

§ 32:72 Infringement actions—Action for damages

According to article 3.17(1) of the Benelux Convention on Intellectual Property, a design owner may claim compensation for suffered damages when a party has without his permission committed the acts as listed in article 3.16 of the Benelux Convention on Intellectual Property. However, compensation will only be awarded for those acts that took place after the publication of the design right within the meaning of article 3.11 of the Benelux Convention on Intellectual Property (in which the characteristic features of the design are sufficiently disclosed). Infringing acts committed before publication of the design right, but after the filing of an application for such a right, may only result in a claim for a fair compensation against parties that had knowledge of the filing (article 3.16(6) of the Benelux Convention on Intellectual Property). Fair compensation can solely consist of actual profits made through the aforementioned acts.¹

Compensation for damages can be claimed in substantive proceedings at a civil court. Article 3.17(2) of the Benelux Convention on Intellectual Property stipulates that the court must, when calculating the damages a party has suffered, take into account all appropriate aspects, such as the negative economic consequences, including lost profits of the injured party, unfair profits made by the infringer, and, elements other than economic factors, such as the moral prejudice caused to the design owner.

The court also may set the damages as a lump sum based on elements such as the royalties that would have been due if the infringer had requested permission to use the design. According to article 45 of the TRIPs Treaty and article 13 of the EU Enforcement Directive, damages can only be claimed if the infringing party knew or had reasonable grounds to know that he was committing an infringement. Article 3.17(3) of the Benelux Convention on Intellectual Property states that a court may, as compensation for damages and at the request of the design owner, order that ownership of infringing goods be transferred to the design owner. The same order can be given regarding materials and instruments mainly used in the manufacture of those goods.

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¹Gielen and others, *Kort begrip van het intellectuele eigendomsrecht*, 2020/242 (online; last updated on 1 June 2020).

Pursuant to article 3.17(4) of the Benelux Convention on Intellectual Property, a design owner may, in addition to or instead of an action for compensation for damages, claim surrender of profit that the infringing party has made with the infringing activities when the infringing party was acting in bad faith. Article 3.17(4) of the Benelux Convention on Intellectual Property provides that a court must reject a claim for surrender of profits if the circumstances of the case do not justify the order. Furthermore, a claim for surrender of profits cannot cumulate with an action for compensation of damages consisting of loss of profits.

A design owner also can submit a claim for compensation for damages or surrender of profits on behalf of licensees (article 3.17(5) of the Benelux Convention on Intellectual Property). Licensees can only claim compensation for their own damages or surrender of profits by submitting a joinder of claims in proceedings initiated by the design owner. A licensee cannot bring independent actions for damages or surrender of profits unless he has obtained the right from the design owner to do so (article 3.26(4) of the Benelux Convention on Intellectual Property).