



European Furniture Industries Confederation

Roadmap consultation: Intellectual Property Action Plan EFIC feedback

14 August 2020

The European Furniture Industries are a dynamic and labour-intensive sector with a long history, substantial technological developments and established markets. The EU furniture industry makes a significant contribution to the EU economy, providing around 1 million jobs in close to 120.000 enterprises, mainly SMEs and microenterprises, generating an annual turnover of around EUR 96 billion. European furniture production technology is advanced and all leading design and research centres are located in the EU, with EU furniture manufacturers being design trendsetters at the global level.

The competitiveness of the European furniture industries strongly depends on the protection of products with high intangible contents, such as brands, patents, design and copyright as effective tools against counterfeiting. Intellectual Property Rights (IPR) infringements constitute a major harm for both the industry and the economy at large, as they jeopardise the benefits of innovation and creativity. Therefore, EU initiatives to counter this phenomenon are needed and the European Furniture Industries Confederation (EFIC) hereby welcomes the opportunity to provide comments to the roadmap consultation on the Intellectual Property Action Plan.

IP and industrial policy

The Industry4Europe coalition identified in November 2019¹ that ‘an effective and predictable intellectual property (IP) framework is key in incentivising investments in innovation, as well as enabling research, innovative ideas to reach the marketplace. IP protection in R&I programmes is essential for industrial stakeholders to safeguard their interests and meet their confidentiality constraints – especially vis-à-vis their competitors inside and outside of Europe. In Open Access policies, the distinction between access to data background, publications or results should be clearly defined. By ensuring a strong and stable IP framework – based on the principle “as open as possible, as closed as necessary”, with opting-out possibilities – Europe can promote an innovation-friendly environment and boost its competitive advantage.’ The need for an effective and predictable IP framework is now more important than ever given the impact of the coronavirus crisis, rendering the EU industry more competitive and contributing to its resilience while making the transition to a greener and more digital economy.

Fragmented IP system in the EU

The EU IP system remains too fragmented, with procedures that are complex and costly, many times subject to national validation. A deeper harmonisation of the system would significantly reduce costs and administrative hurdles and the protection of intellectual property would be facilitated. The complexity of the system at EU level has led to a low uptake of IP especially by SMEs. As also identified

¹ https://www.industry4europe.eu/assets/Uploads/Publications/Industry4Europe_Joint-Paper_November-2019.pdf



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in the roadmap, the IP framework must be adjusted to ensure that the digital and green economy fully benefit from innovation.

EU initiatives to upgrade the system for IP protection are most welcome, especially by enabling the Unitary Patent system to offer a one-stop-shop for patent protection and enforcement, establishing a European approach to IP protection and promoting a better uptake and deployment of IP via the envisaged actions. National patent registration is characterized by red tape and is costly.

Better enforcement of IPR and global level playing field

The digital economy has become increasingly important due to COVID-19. E-commerce has proven to be a successful platform where EU companies and consumers can safely engage, and the furniture industries have particularly benefitted from it. To fully reap the benefits of this instrument, international rules on e-commerce at WTO level would be needed, which would support businesses and SMEs against the risks related to illegal trade practices, strengthening thus their resilience.

All market players (whether from the EU or third countries) must compete on an equal footing and unfair trading practices should not interfere with the competitiveness of businesses. A higher EU-level design and patent protection is needed, accompanied by enhanced controls on counterfeited goods both inside the EU market through increased market surveillance and at its borders through increased custom controls. Special efforts should be devoted to contrast e-commerce illegal practices aimed at placing counterfeited products on the market, through, e.g., improved cooperation with internet service providers. In particular it is of vital importance to provide policy tools that target the economic revenue of IPR infringers.

The regulatory cooperation between the EU and China should be reinforced as well through an adequate protection of IPR rules and increased custom controls to tackle challenges that are related to the rising imports of non-compliant products.

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