

New Regulations for European Trade Mark Law¹

Client information and overall summary

I. What are the key changes?

- New terminology
 - New provisions for trade mark forms
 - Extension of rights derived from the EU trade mark
 - The right to prohibit preparatory acts of trade mark infringements
 - Use of an intervening right as a defence in infringement proceedings
 - Registration of licensing agreements
 - New structure of fees
 - Formulation and amendment of the designation and classification of goods and services
 - New EU certification mark
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II. Introduction

Effective as of **23 March 2016**, the existing Community trade mark Regulation will be replaced by Regulation (EU) 2015/2424 ("Community Trade Mark" or "CTM") and introduces numerous amendments which are relevant for everyday application. This new Community trade mark Regulation can be accessed via the following link:

https://oami.europa.eu/tunnel-web/secure/webdav/guest/document_library/contentPdfs/legal_reform/regulation_20152424_en.pdf

The reasons for updating the existing guidelines, despite the fact that they have stood the test of time, lie in the need recognised by the EU Commission for a modernisation of the EU trade mark system, by making it more effective, efficient and consistent as a whole and by adapting it to the demands of the internet era. Since numerous amendments have been made to the existing Regulation, the focus of this short information leaflet is going to be on the key changes.

III. The changes

1. New terminology

The new directive has replaced some of the previously established terminology as follows:

¹ This short summary is for information purposes only and of course cannot be used as a substitute for legal advice on specific issues or questions. Therefore, we would be happy to answer any specific questions you have separately.

<u>Previous terminology</u>	<u>New terminology</u>
Community Trade Mark (CTM)	European Union Trade Mark, or EU Trade Mark (EUTM)
Office for Harmonization in the Internal Market (trade marks and designs) (OHIM)	European Union Intellectual Property Office (EUIPO)
Community trade mark courts	EU trade mark courts
Community collective mark	European Union collective mark or EU collective mark
Community, European Community European Communities	Union

2. Trade mark forms

The previous requirement of graphic representability of a trade mark has been deleted. Under the terms of Article 4, EU trade marks may consist of any kinds of signs as long as they can be clearly distinguished from other signs and can be represented in the register in such a way as to determine the clear and precise subject matter of the protection granted to the trade mark proprietor.

3. Rights conferred by an EU trade mark

The new version of Article 9 (3), letter (d), now states that the proprietor of the trade mark is also entitled to prohibit third parties from using the sign as a trade name or company designation, or as part of a trade name or company designation. In addition, paragraph 3, letter (f), also regulates the scope of prohibiting the use of a sign, where the sign is used in comparative advertising in a way that is contrary to the provisions of Directive 2006/114/EC.

Article 9 (4) specifies, *inter alia*, that the proprietor of the EU trade mark is also entitled to prohibit all third parties from bringing goods, in the course of trade, into the Union without releasing them for free distribution, where these goods, and their packaging, come from third countries and carry, without consent, a trade mark identical to the EU trade mark registered in relation to such goods, or which cannot be distinguished in its fundamental aspects from that trade mark.

4. Preparatory acts for trade mark infringements

The new version of Article 9a gives the proprietor of a trade mark the right to prohibit acts that constitute preparation for the infringement of a trade mark in connection with the use of packaging, labels, tags, security or authenticity features, or other means of marking the goods.

5. Intervening right as a defence in infringement proceedings

The new version of Article 13a regulates the use of an “intervening right” of proprietors of younger trade marks as a defence in infringement proceedings, whereby they may claim that the older trade mark was not entitled to prohibit the use of the younger trademark in the moment of the latter’s registration.

6. Registration of licensing agreements

The new versions of Articles 22a and 24a include regulations governing the registration of licences and other rights and also concerning the cancellation or modification of the entry of a licence or other rights in the register.

7. Changes to fee structure

The official fee charged for a trade mark application previously covered up to three classes of goods or services. An additional class fee was only charged as of the 4th class. Article 26 details the changes to the EUIPO fee structure, whereby the base application fee now only covers one class of goods and services, a separate fee of €50 will apply to the second class and for each further class applied for, a fee of €150 will be charged. This represents a reduction of the previous base application fee by €50.

8. Designation and classification of goods and services

Article 28 has been fully revised and expanded and now regulates in detail the composition of the lists of goods and services. It was necessary to formulate these classifications as clearly and unambiguously as possible, so that the competent authorities and economic operators can use this as the sole basis to determine the scope of the protection applied for.

The use of general terms, including the general indications of the class headings of the Nice Classification, is to be interpreted as including all the goods or services clearly covered by the literal meaning of the indication or term.

Goods or services which are not clearly covered by the literal meaning of these indications, will, due to the use of general terms, and/or class headings, **not enjoy protection**.

A further important provision applies to proprietors of EU trade marks which were registered before **22 June 2012** under the overall heading of a NICE class, who may declare to the Office by **24 September 2016** that their intention on the date of filing was to seek protection in respect of goods or services that extended over and above those covered by the literal meaning of the heading of that class. This provision will only apply if the goods or services so designated are included in the so-called alphabetical list for that class.

The declaration, which must be submitted by 24 September 2016, should indicate in a clear, precise and specific manner the goods and services which are not clearly covered by the literal meaning of the indications of the class heading. Following the submission of this declaration, the Office will amend the register accordingly.

In the event that no declaration is filed within the deadline (24 September 2016), trade mark protection shall extend only to goods or services clearly covered by the literal meaning of the indications included in the heading of the relevant class. Article 28 (9) of the Regulation does

however include limitations for trade marks with such amendments to the list of goods or services, in relation to trade marks of third parties whose use commenced before the register was amended.

Our recommendation:

We would urge proprietors of EU trade marks, where the lists of goods and services included under the trade mark are registered under the overall heading of a NICE class, to take steps to ascertain whether the submission of such a declaration is necessary, and, if in doubt, to submit a declaration that relates to specific goods and services.

9. EU certification mark

Article 74 a, which has been newly added, defines the creation of an EU certification mark. An EU certification mark is an EU trade mark which is described as such when it is applied for and which serves the purpose of distinguishing goods or services which are certified by the proprietor of the mark with regard to material, mode of manufacture of goods or the performance of services, quality, accuracy or other characteristics - with the exception of geographical origin - from goods and services which do not have this certification.

10. Miscellaneous

The new EU trade mark Regulation contains many further provisions and it would be beyond the scope of this short summary to explain all of them in detail. We would be happy to provide you with separate information on the importance of this regulation for your trade marks.

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