The Community design is a relatively new legal instrument, showing a considerable amount of open questions of practical relevance. One of those is the application and the implications of Art. 25(1)(e) CDR – the ground for invalidation of a Community design on the basis of infringement of a prior distinctive sign. This potentially attractive provision, allowing for an invalidation on the basis of a reference to various, Community and national, legal provisions, to date results in a lower number of invalidations than Art. 25(1)(b) CDR – the other ground for invalidation available for the owners of distinctive signs.

This paper addresses the scope and limits of protection for the distinctive signs under Art. 25(1)(e) CDR by defining them on the Community and on the national level with reference to the German jurisdiction. An analysis of the scopes of protection of the relevant distinctive signs follows, including trade marks, trade names, company symbols, work titles and names. Additionally the scope of protection provided for the distinctive signs by the unfair competition provisions is described. This analysis is a starting point for addressing some of the controversial issues concerning the application of Art. 25(1)(e) CDR as a ground for invalidation. The issue of admissibility of application of limitations to the right to a distinctive sign in design invalidity proceedings and propositions as to their implementation are presented. Furthermore an analysis of problems arising from the use of Art. 25(1)(e) CDR with regard to the applicable law is provided, presenting the possible solutions of those controversies. The paper also addresses the question of whether an action for infringement of a prior distinctive sign will be successful unless an invalidation of the design right is obtained first. Finally, the relationship between the invalidation on the basis of lack of novelty, lack of individual character and based on infringement of prior rights is addressed.

As the discussion of the abovementioned problems shows, Art. 25(1)(e) CDR grants the proprietor of a distinctive sign a broad scope of protection against a Community design. However due to the fact that the Community Desig Regulation has left many questions regarding the implementation of that protection unanswered, a considerable level of legal uncertainty is attached to its application and this ground for invalidation still remains an alternative infrequently used by the owners of distinctive signs.

In spite of the conceptual challenges connected to its application, Art. 25(1)(e) CDR provides for a potentially attractive ground for invalidation of Community designs, which might gain in importance, depending on the future development of the case-law.