OUR ECHO
May 2018

Issue No. 31

AWARDS

The firm TMT firm of the year
At the Legal Community IP&TMT Awards gala dinner held on 13 May, the firm was recognised as TMT firm of the year.

The firm Technology firm of the year
At the Top Legal Industry Awards gala dinner held on 8 May, the firm was awarded the prize for best firm of the year for Technology in Italy.

Fabrizio Sanna IP Lawyer of the year
At the Legal Community IP&TMT Awards gala dinner held on 13 May, Fabrizio Sanna received the award for IP Lawyer of the year in Italy.

NEWS FROM THE FIRM

The firm with Delta Galil Industries in the purchase of Eminence group
A team from our firm, together with Skadden Arps Slate Meagher & Flom, advised the listed Israeli company Delta Galil on the acquisition of the French group Eminence, which owns, *inter alia*, the Italian brand "Liabel". The OOAA team was led by Pierfrancesco Giustiniani and Manfredi Leanza, and included Elisa Cappellini and Cesare De Falco (on labour issues).

The firm with ISG in the restructuring of its Italian subsidiary
A team led by Alessandro De Palma (together with Cesare De Falco and Dora Vuolo) assisted IGS (a leader in the fit out, construction and development sectors) on the restructuring of its Italian subsidiary.

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EU LAW

Enforcing EU law: the European Commission is proposing a new law to strengthen whistle blower protection

On 17 April 2018, the European Commission adopted a package of measures, including a Proposal for a Directive on the protection of persons reporting breaches of EU law, to strengthen whistle blower protection across the European Union as a means of uncovering unlawful activities and better enforcing EU law in the fields of competition and consumer protection, privacy, data protection, security of networks and information systems, as well as public procurement, financial services, money laundering, violations and abuse of corporate tax rules, product safety, environmental protection and food and feed safety. Under the proposal, companies with more than 50 employees or with an annual turnover of over 10 million Euro, as well as entities in the public sector, will have to set up specific reporting mechanisms by establishing internal channels and procedures for reporting and following up on reports. All forms of retaliation, including dismissal, transfer of duties, change of location of place of work and reduction in wages, are forbidden and subject to sanction. The effective protection of reporting persons (in the private or public sectors) will be provided through specific measures, such as free advice and assistance from competent authorities. The proposal remains to be approved by the European Parliament in order to become law and, if adopted, Member States will be required to implement the new provisions by 15 May 2021.

DESIGN

General Court on Crocs' design

On 14 March 2018, the General Court ("GC") of the EU issued its judgement in the case T-651/16 (Crocs Inc. v. EUIPO), in which it upheld the EUIPO decision that Crocs' Community design on its famous "Classic Model" clog is invalid due to lack of novelty. Specifically, according to Article 7(2)(b) of Regulation (EC) No. 6/2002 of 12 December 2001 on Community designs (the "Regulation"), a design is novel if it has been made available to the public no more than 12 months before the filing or priority date; earlier disclosures are not novelty-destroying provided they meet the requirements set forth in Article 7(1) of the Regulation. The GC ruled that (a) Crocs disclosed the relevant design prior to the 12-month period set out in Article 7(2)(b) of the Regulation; and (b) Crocs failed to prove that such disclosure events may fall under the exception envisioned under Article 7(1) of the Regulation. Crocs may bring an appeal, limited to points of law, before the EU Court of Justice within two months from the notification of the present judgment.

FINANCE

Proposal for an EU Directive on credit service providers, credit purchasers and recovery of collateral

On March 2018, the European Commission presented a package of measures to address issues arising from NPLs. This also includes a Proposal for a directive aiming to regulate the field of management of non-performing loans and the implementation of a relevant secondary market for such loans (the "Proposal"). The Proposal concerns three main topics which, in the view of the European Commission, should help the development and consolidation of a functioning secondary market for NPLs: (a) an aligned European framework for so-called "credit service providers"; (b) the creation of an efficient information system through effective dialogue between the national authorities, credit purchasers and credit institutions; and (c) an efficiency-driven measures system relating to credit recovery through the so-called AECE (Accelerated extra-judicial collateral enforcement). The Proposal is a further effort by EU institutions to protect credit institutions, which continue to hold considerable quantities of NPLs, and is expected to have a significant impact on the NPL market.

PATENT

The UK ratifies the UPC Agreement on a Unified Patent Court

On 26 April 2018, the United Kingdom ratified the Agreement on a Unified Patent Court (the "UPCA"). The next step for the entry into force of the UPCA is ratification by Germany, which is currently stayed pending the proceedings before the German Constitutional Court concerning the possible unconstitutional nature of the legislation ratifying the UPCA (see Our Echo - June 2017). The German Supreme Court is expected to issue its decision within the year.

TRADEMARK

Italian Supreme Court on the trademark Tecar

The Italian Supreme Court, in its decision No. 10300 of 27 April 2018, has confirmed the nullity of the Italian and Community trademarks "Tecar" and "Tecarterapia" (registered in 2003 and 2007, respectively, for medical devices and related physiotherapeutic treatments). The case was brought by the trademarks' owner against a competitor who made use of the above names in the same business area. According to the Court, the two words are in common use in the field of medical treatments and cannot therefore be validly registered as trademarks. Specifically, the Court stressed that the name "Tecar" was already used in medical literature as from 2003 without any reference to the company that applied for the trademarks. Also, according the court, the two words had not subsequently acquired any secondary meaning suitable to univocally link them, in the eyes of the public, to such company.

COPYRIGHT

"Dynamic injunction" granted by the Court of Milan

On 12 April 2018, the Court of Milan issued an injunction ordering Italian network service providers to block access to the website "Italiashare" which offered content infringing copyright. The order is significant as the injunction also covers every "alias" of the website, regardless of the "top level domain" and "second level domain" subsequently adopted. Specifically, Italian access providers have been ordered to adopt the most appropriate technical measures in order to prevent the infringing website being reachable via any domain name (including a new IP address or URL), with such measures to be in place within a period of no more than ten working days from receipt of the notice sent by the rights holder specifying the new alias adopted by the domain, and without the need to start a further procedure to obtain a new injunction.

DATA PROTECTION

Article 29 Working Party on BCR

On 11 April 2018, the Article 29 Working Party (the "WP29") adopted a working document on the approval of Binding Corporate Rules (the internal policies which define cross-border data transfers within multinational groups of companies or organizations, the "BCRs"). Under the GDPR, BCRs have to be approved by the competent supervisory authority in the relevant jurisdiction and the European Data Protection Board will be required to issue a non-binding opinion on the draft decision as submitted by the supervisory authority. However, a group applying for approval of the BCRs may have entities in several Member States, thus involving a number of SAs. In that respect, the WP29 has provided a set of rules aimed at identifying the lead SA that will act as a single point of contact during the BCRs' approval process as well as the procedure to be followed for the approval of the BCRs.

Article 29 Working Party on consent

On 10 April 2018, the WP29 adopted new guidelines aimed at clarifying the requirements for obtaining valid consent by means of practical examples ("Guidelines"). The WP29 focused on the meaning of "freely given consent" and, in particular, that any element of inappropriate pressure or influence on the data subject which prevents a free decision on their part will render the consent invalid. By way of example, if consent is bundled with non-negotiable terms and conditions, it will be presumed not to have been freely given. In the same way, the data subject should be able to refuse or withdraw his/her consent without negative consequences. In an employment context, the WP29 considered it problematic for employers to process employees' personal data on the basis of their consent. Indeed, it would be unlikely to obtain free consent from employees considering the detrimental effects of their refusal. Finally, in addressing the controller's obligation to demonstrate consent, the WP29 stressed that this burden of proof should not lead to excessive amounts of additional data processing.

LABOUR

Foodora's riders are self-employed

On 11 April 2018, the Labour bench of the Court of Turin (the "Court") issued decision No. 778/2018 in the case brought by certain "riders" working for food delivery e-services XXXVI Italy S.r.l. ("Foodora") against Foodora. The Court rejected the claim filed by the riders, stating that they are self-employed contractors and not employees. The Court based its decision considering how the riders' activity is performed. Specifically, the Court stated that the non-compulsory nature of the activity performed by the riders excludes an employment relationship. As a matter of fact, the riders do not have to respect specific working times on the basis that they are free to communicate to Foodora from time to time their availability to work. This means that if they are not under an obligation to perform their working activity when decided by the company, then the company cannot be held to exercise managerial authority as an employer.

Italian Supreme Court on the unlawfulness of economic dismissal

On 2 May 2018, the Italian Supreme Court issued its judgment (No. 10435/2018) on how the notion of the "non-existence of the circumstance on which dismissal was based" (pursuant to Article 18 of Law No. 300 of 20 May 1970) must be interpreted in order to correctly ascertain whether a dismissal for economic reasons is lawful. The Supreme Court stated that such a requirement must be evaluated with reference to two aspects: (a) the productive and economic reasons (e.g. company reorganization or crisis) and (b) the impossibility to relocate the employee within the company's organizational structure (known as "repechage"). Even though the effectiveness of the economic reason (the reorganization) was proved, the Supreme Court ascertained the unlawfulness of the economic dismissal because the repechage obligation was deemed not duly fulfilled.

INDUSTRIES

E-COMMERCE

The Proposal for an EU Regulation on fairness and transparency of online platforms

As part of the Digital Single Market initiatives, on 26 April 2018, the European Commission adopted a Proposal for a Regulation on promoting fairness and transparency for business users of online intermediation services, including online platforms and search engines (the "Proposal"). The Proposal aims to address some of the main concerns of small businesses when dealing with online platforms and requires providers of online intermediation services to adopt measures to increase transparency and facilitate dispute resolution. In terms of transparency, providers will have to ensure that their terms and conditions for professional users are easily available and understandable. Those terms and conditions are also to include a list of the reasons allowing the provider to suspend or delist a business user and, in order to do so, providers will have to respect a minimum notice period and clearly state the reasons for doing so. The Proposal also requires providers to publish policies on the treatment of their own goods or services compared to those offered by third parties and on how they use Most-Favoured-Nation (MFN) contractual clauses. Moreover, providers will have to set out the general ranking criteria used to display search results and provide guidance on the importance of the main ranking parameters, including the possibility to influence ranking on the basis of payment. All stakeholders have until 29 June 2018 to submit their feedback on the proposal, which will then have to be adopted by the European Parliament and the Council.

PHARMA

Commission publishes report on the monitoring of patent settlements

On 9 March 2018, the Commission released the 8th Report on the Monitoring of Patent Settlements in the pharmaceutical field (the Report). The Report reveals that patent settlement agreements increased in the EU between January and December 2016 (specifically 107 agreements, compared to the annual average of 24 agreements based on the 207 agreements entered into between January 2000 and June 2008). The aim of the monitoring is to better understand the use of settlement agreements in the pharmaceutical field and to identify those settlements that delay generic market entry to the detriment of consumers and which possibly violate European competition law (i.e. where the delay is agreed by the originator and generic company as a consideration for a value transfer, or if settlements contain restrictions beyond the exclusionary zone of the patents, or concern patents which the holder knows do not meet the patentability criteria). The Report gives indications on which kinds of settlements may merit further competition law scrutiny and their relative importance, provided that any concrete case will have to be examined on its own individual circumstances and merits.

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