

TRADE MARK TRANSFORMATION

Patricia Collis outlines the changes that are due to come into effect regarding European Union trade mark law in 2016

The wording of Article 8(5) is set to be amended to reflect the decision in the Davidoff case that opposition can be based on a reputation claim, irrespective of whether the goods and

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services covered by the opposed application are similar or dissimilar to the goods or services for which reputation is claimed. Where EUTM opposition proceedings are based on earlier EUTMs, the proof of use date is set to change from the date of publication of the opposed application to the date of filing of the opposed application. Another change that is of differs of the registered mark regardless of whether the mark is also separately registered in the form

The bigger change in terms of fees is the significant reduction in renewal fees. While the existence of the OHIM surplus meant there was pressure to reduce these fees, account had to be taken of the need to ensure national trade mark systems were not undercut or undermined in deciding on the new levels. The new renewal fees will mirror the application fees (ie €850 for a single class, €900 for two classes and €150 for each additional class). This means a saving of €500 for renewals in one class, and of €250 per class for each class above three, resulting in substantial savings for those with

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coverage in several classes and for those with large EUTM portfolios. Application formalities Those wishing to claim priority will have to do so at the time of filing an EUTM application, and will no longer have a further two months from filing within which to do so. Any documents required to support a priority claim will have to be filed within three months of the date of filing of the application. Changes are also to be implemented with regard to search reports. The current

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Following an extensive study carried out by the Max Planck Institute, and input from the European Commission, Council and Parliament, we are set to see the introduction of a new Trade Marks Directive and Regulation in 2016, resulting in a number of changes to the Community trade mark system and further harmonisation of national trade mark systems within the European Union. Here, we consider some of the more practical changes.

At the EU level, the following major changes will come into force:

Names

When the changes come into effect, the Community Trade Mark (CTM) will be renamed the European Union Trade Mark (EUTM), and OHIM will become the European Union Intellectual Property Office (EUIPO).

Fees

In an effort to prevent further clutter on the Register, EUTM application fees will be charged on a per-class basis, rather than the current system in which the basic fee covers up to three classes. The new official fee will be €850 for a single-class application, €900 for a two-class application, and a further €150 per class for each additional class. In practice, this means a slight saving for those filing single-class applications, no change for those with interests in two classes, and an increase for those with interests in three or more classes. The hope is,

of course, that these fee changes will discourage applicants from covering more classes than needed.

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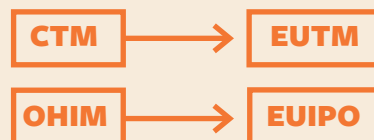
Application formalities

Those wishing to claim priority will have to do so at the time of filing an EUTM application, and will no longer have a further two months from filing within which to do so. Any documents required to support a priority claim will have to be filed within three months of the date of filing of the application.

Changes are also to be implemented with regard to search reports. The current system whereby OHIM automatically provides applicants with the results of a search of the CTM Register will be replaced by an opt-in system for both searches of the EUTM Register and of those national registers that offer such reports. There will be no fee for ▶

MAJOR CHANGES AHEAD

1 NEW NAMES



COMMUNITY TRADE MARK (CTM) WILL BE RENAMED THE EUROPEAN UNION TRADE MARK (EUTM)

OHIM WILL BECOME THE EUROPEAN UNION INTELLECTUAL PROPERTY OFFICE (EUIPO)

2 APPLICATION FEES



€850 SINGLE-CLASS

€900 TWO-CLASS

+€150 PER EXTRA CLASS

EUTM APPLICATION FEES WILL BE CHARGED ON A PER-CLASS BASIS, RATHER THAN THE CURRENT SYSTEM IN WHICH THE BASIC FEE COVERS UP TO THREE CLASSES

3 APPLICATION FORMALITIES



THE NEED FOR A MARK TO BE GRAPHICALLY REPRESENTED WHEN FILING AN APPLICATION WILL BE REMOVED

4 OPPOSITIONS



IT WILL BECOME POSSIBLE TO OPPOSE EUTM APPLICATIONS ON THE BASIS OF PROTECTED DESIGNATIONS OF ORIGIN OR GEOGRAPHICAL INDICATIONS

5 HARMONISATION AT MEMBER STATE LEVEL

BECOMING MANDATORY:



▶ ADMINISTRATIVE PROCEEDINGS FOR OPPOSITION, REVOCATION AND INVALIDITY, TO INCLUDE PROVISION FOR A JOINTLY REQUESTED SUSPENSION PERIOD OF AT LEAST TWO MONTHS IN OPPOSITION PROCEEDINGS. THIS WILL MEAN CHANGES FOR MALTA, BENELUX, FRANCE, SPAIN AND ITALY

▶ BAD FAITH GROUND FOR CANCELLATION



▶ PROVISION FOR REPUTATION-BASED REFUSAL, MEANING AMENDMENTS REQUIRED TO THE LAWS IN LITHUANIA AND CYPRUS



▶ SIX-MONTH GRACE PERIOD FOR LATE RENEWAL OF REGISTRATIONS

the EUTM search report, but fees will remain for the national search reports. Irrespective of whether the applicant has requested a search of the EUTM Register, the EUIPO will send citation letters to the owners of any earlier EUTMs cited, unless they request not to receive such notifications. There will no longer be a requirement for at least one month to pass between the transmission of a search report to the applicant and the publication of their application, which should result in applications being published and registered more quickly.

Two other key changes that are to come into force, and which are dealt with in both the Directive and the Regulation, are the removal of the need for a mark to be graphically represented when filing an application, and the clear endorsement of the “literal meaning” approach to what is covered by class headings.

Regarding the former, it is questionable whether this will make any immediate difference, as there is still a requirement for clarity and precision in what is protected. However, it at least leaves scope for other means of meeting the representation requirements in the future, which could prove useful as technology advances.

Turning to specifications, the new laws codify the approach adopted in the IP TRANSLATOR case, whereby specifications that include class headings are deemed to cover the literal meaning of the terms covered, and nothing more. As we know, for several years, OHIM practice was that class headings were deemed to cover all goods/services falling within a class. In light of this, the new Regulation includes a provision giving proprietors of registered EUTMs filed before 22 June 2012 (ie the date of the IP TRANSLATOR

judgment), and with class heading coverage, a six-month period to file a declaration indicating that their intention at the time of filing was to obtain protection beyond the literal meaning of the class heading(s) involved. Any such declarations should indicate the goods/services in respect of which there was an intention to obtain protection, with the proviso that only those terms included in the alphabetical list of the Nice Classification in force at the filing date shall be accepted. Any “expansion” of protection afforded by such amendments cannot be used to attack use or registration of intervening third-party marks where such use/registration by those third parties could not have been prevented if the literal meaning approach were taken at the time the use commenced or registration was applied for.

Opposition

The new laws will also bring into force some important changes in opposition proceedings, including a change in the opposition deadline for EU designations of International Registrations. For such designations, the opposition period will continue to last three months, but will start one month after publication by the EUIPO, rather than the current six months. This should result in speedier protection, but it is also likely to increase the frequency of instances in which the outcome of substantive examination is not complete before the opposition deadline; although the official opposition fee will still be refunded if opposition is filed and the designation is ultimately rejected on absolute grounds.

In an addition to Article 8(4) of the Regulation, it will become possible to oppose EUTM applications on the basis of protected designations of origin or geographical indications.



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The wording of Article 8(5) is set to be amended to reflect the decision in the Davidoff case that opposition can be based on a reputation claim, irrespective of whether the goods and services covered by the opposed application are similar or dissimilar to the goods or services for which reputation is claimed.

Where EUTM opposition proceedings are based on earlier EUTMs, the proof of use date is set to change from the date of publication of the opposed application to the date of filing of the opposed application. Another change that is of relevance to proof of use is the confirmation of the point decided in the ProtiPlus case; that use of a mark in a form that differs from that in which it is registered can constitute use of the registered mark regardless of whether the mark is also separately registered in the form in which it is used.

Certification marks

The new Regulation provides for EU-wide certification marks. As with UK certification marks, it will be necessary to file regulations governing the use of such marks. The deadline for doing so will be two months from the date of filing the certification mark application.

Furthermore, there is set to be a separate implementing act detailing the requirements that all such regulations should meet.

The introduction of EU certification marks is likely to be welcomed by those certifying bodies that have interests in multiple EU Member States, particularly those in which national certification marks do not exist. While the normal rules relating to conversion will also apply to EU certification marks, it should be noted that it will not be possible to convert such marks into national applications in those territories where national law does not provide for certification marks.

MEMBER STATE LEVEL

In addition to the changes above regarding graphic representation and the literal interpretation of class headings, the new Directive will ensure harmonisation at Member State level on various other points, including the following:

- Mandatory administrative proceedings for opposition, revocation and invalidity, to include provision for a jointly requested suspension period of at least two months in opposition proceedings. This means that Malta will have to introduce opposition proceedings, and Benelux, France, Spain and Italy will all have to introduce administrative cancellation proceedings.
- Mandatory bad faith ground for cancellation.
- Mandatory provision for reputation-based refusal, meaning amendments required to the laws in Lithuania and Cyprus.
- Mandatory six-month grace period for late renewal of registrations.

Under the provisions of the new Directive, in those territories with post-registration opposition proceedings, the five-year non-use period shall be calculated from the date when the mark can no longer be opposed or, if opposed, the date on which the opposition was complete, either because it was withdrawn or because the opposition decision became final.

INTERESTING TIMES

With the new Regulation set to come into force just 90 days after the final version is published, and Member States having three years to introduce any changes to national laws required by the Directive (or seven in the case of the introduction of administrative cancellation proceedings), it should be an interesting few years for European trade mark law, as we all get to grips with these new changes. ■



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