious mistake may be done, if such changes do not extend design which protection is required or which is protected'.

After paragraph 2 a new paragraph shall be added to read as follows:

'An application to which the filing date has been accepted shall not be subsequently amended by extending of the design for which protection is required'.

The previous paragraphs 3 and 4 shall become paragraphs 4 and 5.

Article 9

In Article 26, paragraph 3, the word 'separately' shall be replaced by the word: 'independently'.

In paragraph 4, the words: 'Separated design may' shall be replaced by the words: 'A design may independently'.

Article 10

In Article 29, paragraph 1 the word: 'the same' shall be replaced by the word: 'identical'.

In paragraph 3 the words: 'which has been translated' shall be replaced by words: 'and the translation of that certificate'.

Article 11

In Article 30, paragraph 1, the point at the end of the text shall be deleted and the words: '(hereinafter referred to as the exhibition priority right)' shall be added.

In paragraph 3 the words: 'which has been translated into Montenegrin language' shall be deleted, and the point at the end of the text shall be deleted and the words: 'and the translation of that certificate into Montenegrin language' shall be added.

Article 12

Article 32 shall be amended to read as follows:

'Formal examination of the application

The competent authority shall, upon the entry of the application into the records of applications, examine whether the application meets the requirements of Article 25 and Article 26 of this Law, if multiple applications have been submitted.

If the competent authority finds that the application does not meet the requirements of paragraph 1 of this Article, it shall invite the applicant to remove the shortcomings within 60 days of receipt of the notification.

If multiple applications has been submitted, and products in which the design shall be included or to which design shall be applied cannot be classified in the same class of products according to the International Classification, the competent authority shall invite

the applicant to separate application on more individual or multiple applications within 60 days of receipt of notice.

At the request of the applicant the period referred to in paragraphs 2 and 3 of this Article may be extended for another 30 days.

If the applicant within the period referred to in paragraphs 2, 3 and 4 of this Article do not remove the shortcomings, i.e. do not separate application in accordance with paragraph 3 of this Article, the competent authority shall reject the application.'

Article 13

After Article 32, a new Article shall be added to read as follows:

'Decision on rejection of design registration

Article 32a

The competent authority shall issue the decision of rejecting registration of design if it finds that:

- 1) design is in contrary to the public interest;
- 2) design does not meet the requirements of Article 2, paragraph 1 of this Law;
- 3) design presents an unauthorized use of any element referred to in Article 11 paragraph 1 item 7 of this Law.

The competent authority may issue the decision on partial rejection of design registration for the reasons set out in paragraph 1, items 2 and 3 of this Article if that design meets the requirements for registration and if identity of a design is retained.

If the competent authority finds the reasons for rejection of design registration referred to in paragraph 1 of this Article, it shall invite the applicant to comment on the reasons for rejection and submit proof of new facts that might affect the decision of the competent authority within 60 days of receipt of the invitation.

At the request of the applicant, deadline referred to in paragraph 3 of this Article can be extended for another 60 days.'

Article 14

In Article 33, paragraph 1, after the word: 'law', the words: 'and there are no reasons for rejection of design registration of Article 32a of this Law' shall be added.

Article 15

In Article 35, after paragraph 4 two new paragraphs shall be added to read as follows:

'In the case referred to in paragraph 1 of this Article the competent authority shall, after the expiry of the deferment period for publication or other date provided for in paragraph 3 of this Article, request the holder of design to submit, for publication of design, graphical display or photos within 30 days of receipt of the notification, in accordance with Article 25 paragraph 1 item 3 of this Law.

If the holder of design does not comply with the notification referred to in paragraph 5 of this Article, it shall be deemed that the design, starting of the date of application for registration, does not have legal effect. '

Article 16

In Article 39, paragraph 3 shall be amended to read as follows:

'Application for renewal of design validation can be filed within six months after the expiry of the period referred to in paragraph 2 of this Article, provided that the payment of the prescribed administrative fee has been done.'

Article 17

In Article 40, after paragraph 3, two new paragraphs shall be added to read as follows:

'Cessation of the design validity shall be entered in the Register and published in the Official Gazette.

Following information on cessation of the design shall be published in the Official Gazette:

- 1) the registration number of design;
- 2) information about the holder of design (first name, last name, address and nationality in the case of a natural person, or the name and address, if it is a legal entity), and
- 3) the date of cessation of design.'

Article 18

In Article 41, after paragraph 4, a new paragraph shall be added to read as follows:

'If there is a reason for rejection of design registration upon a request referred to in paragraph 4 of this Article, the competent authority shall invite the applicant to explain the reasons for rejection of the registration, within four months from the date of receipt of written notice.'

Article 19

In Article 42, paragraph 1, the word: 'identical' shall be replaced by the word: 'equivalent'.

Article 20

Article 46 shall be amended to read as follows:

'A request for determination and a request for cessation of violation

Article 46

Any person who has, unlawfully performing some of the actions referred to in Article 15 of this Law, violated design, a holder of design may file a lawsuit before the competent court to require finding of a violation of design.

A holder of design may file a lawsuit against the person referred to in paragraph 1 of this Article asking for cessation of the violation and prohibition of such or similar violations in the future, under the threat of payment of fine.

A holder of design may file a lawsuit against the person who has, by taking some actions, caused serious danger that design will be violated in terms of Article 15 of this Law, for cessation of these actions and prohibition of violation of design, under the threat of payment of fine.

The requirements referred to in paragraphs 1, 2 and 3 of this Article may be set against a person who, in the course of his/her business activities, provides services that are used in operations for execution of violation of design or who threatens to violate design.

Lawsuits referred to in paragraphs 1 and 2 of this Article may be filed within five years from the date of the executed violation of design.

If the plaintiff proves that the person referred to in paragraphs 1 and 2 of this Article acted intentionally, lawsuits referred to in paragraphs 1 and 2 of this Article may be filed for the entire duration of design protection.

The lawsuit referred to in paragraph 3 of this Article may be filed within five years from the date of the execution of action which threatens to violate design.'

Article 21

After Article 46 three new Articles shall be added to read as follows:

'Request for confiscation and destruction of objects

Article 46a

A holder of design may file a lawsuit against any person who has, by unlawfully performing some of the actions referred to in Article 15 of this Law, violated the design, requesting removal of products performing violation of design from the market, their confiscation or destruction.

The measure referred to in paragraph 1 of this Article a holder of design may require in relation to the tools, equipment and other items that are mainly used for manufacturing or creating of products which violate a design.

The measures referred to in paragraphs 1 and 2 of this Article a court shall determine at the expense of the defendant, unless there are special reasons for not deciding in that way.

In determining the measures referred to in paragraphs 1 and 2 of this Article a court shall take into account all the circumstances of the case, in particular that they are proportionate to the nature and intensity of the injury, as well as the interests of third parties.

Lawsuits referred to in paragraphs 1 and 2 of this Article may be filed within five years from the date the violation has been committed.

Claim for damages, usual compensation and return of without merits acquired benefits

Article 46b

A holder of design may claim damages from an individual who, due to unauthorized exercise of any of the actions referred to in Article 15 of this Law, caused damage according to the general rules on damages, in accordance with the law regulating obligations.

Instead of claim for damages referred to in paragraph 1 of this Article, when the circumstances of the case justify that and if the defendant acted without authorization, a holder of design may claim for payment of compensation in the amount which, due to the circumstances, he could require under the license agreement if it is concluded.

If proves that the defendant acted intentionally or careless, a holder of design may, by lawsuit, require a triple amount of compensation referred to in paragraph 2 of this Article.

From a person who has, without grounds in legal business or law by taking some actions referred to in Article 15 of this Law, violated the design and thus gained the benefit, a holder of design may, regardless of the guilt of the defendant, require by lawsuit the return or reimbursement of the value of gained benefits according to the general rules on gaining without grounds, in accordance with the law governing the obligations.

Lawsuits referred to in paragraphs 1 and 4 of this Article may be filed within the time limits prescribed by the law governing the obligations.

Lawsuits referred to in paragraphs 2 and 3 of this Article may be filed within three years from the date when the plaintiff was informed about the violation and the offender, i.e. not later than five years from the date the violation occurred.

The request for publication of the verdict

Article 46c

In the cases of Articles 46, 46a and 46b of this Law, a holder of design may require the final verdict, which has partially or fully adopted the Prosecutor's request, to be published in the media at the expense of the defendant.

The court shall, within the limits of the claim, decide in which media the verdict will be published, as well as the scope of the verdict publication (in whole or in part).

If the court decides that only a part of the verdict should be published, it shall determine, within the limits of the claim, that at least utterance should be published and if necessary that part of the verdict emphasising the type of violation and the person who committed the violation of design. '

Article 22

Article 47 shall be amended to read as follows:

'Provisional measures for violation of design

Article 47

At the request of a holder of design who makes it credible that a violation of design occurred or that there exists an imminent risk of violation of design, the court may order any provisional measure which aims to stop or prevent a violation, in particular:

- 1) to order the opponent of the securing to stop or desist from execution of actions which violate a design, and this order a court may also impose against an intermediary whose services are used by third parties in order to perform a violation of design;

2) to order an interim seizure or withdrawal from the market of products which violate design or tools, equipment and other objects which are mainly used for manufacturing or creating of products which violate a design.

At the request of a holder of design who makes it credible that a violation of design occurred when conducting business activities in order to obtain commercial or economic benefits, and that there exists a risk of irreparable damage because of such violation, in addition to the provisional measures referred to in paragraph 1 of this Article, the court may order:

- 1) confiscation of movable and immovable property owned by the opponent of the securing that are not directly related to the violation;
- 2) prohibition of disposal of funds at financial institutions and disposal of other assets of the opponent of the securing.

For the determination and enforcement of provisional measures referred to in paragraph 2 of this Article, the court may require the opponent of the securing or other persons who have that information, the delivery of banking, financial and other economic data, or access to other necessary data and documents.

The court shall ensure the protection of confidentiality of data and documents referred to in paragraph 3 of this Article and prohibit their misuse. ’

Article 23

After Article 47, a new Article shall be added to read as follows:

‘Determination of provisional measures without notice

Article 47a

Provisional measures referred to in Article 47, paragraph 1 of this Law, the court may order without notifying opponent of the securing if a holder of design makes it credible that otherwise temporary measure will not be effective or there exists a risk of irreparable damage, and provisional measures referred to in Article 47, paragraph 2 of this Law, if a holder of design makes credible that the provisional measure will not be effective or that, given the particularly difficult circumstances of the violation, these measures are necessary.

In the cases referred to in paragraph 1 of this Article, the court shall deliver a decision on provisional measure to the opponent of the securing immediately upon its execution.

With a decision ordering a provisional measure, the court shall determine its duration, as well as the time period in which a holder of design must file a lawsuit in order to justify these measures, if the lawsuit has not been filed.

The deadline for filing a lawsuit referred to in paragraph 3 of this Article may not be longer than 20 working days or 31 calendar days, calculating from the date of delivering a decision to a holder of design, depending on which period expires later.

The provisions referred to in Article 47 and this Article shall not affect the ability to order provisional measures in accordance with the other provisions of this Law and the law governing the enforcement proceedings.'

Article 24

Article 48 shall be amended to read as follows:

'Provisional measures for securing of evidence

Article 48

At the request of a holder of design who makes it credible that his design is violated or in immediate danger of violation, the court may order any provisional measure for the securing of evidence, and in particular it may order:

- 1) to the opponent of the securing to give a detailed description of the objects for which a holder of design makes it credible that they perform violation of design, with or without taking of samples;
- 2) seizure of the objects for which a holder of design makes it credible that they perform violation of design;

3) seizure of products, tools, equipment and other items that were used for the production and distribution of objects for which a holder of design makes it credible that they perform violation of design, as well as business documents relating thereto.

Provisional measures referred to in paragraph 1 of this Article, the court may order without notifying opponent of the securing if a holder of design makes it credible that otherwise provisional measure will not be effective or there are risks of irreparable damage.

In the cases referred to in paragraph 2 of this Article the court shall deliver a decision on the provisional measure to opponent of the securing immediately upon its execution.

With the decision ordering a provisional measure, the court shall determine its duration and the time period in which a holder of design must file a lawsuit in order to justify that measure, if the lawsuit has not been filed.

The deadline for filing a lawsuit referred to in paragraph 4 of this Article may not be longer than 20 working days or 31 calendar days, calculating from the date of receipt of the decision to a holder of design, depending on which period expires later.

The provisions referred to in paragraphs 1 to 5 of this Article does not affect the ability to order provisional measures in accordance with the other provisions of this Law and the law governing enforcement of proceedings, as well as measures for securing of evidence, all in accordance with the law governing civil proceeding.'

Article 25

Article 49 shall be amended to read as follows:

'Securing of evidence in civil proceeding

Article 49

When one party in litigation for protection of design against violation in accordance with the provisions of 46 to 50c of this Law refers to certain evidence, claiming that it is with the other party or under his control, the court shall invite that party to submit such evidence within a specified time period.

When a holder of design, as a plaintiff in the lawsuit for protection of design against violation in accordance with the provisions of Articles 46 to 50c of this Law, makes it credible that a violation of design occurred when conducting business activities in order to obtain commercial or economic benefits, the court shall at his/her request require from defendant to provide banking, financial and similar business documents, papers and other evidence found at him or under his control, within a specified time period.

When the party that has been requested to submit evidence referred to in paragraphs 1 and 2 of this Article denies that these evidences are in his/her possession or under his/her control, the court may, in order to establish this facts, present evidences.

Regarding the rights of a party to withhold the submission of evidence, the provisions on withholding the witnessing shall be applied in accordance with the law governing the civil proceedings.

The court shall, regarding all the circumstances, by its own belief, conclude of what importance is the occasion in which a party, having the evidence in possession or under control, does not want to comply with the court decision to submit evidence or, contrary to the court's belief, denies that the evidence is in his/her possession or under his/her control.'

Article 26

Article 50 shall be amended to read as follows:

'Obligation to provide information

Article 50

A holder of design, who initiated litigation to protect a design against violation, may require the submission of data on the origin and distribution channels of products which violate a design.

The request referred to in paragraph 1 may be filed against:

- 1) a defendant in a civil proceeding referred to in paragraph 1 of this Article;

- 2) a person who, in the course of his/her commercial activities, possesses products for which a holder of rights makes it credible that they perform violation of design;
- 3) a person who, in the course of performing his/her business activities, provides services for which a holder of rights makes it credible that they perform violation of design;
- 4) a person who, in the course of performing his/her business activities, provides services that are used in the actions for which the holder of rights makes it credible that they perform violation of design;
- 5) a person who, from a person who is, referred to in items from 1 to 4 of this paragraph, designated as a person involved in the production or distribution of products or services for which a holder of rights makes it credible that they perform violation of design.

The request referred to in paragraph 1 of this Article may be filed as a claim, lawsuit, or request for determination of provisional measures.

The request referred to in paragraph 1 of this Article includes in particular the following information:

- 1) names, i.e. titles and addresses of manufacturers and distributors, suppliers and other previous holders of goods, as well as wholesalers and retailers to which these goods are intended;
- 2) quantities of produced, manufactured, delivered, received or ordered products, as well as the prices obtained for these products.

A person, against whom the request referred to in paragraph 1 of this Article has been filed, may refuse to submit the data for reasons from which according to the provisions of the law governing litigation this person may refuse to testify.

If the person, against whom the request referred to in paragraph 1 of this Article has been filed, refuse to provide information without justifiable reason, he/she shall be responsible for damage in accordance with the provisions of the law governing the obligations.

The provisions of this Article do not affect the application of Articles 48 and 49 of this Law, as well as the regulations on the use of classified information in civil and criminal procedures, rules governing liability for misuse of the right to obtain information, and regulations governing the processing and protection of personal data.'

Article 27

After Article 50 three new articles shall be added to read as follows:

'Alternative measures

Article 50a

At the request of the defendant in civil proceedings referred to in Articles 46 to 50c of this Law who proves that he/she has not been acting intentionally, the court may impose, instead of measure demanded by a holder of design, the payment of monetary compensation to the holder of design, if the execution of that measure to the defendant shall cause disproportionate harm and if monetary compensation, considering all the circumstances of the case, may be considered a reasonable and satisfactory compensation for the violation of design.

Persons authorized to submit requests for the protection of rights

Article 50b

Besides a holder of design, i.e. a person authorized by him/her in accordance with the general regulations on representation, the protection of design against violation in accordance with the provisions of Articles 46 to 50c of this Law may be required by the holder of an exclusive license to the extent that he/she has acquired the right to use the design, as well as by the professional organizations for the protection of the rights which right to represent holders of rights of intellectual property has been regularly recognizing in accordance with law.

The urgency and application of other laws' provisions

Article 50c

Proceedings referred to in Articles 46 to 50c of this Law shall be urgent.

The provisions of the law governing litigation or enforcement proceedings shall be applied to the procedures referred to in Articles 46 to 50c of this Law, in all matters that are not regulated by this Law.

Costs of proceedings referred to in Articles 46 to 50c of this Law shall be compensated in accordance with the provisions of the law governing litigation or enforcement proceedings.'

Article 28

After Article 56, new Article shall be added to read as follows:

'Deferred application
Article 56a

The provision referred to in Article 7, paragraph 2 of this Law shall be applied from the date of accession of Montenegro to the European Union.'

Entry into force Article 29

This Law shall enter into force on the eighth day of its publication in the "Official Gazette of Montenegro".

No: 07-3/13-1/4
EPA 83 XXV
Podgorica, 28th May 2013

25th Assembly of the Parliament of Montenegro

Speaker of the Parliament,
Ranko Krivokapić, m.p.