



The Trademark Prosecution Review

2025

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The second edition of the *WTR Trademark Prosecution Review* takes a wide-ranging view of best strategies for securing trademarks in the key regions of the Americas, the Asia-Pacific, and Europe, the Middle East and Africa. The review combines on-the-ground knowledge and analytic insight to offer an unparalleled deep dive into the prosecution landscape in specific key markets.

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Specialist Chapter: Recent USPTO decisions shift understanding of related goods and services in the United States

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IN SUMMARY

This article discusses the growing trend in the United States Patent and Trademark Office (USPTO) of examiners using third-party evidence to take more expansive views of what goods and services are considered related for likelihood of confusion purposes. Practitioners will need to be mindful of this when advising clients on potential obstacles to registering their marks.

DISCUSSION POINTS

- Background of the USPTO's historical view on what are related goods and services
 - A review of recent decisions illustrating the closing gap between related goods
 - Strategic implications of this recent development
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REFERENCED IN THIS ARTICLE

- *In re E I Du Pont de Nemours & Co*
 - Trademark Manual of Examining Procedure
 - *In re Salvation Nutraceuticals Inc*
 - *In re Wella Operations US, LLC*
 - *In re Caymus Vineyards*
 - *In re RS Lipman Brewing Company, LLC*
 - *In re 1729 Investments LLC*
 - *In re Appalachian Headwaters, Inc*
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INTRODUCTION

The review of an application by the United States Patent and Trademark Office (USPTO) includes a search for prior registered or currently pending marks that are sufficiently similar to the applied-for mark such that there is a likelihood that consumers would be confused if both marks were registered.^[1] In evaluating the likelihood of consumer confusion between two marks, the examining attorney uses a 13-factor test developed in *In re E I Du Pont de Nemours & Co*, known as the **DuPont** factors.^[2] Three of the key factors are:

- the similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation and commercial impression;
- the similarity or dissimilarity and nature of the goods or services as described in an application or registration or in connection with which a prior mark is in use; and
- the similarity or dissimilarity of established, likely-to-continue trade channels.

To satisfy their burden of evaluating the relatedness of the goods and services covered by a pending application and a prior-filed application or registration, examiners regularly seek out and rely on third-party registrations covering both the goods claimed in an application and those covered by an existing registration to determine whether the goods or services

are related. Examiners will also search for third-party internet evidence for the same reason, namely to see whether the same companies offer both the applicant's and the registrant's goods and services.

Under the Trademark Manual of Examining Procedure, these registrations or third-party internet results are evidence that consumers are used to seeing the applicant's and the registrant's goods and services offered by the same source, whether or not there is evidence of actual use in in the same trade channels.^[3] In Trademark Trial and Appeal Board (TTAB) proceedings, parties are permitted to submit third-party registrations to serve as evidence to support that goods and services are related.^[4]

The increase in single companies offering an ever-growing range of goods and services, particularly in connection with broad-scale licensing programmes, coupled with the widespread availability of third-party evidence showing this wide range of offerings, only makes it more likely that an examiner will find evidence that the goods are 'related' based on third-party evidence.^[5] Practitioners need to do similar searches to those an examiner might do in order to fully understand the landscape in which their client's applications exist, and better advise their client on potential obstacles to registration. Trademark clearance for registration thus has to take into account not only direct competitors, but also maybe-related goods that may be offered under the same marks – an objection that is becoming more common. This may be at odds with general brand strategy as trademarks that might face obstacles to registration may still be available for use with tolerable risk in the absence of direct competition.

RECENT USPTO DECISIONS HIGHLIGHT HOW GOODS MAY BE RELATED BASED ON THIRD-PARTY REGISTRATIONS

Recently, the USPTO has found a wider range of goods and services to be related for the purposes of determining whether there is a likelihood of confusion between two marks during prosecution. This development can be seen in a number of recent *ex parte* decisions at the TTAB.

For example, the gap between supplements and personal care products has narrowed. In *In re Salvation Nutraceuticals Inc*, the applicant sought to register the mark KUDO (Serial No. 97015288) for 'Gummy vitamins; Nutritional supplements in the form of gummies'. The USPTO refused registration on the basis of likelihood of confusion with the registration KUDOS (Registration No. 2363076) for 'Hair shampoo, hair conditioner, soap for hands, face and body, skin/body moisturizer, skin/body lotion, shaving preparations, body/hand cream, skin cleansing cream, and bath gels/oil'. The registrant's goods were neither ingestible nor supplements, in contrast with the gummies sought to be covered by the applicant's mark. Specifically, the examiner focused on the fact that 'vitamins and nutritional supplements are often made and sold by companies that also make and sell skincare preparations and personal care products for the hair, hands, face, and body'. In support of this reasoning, the examiner provided internet evidence that consisted of (1) internet evidence in the form of 20 examples of at least 18 companies and (2) 20 third-party use-based registrations that cover and offer both supplements and personal care products. To refute this, the applicant provided evidence that topical and consumable goods are typically separated to:

[prevent] consumers from believing that the consumable goods somehow contain similar ingredients or characteristics as the topical products, which

can contain toxins or other undesirable ingredients to consume and allows the companies to market the products with different message.^[6]

In this case, the finding of relatedness turned on the examiner identifying third parties that offered both categories of goods at issue. On appeal, the Board agreed with the examiner's holding that there was a likelihood of confusion and gave applicant's evidence and argument little weight. The TTAB indicated that, in general, the applicant's type of evidence is insufficient to show that both the applicant's and the registrant's goods together are not offered under one mark.

In *In re Wella Operations US, LLC*, the Board found that goods potentially serving a similar purpose could be sufficiently related to support a refusal given the similarities between the marks. The applicant's mark was TRI-FLEX TECHNOLOGY (Serial No. 97401927) for 'nail care preparations, nail strengtheners, non-medicated nail treatment preparations for cosmetic purposes, nail polish, nail color gels, nail lacquers, none of the foregoing containing collagen'. The cited mark was COLLAGEN TRI-FLEX & Design (Registration No. 6035483) registered for 'dietary supplements for humans containing Types I, II, and III Collagen'. Despite the applicant's restriction excluding collagen, the Board agreed with the examiner's finding that the goods were 'complementary' of each other and therefore related. The Board focused on the products serving the same purpose – nail strengthening and decreasing nail breakage, whether supplements or nail polish, with or without collagen – in determining that the goods were related for likelihood of confusion purposes.^[7]

The USPTO has also found that third-party evidence can bridge the traditional gap between beverages and restaurant services. Past decisions in cases involving restaurant and beverages indicated that applicants need to show 'something more' than the mere fact that the goods and services are used together to create a presumption of likelihood of confusion.^[8] That 'something more' had to indicate that consumers would understand such services and goods to emanate from the same source. It could be shown through evidence of actual use of a mark for both the goods and services at issue and evidence of a large number of third-party registrations covering both the goods and services at issue. Recently, however, the Board has appeared to move away from requiring 'something more' to be proven in to find a likelihood of confusion in cases where food and beverages and restaurant and bar services are involved.

The Board concluded in a couple of recent decisions that wine and bar services are related, as are beer and restaurant services. In *In re Caymus Vineyards*, the Board held that TABLEAU (Serial No. 97040804) for wines was confusingly similar to TABLEAU (Registration No. 3381539) for 'restaurant and bar services; cocktail lounges'. In this proceeding, the applicant unsuccessfully argued that there has to be 'something more' than the mere fact that the goods and services might be used together, including taking into account marketplace considerations such that most restaurants and bars do not have private label wines. The Board agreed with the examiner, stating that the offered evidence demonstrated that 'consumers encounter wine under the same mark as restaurant services' and that 'something more' was not necessary to show relatedness given 'an inherent relationship between Registrant's bar services and cocktail lounges and Applicant's wine'. At the same time, the Board went on to say that though 'something more' was not necessary here, the extrinsic evidence presented by the examiner indeed established that 'something more' existed, demonstrating that the goods and services were related.

The Board reached a similar decision in *In re RS Lipman Brewing Company, LLC*. There, the applicant's mark was CHICKEN SCRATCH (Serial No. 90694523) for beer and the cited mark was CHICKEN SCRATCH (Registration No. 4812467) for restaurant services. The applicant argued that under the prior case law, 'something more' was needed to connect the marks, but the Board concluded that the growing popularity of the 'brewpubs' market segment within the craft beer industry suggested the goods and services are related.^[9]

In direct contrast to both of these registration refusals, in *In re 1729 Investments LLC*, the TTAB found that wine and restaurant services were unrelated.^[10] The applicant's mark was RAO'S (Serial No. 90694523) for wine, and the cited marks were RAO'S in standard character and stylised form for restaurant services. The TTAB reversed the registration refusal, holding that the 31 active third-party registrations submitted by the examiner were not sufficient alone to establish 'something more' for likelihood of confusion purposes. The Board also found that additional evidence submitted by the examiner of 13 wineries that have on-site restaurants bearing the same name as their wines did not demonstrate 'something more'. Instead, it found that:

the internet evidence overall does not support the Examining Attorney's position that it is common for regular restaurants to offer house-branded wine under the same name as its restaurant, or, for that matter, even wineries to offer on-site restaurants with the same name as the winery-branded wine.

'Some of the website evidence (four wineries and the Food & Wine website article excerpt) have little or no probative value as to whether the same names are used for the wines produced by the winery and the restaurant, or even as to whether an on-site restaurant is offered,' either because they did not show that the referenced establishments were restaurants, or because they did not clearly indicate whether the wine offered and the restaurant in question shared the same name. Of the remaining nine registrations, three showed restaurants using the same name as the wines produced by the winery, while four clearly showed that the wineries did not use the same names for wines and the winery restaurant, and another two indicated that the food services offered at the winery were not named at all.

While virtually similar case law was cited in arguments in both the *1789 Investments* and *Caymus Vineyards* cases, the Board reached diametrically opposed conclusions. Due to these inconsistencies, therefore, the more conservative approach is to assume that the USPTO will find food and beverage products to be related to food and beverage services, even if consumers are not likely to be confused in the real world.

In another recent decision relating to services, *In re Appalachian Headwaters, Inc*, the Board held summer camps and primary schools were related.^[11] It found that evidence from six third-party websites demonstrating that educational services and summer camp services are offered by the parties was sufficient to establish that the involved services 'are offered in the same channels of trade to the same consumers and, therefore, this *DuPont* factor weighs in favor of finding a likelihood of confusion'.

Some additional non-precedential cases where the Board found goods and services to be related include:

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In re C&D Brewing Ventures, Inc, Serial No. 88935220 (26 March 2024): finding soda pop and beer to be related based on 10 use-based third-party registrations and nine third-party websites;

- *In re AVR Realty Company, LLC*, Serial No. 90699970 (25 September 2023): finding houseware, baked goods, coffee beans and retail services to be related to tote bags and shirts based on the examiner's contentions that applicant's goods and services are related because it is common for the same entity to manufacture, produce or provide the relevant goods and services, in addition to evidence of seven third-party websites;
- *In re Surf Ready Fitness*, Serial No. 90548268 (21 June 2023): finding physical fitness training services to be related to clothing based on 10 use-based third-party registrations and seven third-party websites;
- *In re Jordan Saglio*, Serial No. 88593965 (31 May 2022): finding entertainment services featuring travel and sustainable living, to be related to clothing based on 30 use-based third-party registrations and seven third-party websites; and
- *In re Zeta Tau Alpha Sorority*, Serial No. 90090117 (29 August 2022): finding jewellery and clothing, to be related to mugs, cups, bottles, drinkware and tableware based on 15 use-based third-party registrations and eight third-party websites.

These recent decisions highlight the USPTO and TTAB's view of what qualifies as related goods and services based on third-party evidence.

E-commerce and concentrated retail environments have complicated this factor even more, as goods that may initially seem unrelated are available for purchase through similar channels. While by no means a dispositive inquiry, the physical proximity of goods within a store (ie, whether or not they are likely to appear on shelves next to each other) is one factor considered in a likelihood of confusion analysis.^[12] While modern consumers are aware that many unrelated goods are sold near each other in megastores such as Walmart and Target, or may appear on linked together webpages in online retail marketplaces such as Amazon, the blurring of how closely related goods need to be to each other in order to appear 'near' each other in e-commerce may make it harder to draw clear distinctions as to which goods are unrelated.

A classic example of this blurring is Amazon's expansion from an e-commerce site selling books to a platform offering every good imaginable in addition to having grocery, pharmacy and even an entertainment division that makes its own original movies and shows. Furthermore, as consumer perceptions about what range of goods and services a single business might sell and offers change, and consumers grow to recognise that one company may have a presence in a wide range of markets and industries, the conception of what is a related good and service will likely only continue to grow. Not too long ago it may have been odd to imagine, for example, nail polish and dietary supplements being sold by the same company under the same or a similar mark. Now, since several examples can be found, the USPTO may more regularly consider these goods related.

PRACTITIONERS NEED TO THINK LIKE EXAMINERS AND CONSIDER MORE 'RELATED GOODS'

Given the expansive view of related goods and services, practitioners should consider adopting a similarly expansive view of related goods when advising clients, and consider

what an examiner may find, even when goods and services initially seem quite disparate. For instance, examiners will search the web to see whether it is common for one company to offer goods and services of these seemingly different types under the same mark. An examiner will also look to third-party registrations to see if there are third party registrations that cover both types of goods, even though they are not obviously aligned. The TTAB will likely accept evidence of this sort. Attorneys reviewing a search for a mark for nutritional supplement gummies might not be concerned about a similar mark for personal care products and might be surprised to find that gummy vitamins may be viewed as sufficiently related to shampoo and bath gels and oils to provide the basis for a refusal. However, by searching for marks that cover both these items, to better anticipate potential likelihood of confusion refusals, practitioners can give more accurate advice to their clients.^[13]

As a practical matter, practitioners may wish to advise clients that they may receive likelihood of confusion refusals if there is sufficient evidence both in common law and based on active third-party registrations of relatedness between the respective goods and services. The more evidence an examiner is able to find to show goods and services are related, the more difficult the refusal will be to overcome.

Endnotes

- 1 <https://www.uspto.gov/trademarks/additional-guidance-and-resources/possible-grounds-refusal-mark>. ^ [Back to section](#)
- 2 *In re E I Du Pont de Nemours & Co*, 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). ^ [Back to section](#)
- 3 Trademark Manual of Examining Procedure section 1207.01(d)(iii). ^ [Back to section](#)
- 4 Trademark Trial and Appeal Board Manual of Procedure 704.03(b)(1)(B) Third-Party Registration. ^ [Back to section](#)
- 5 Despite recent United States Patent and Trademark Office (USPTO) audits and other efforts to ensure that mock-up and fake specimens do not get used to support the registration of trademarks that are not actually in use on all the claimed goods, there are still marks registered on the basis of use that cover a wide array of goods, including completely disparate goods that are not likely actually offered – even under a robust licensing programme. This means it is increasingly likely that an examiner will find multiple examples of third-party marks to support a relatedness refusal. ^ [Back to section](#)
- 6 *In re Salvation Nutraceuticals Inc.*, Serial No. 97015288 (8 March 2024) [not precedential]; Finding gummy vitamins related to personal care products ^ [Back to section](#)
- 7 *In re Wella Operations US, LLC*, Serial No. 97401927 (20 February 2024) [not precedential]; finding nail strengthener not containing collagen to be related to dietary supplements containing collagen ^ [Back to section](#)

- 8 See, eg, *In re St Helena Hosp*, 774 F.3d at 754, 113 USPQ2d at 1087; *Jacobs v Int'l Multifoods Corp*, 668 F.2d 1234, 212 USPQ2d 641, 642 (CCPA 1982); *In re Giovanni Food Co, Inc*, 97 USPQ2d 1990, 1992 (TTAB 2011) ('relatedness of food services and food items is not to be assumed and that evidence sufficient to meet the "something more" standard is necessary') (citing *In re Coors Brewing Co*, 343 F.3d 1340, 68 USPQ2d 1059, 1063 (Fed Cir 2003)). [^ Back to section](#)
- 9 *In re RS Lipman Brewing Company, LLC*, Serial No. 88209633 (3 May 2023) finding beer and restaurant services to be related. [^ Back to section](#)
- 10 *In re 1729 Investments LLC*, Serial No. 90694523 (24 April 2023) [not precedential]. [^ Back to section](#)
- 11 *In re Appalachian Headwaters, Inc*, Application Serial No. 90448759 (21 March 2023): finding summer camps and primary schools to be related. [^ Back to section](#)
- 12 Section 24:45. Goods or services sold or used 'under the same roof', 3 McCarthy on Trademarks and Unfair Competition Section 24:45 (5th ed). [^ Back to section](#)
- 13 The new USPTO search tool includes a 'coordinated class' search parameter that can be used to find results in classes the USPTO has coded as being 'coordinated', which thus have a higher likelihood of being considered "related" by the USPTO for likelihood of confusion purposes. For example, if a practitioner is conducting a search and selects coordinated class results in Class 25, the search will return marks in classes 14, 18, 24, 35 and 42. [^ Back to section](#)

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Argentina: Navigating the trademark landscape following regime reforms

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IN SUMMARY

The article analyses recent reforms to the trademark registration procedure, which were intended to speed the process up. However, the reforms have not necessarily been the improvement that many had hoped for.

DISCUSSION POINTS

- Argentine Trademark Office as a decision maker
 - Sample of cases reviewed
-

REFERENCED IN THIS ARTICLE

- Law No. 27,444
 - Resolution P-183/2018 and Resolution 279/2019 of Law No. 27,444
 - Paris Convention
-

The transformation of Argentina's industrial property rights system, particularly the trademark registration process, marked a significant shift from traditional practices. The enactment of Law No. 27,444 in 2018 brought about a series of reforms aimed at modernising and streamlining the administrative procedures for trademarks, patents, and industrial models and designs. These reforms were part of a broader government initiative to reduce bureaucracy and enhance the efficiency of administrative processes, including those related to industrial property rights.

The amendments introduced several key changes to the trademark registration process. The most notable among these were the modifications to the opposition procedure, opposition actions, cancellation actions and non-use cancellation actions. The new framework was designed to expedite these processes, which had previously been mired in lengthy court proceedings.

Prior to the reforms, any claims for the withdrawal of an opposition, cancellation of a trademark or cancellation due to lack of use had to be filed and prosecuted in a federal court. This was a century-old practice that often resulted in protracted legal battles, with decisions from the court of first instance taking anywhere from four to six years. For trademark owners, this delay could mean receiving a favourable decision long after the trademark had lost its market relevance or after suffering damages from imitators.

The rationale behind these procedural changes was to provide a more pragmatic approach to resolving trademark disputes. By moving away from the courts and towards administrative avenues, the goal was to achieve quicker resolutions and cost-effective outcomes. Proponents of the changes argued that this would benefit trademark owners by reducing the time and resources spent on litigation.

Despite the intentions behind the reforms, their practical impact on trademark claimants has been mixed. The anticipated benefits of shorter proceedings and more efficient tools have not been fully realised. In reviewing decisions issued by the Argentine Trademark Office

(Argentine TMO) post-reform, it becomes evident that the shift in venue and decision maker has not necessarily translated into the expected improvements.

As we continue to assess the outcomes of these changes, it is crucial to consider the experiences of trademark claimants and the performance of the Argentine TMO. The ongoing evaluation of the reformed system will determine whether further adjustments are necessary to fulfil the original objectives of the 2018 legislation. The future of Argentina's trademark registration process hinges on the ability to adapt and refine the procedures to meet the needs of rights holders effectively.

Review of the Argentine TMO's decisions since the regime change reveals a complex landscape of reform and adaptation. While the intent to streamline and de-bureaucratise the process is clear, the practical implications for trademark claimants are still unfolding. It is essential to monitor these developments closely to ensure that the system serves the interests of all parties involved in the protection of industrial property rights in Argentina. The journey towards a more efficient and responsive trademark registration process continues, with lessons learned and insights gained along the way.

ARGENTINE TMO AS A DECISION MAKER

The enactment of Law No. 27,444 in Argentina marked a pivotal moment for the country's trademark law, necessitating a series of new resolutions from the Argentine TMO to implement the revised procedures. Among these, Resolution P-183/2018 and Resolution 279/2019 were particularly significant, as they outlined the processes for opposition and cancellation due to non-use or nullity of trademarks, respectively. These resolutions designated the National Trademarks Office as the authority responsible for issuing first instance resolutions.

This shift from judicial to administrative decision-making sparked considerable debate among legal scholars and IP professionals. The judiciary's extensive history of critical decisions on trademark confusion left many wondering if the Argentine TMO was equipped to uphold and be bound by such precedents. The concern centred around the principles established by Argentine courts over many years, addressing issues such as trademark notoriety, de facto trademarks, pirate trademarks, foreign trademarks, medical product trademarks and the concept of legitimate interest.

Despite these concerns, the Argentine TMO, during the transition period, engaged in numerous discussions with professionals to reassure them that the new regime would not disregard the precedents set by federal courts. Instead, these precedents would serve as the foundation for analysing trademark cases under the TMO's jurisdiction.

A particularly contentious issue arising from the procedural changes was the handling of evidence. Questions arose regarding the TMO's capacity to produce evidence proposed by the parties and the extent to which parties could introduce new evidence at later stages of the proceedings. In response, the TMO clarified that the National Trademarks Bureau would assess the admissibility, necessity and value of the evidence presented by the parties, exercising discretionary power to accept or reject it without the possibility of appeal.

The transition to the new system has not been without challenges. As the TMO continues to issue decisions under the new regime, it is becoming increasingly clear that the success of the reforms depends on the TMO's capacity to balance the need for efficiency with the preservation of legal principles and fairness in trademark disputes.

Looking ahead, the Argentine TMO faces the task of refining its approach to align with the objectives of Law No. 27,444. The ongoing dialogue between the TMO and IP professionals will be crucial in shaping a trademark law framework that is both modern and respectful of established legal traditions. As Argentina continues to navigate these changes, the global IP community watches with interest, recognising the country's efforts to streamline its trademark law while grappling with the complexities of legal reform.

In conclusion, the Argentine TMO's journey post-Law No. 27,444 is a testament to the intricate process of legal evolution. The resolutions issued to implement the new procedures represent a significant departure from the past. As the TMO forges ahead, it must do so with an eye towards maintaining the delicate balance between efficiency and legal integrity, ensuring that Argentina's trademark law serves the needs of all rights holders in the IP ecosystem. The path forward is one of cautious optimism, as the TMO endeavours to honour the spirit of the law while navigating the practical realities of its application.

SAMPLE OF CASES REVIEWED

In the five years since the implementation of new trademark regulations, a critical analysis of the resolutions issued by the TMO reveals a pattern of adherence to certain judicial principles, while others remain underdeveloped. The Supreme Court of Justice's rulings have set a precedent that the deciding authority need not address every argument presented, but rather those pertinent to the case's resolution. This selective consideration of arguments is evident in the TMO's approach to opposition procedures, where the focus is primarily on the potential confusion and similarity between the contested trademarks, in some cases to the expense of other relevant factors such as trademark notoriety, medical product coverage, or related goods and services.

The TMO's handling of cancellation actions further illustrates this selective reasoning. Copycat applications are routinely rejected, yet the examiners seldom explicitly label the contested trademarks as pirated. Instead, the emphasis is placed on the identical nature of the applied-for trademark to a previously registered one. This raises questions about the TMO's future approach to unregistered well-known or notorious trademarks and the application of the Paris Convention in such scenarios.

Moreover, in cancellation actions due to non-use, the TMO has consistently relied on specific statements to resolve cases. These statements often revolve around the trademark's lack of use within the prescribed period, disregarding other substantive arguments that might be presented by the parties involved. This narrow focus on use-related criteria reflects a cautious and conservative approach by the TMO, potentially overlooking the multifaceted nature of trademark disputes.

The TMO's methodology, while efficient in certain respects, may not fully capture the complexities of trademark law. For instance, the notoriety of a trademark can significantly impact its distinctiveness and the likelihood of confusion – a factor that should not be overlooked in opposition proceedings. Similarly, trademarks associated with medical products warrant a more nuanced analysis due to the potential implications for public health and safety. The relationship between trademarks and related products or services also merits consideration, as it can affect the scope of protection and the risk of market dilution.

The TMO's reluctance to delve into these aspects suggests a preference for a more formulaic approach to decision-making. While this may streamline the process and provide clear-cut resolutions, it also risks oversimplifying complex legal matters and failing to address the

broader context of each case. As the TMO continues to evolve, it will be essential to balance the need for procedural efficiency with the imperative to provide comprehensive and fair judgments that reflect the full spectrum of trademark law.

The past five years have seen the TMO make strides in certain areas, yet there remains room for growth and refinement. The adoption of a more holistic approach to trademark examination and dispute resolution could enhance the robustness of the TMO's decisions, ensuring that all relevant factors are given due consideration. As trademark law continues to adapt to the changing landscape of commerce and intellectual property, the TMO's practices will undoubtedly come under greater scrutiny, prompting further development and, hopefully, a more inclusive application of the law.

The TMO's approach to cancellation actions for lack of use has been characterised by a reliance on certain established statements, which has led to a pattern of decision-making that prioritises procedural technicalities over substantive examination. This approach is evident in cases where the TMO has rejected cancellation actions on the grounds that the subjective rights of the applicant have not been adversely affected, in cases where no opposition was filed against similar trademark applications. Furthermore, the TMO has claimed to conduct searches to verify the use of contested trademarks, yet it has not provided evidence of such searches, raising questions about the burden of proof and the TMO's role in evidencing use.

The TMO's reasoning in cancellation actions, particularly in Argentina, reveals a strict adherence to formal requirements for trademark renewal. The necessity for a sworn declaration of use, without the need to submit actual evidence, places the onus on the trademark owner to truthfully declare the use of their trademark. However, when claimants challenge the veracity of these declarations, the TMO defers to other institutions, such as the federal courts, to determine the truthfulness of the documents, thereby prolonging the resolution process.

This procedural stance taken by the TMO has significant implications for the trademark cancellation process. It suggests that the TMO is not equipped to investigate the authenticity of use declarations, effectively shifting the responsibility to the claimant and the courts. As a result, claimants face a lengthy and potentially burdensome process to challenge the validity of a trademark based on the accuracy of use declarations.

The TMO's preference for informative evidence over substantial proof of use or recognition further complicates the matter. By accepting primarily informative evidence, the TMO may inadvertently exclude crucial evidence that could influence the outcome of a case. This practice underscores the importance of presenting comprehensive evidence during the initial proceedings, as it may serve as a foundation for further legal action should the case be appealed to the federal courts.

In light of these observations, it becomes apparent that the new procedures have not necessarily streamlined the resolution process for claimants. Instead, they have introduced a level of complexity that requires claimants to navigate both administrative and judicial avenues to achieve a resolution. The TMO's current methodology, while perhaps efficient in certain respects, does not fully address the intricacies of trademark law and the need for a thorough examination of all relevant factors.

As the TMO continues to refine its processes, it will be crucial to consider the balance between procedural efficiency and the substantive rights of the parties involved. A more

nuanced approach that takes into account the full spectrum of evidence, including the notoriety of trademarks and the relationship between related products or services, could lead to more equitable and just outcomes. Ultimately, the evolution of the TMO's practices will play a pivotal role in shaping the landscape of trademark law and ensuring that the rights of trademark owners and claimants are adequately protected.

CONCLUSIONS

Processes strive to align with the updated framework. The recent summary of cases under the revised Trademark Law reveals that the transition is still underway, with several critical aspects requiring further contemplation.

The intent behind the new regulation was to introduce a more agile and expedient pathway for resolving trademark disputes, thereby simplifying the claims process. However, the journey towards fully realising the established principles in case resolution reasoning appears to be ongoing. The resolutions thus far have illuminated the need for trademark professionals to explore alternative strategies to reach satisfactory outcomes. This may include, in some instances, resorting to the judicial system for certain claims, despite the prospect of extended durations to reach a conclusion.

The TMO's current approach, while streamlined in certain respects, has not yet achieved the anticipated level of flexibility and speed in decision-making. The principles that underpin the reasoning in case resolutions remain only partially integrated into the TMO's practices. As a result, professionals in the field are prompted to consider innovative methods to navigate the legal landscape effectively.

One such method may involve a more proactive engagement with the courts. While this approach may extend the timeline for resolving claims, it also opens the door to a more thorough examination of the issues at hand. The courts' involvement can provide a more comprehensive adjudication process, potentially leading to more nuanced and equitable decisions.

Moreover, the TMO's focus on procedural aspects over substantive examination has highlighted the importance of a balanced approach that considers both the letter and the spirit of the law. Its reluctance to delve into the veracity of use declarations, for instance, underscores the need for a mechanism that can adequately assess the authenticity of such claims.

In conclusion, the evolution of trademark law and the TMO's practices is an ongoing process. The new regulation has set the stage for change, but the full integration of its principles into the TMO's decision-making process is a work in progress. As the legal community continues to adapt, the pursuit of alternative avenues for claim resolution, including judicial intervention, may become increasingly prevalent. The ultimate goal remains clear: to establish a legal framework that is both efficient and just, capable of upholding the integrity of trademark law and protecting the interests of all parties involved.

In the broader context, the TMO's journey reflects the challenges inherent in legal reform. The transition from old to new, from established to innovative, requires patience, persistence and a willingness to embrace change. As the TMO navigates this path, the lessons learned will undoubtedly contribute to the refinement of trademark practices and the pursuit of justice within the IP domain. The road ahead may be long, but it is paved with the promise of progress and the potential for a more responsive and effective legal system.



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Chile: Applying the IP law under the Madrid Protocol

Alvaro Arévalo and **Francisco Valverde**

Villaseca Abogados

Summary

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DISCUSSION POINTS

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SOME REFLECTIONS ON TRADEMARK CANCELLATION ACTIONS IN THE CONTEXT OF THE MADRID PROTOCOL

THE 'ALL-IN-ONE' POSITION OF PROVISIONAL REFUSALS AND THE ISSUE WITH RESPECT TO FORMAL OUT-OF-TIME REVIEW

IN SUMMARY

The Madrid Protocol and its implementation by the Chilean Trademark Office (CL TMO) once again made the news in 2023. The CL TMO has given the Protocol a self-executing character and has only issued general instructions to its staff regarding the Protocol's application (ie, Exempt Resolution 184-2022). In this article, we discuss two important points. The first is related to the scarce regulation of the nullity action of a trademark registered in Chile that corresponds to a Madrid Protocol designation and the lack of legal certainty it causes for international users. The second is related to the 'all-in-one' approach adopted by the CL TMO related to provisional refusals, particularly in relation to the formal examination of designations in Chile and the tensions that this generates with IP Law 19,039.

DISCUSSION POINTS

- Analysis of trademark cancellation actions in the context to the Madrid Protocol
 - Provisional refusals of the Madrid Protocol made by the CL TMO, and particularly those derived from formal objections
-

REFERENCED IN THIS ARTICLE

- Exempt Resolution 184 of 2022
 - IP Law 19,039 of 1991 and its Regulations
 - Law 21,355 that modifies IP Law 19,039
 - Law 19,880 that Establishes Bases of the Administrative Procedures that Govern the Acts of the Bodies of the State Administration
-

SOME REFLECTIONS ON TRADEMARK CANCELLATION ACTIONS IN THE CONTEXT OF THE MADRID PROTOCOL

Regarding cancellation of a trademark, and after several changes over the past few years to IP Law 19,039, a trademark registration can only be cancelled in the following ways:

- Voluntary withdrawal: any party can voluntarily withdraw a registration. When made through a representative, special powers are required.
- Cancellation action: registration granted to signs deemed unprotectable by the IP Law may be invalidated on the basis that prohibitions for granting registration were ignored. Such an action must be filed within five years of the registration date.

Notwithstanding this, there is no time limit for filing an invalidation action against a mark registered in bad faith.

Also, in changes introduced by Amendment Law 21,355, a revocation action for lack of use is now available in Chile. As of 9 May 2022, the following revocation scenarios are also possible:

- For new trademarks, a registration granted after 9 May 2022 will be cancelled if the trademark has not been put to real and effective use in Chile within five years of when registration was granted, either by the owner or by a third party with his or her consent,

to distinguish one or more of the goods or services for which the registration was granted, or use was suspended without interruption for the same period.

- A cancellation action is also established when a trademark has become generic. This action can be exercised as of the entry into force of Amendment Law 21,355.

All these actions are heard at the first instance by the head of the CL TMO and at the second instance by the Industrial Property Court. In some circumstances, decisions of the Industrial Property Court may be appealed before the Supreme Court.

On the other hand, according to article 13 of IP Law 19,039, the form of a notification regarding cancellation actions against national (local) trademark registrations must be done in the terms indicated in articles 40 et seq of the Civil Procedure Code, for which foreign owners must establish domicile in Chile. In other words, a cancellation action against a person with no domicile or residence in Chile will be notified to their lawyer or representative referred to in article 2 of the IP Law.

Notwithstanding this, the CL TMO has decided to interpret the Madrid Protocol as being self-executing and, therefore, there is no need to reform Law 19,039 to apply it. Regarding the instructions for the processing of international trademarks under the Protocol relating to the Madrid Agreement under Exempt Resolution 184-2022, the referred article has been validated as being applicable to the international trademarks filed under the Madrid Protocol, but subject to the particularities that the instructions establish.

Hence, before provisional refusal of an international registration in Chile as a designated country, the holder of the registration must appear before the CL TMO and carry out formalities according to the national procedure, and must appoint a representative domiciled in Chile, in accordance with the provisions of the IP Law 19,039 and its Regulations.

In the context of a notification of cancellation action against the owner of a Chilean registration, there will be no problem with a national application or an international registration if the CL TMO provisionally refuses international registration during its procedure, owing to the obligation to appoint a local representative.

However, what happens in international registrations that appoint Chile as a designated country and do not receive any objection from the trademark office, being registered locally without the need to have appointed a local agent?

The foregoing presents a practical problem as it is unclear how or when the holder will become aware of the notification of cancellation, creating uncertainty for both parties. Moreover, owing to the implementation of the Madrid Protocol in Chile (starting on 4 July 2022), no cases have yet been presented, hence no jurisprudence or criteria in this regard have been established by the CL TMO, the Industrial Property Court or the Supreme Court. From our perspective, an amendment to Chilean law reinforcing the need to appoint a local representative in any case is necessary.

THE 'ALL-IN-ONE' POSITION OF PROVISIONAL REFUSALS AND THE ISSUE WITH RESPECT TO FORMAL OUT-OF-TIME REVIEW

Another very important issue, which will surely be very interesting for users of the Madrid Protocol interested in designating Chile, has to do with the criteria being adopted by the CL TMO when issuing provisional refusals, particularly those derived from formal objections.

To fully understand the above, we must start by confirming that designations in Chile, once they enter the national territory, should follow the same legal treatment as trademark applications filed directly in the country.

Notwithstanding this, while holders of designations in Chile, as happens in many countries, will only see provisional refusals in a centralised form, in the national file of the trademark application associated with each designation, different concepts are used and associated with the normal procedure of processing a trademark. For example, the WIPO will notify the owners of a provisional refusal, which may be of a formal or substantive nature or based on an opposition filed by an interested third party. But in Chile, there is a legal procedure that must be complied with and that perhaps is not being fully respected with regard to Madrid Protocol designations. In other words, the Office could be forcing the procedure to comply with the requirements of the Protocol, but in such a way that it might be ignoring important rules.

Before entering into the analysis, it should be noted that, to date, the CL TMO has formulated three types of provisional refusals, which may be manifested individually or simultaneously in the same case, adopting an all-in-one solution:

- Those based on substantive objections: by legal mandate, the CL TMO must conduct a substantive examination with respect to every trademark application in Chile, and designations in Chile are no exception. This kind of examination, by explicit mandate of article 22, paragraph 4 of IP Law 19,039, must be carried out once the period for filing an opposition by interested third parties has concluded. The objective of this exam is to determine whether the designation in Chile incurs any grounds for refusal established by IP Law 19,039. If any of these hypotheses is verified, the CL TMO will issue a provisional refusal (eg, when a designation is confusingly similar to a mark previously applied for or registered in Chile by a third party or when the CL TMO considers that a trademark application is generic or descriptive with respect to the goods and services it has specified).
- Those based on oppositions: likewise, it is important to consider that IP Law 19,039 requires that any trademark application filed in Chile be advertised so that any interested party may file an opposition against it. While all trademark applications filed in Chile must be published, by legal mandate in the Official Gazette, designations in Chile, by a decision of the CL TMO, are published in an electronic gazette created by the CL TMO for this purpose. If, within 30 days of publication, the designation in Chile is opposed, the CL TMO will issue a provisional refusal.
- Those based on formal objections: finally, perhaps the most controversial case has to do with the provisional refusals associated with formal objections. Normally, the CL TMO, through the trademark conservator, carries out a formal examination of any trademark application filed in Chile after its filing and prior to its acceptance for prosecution, which will then result in its publication for opposition purposes. Thus, if it considers, for example, that it is necessary to specify further the designated goods and services, it will issue an official action requesting the applicant amend the situation. For this purpose, article 22, paragraph 1 of IP Law 19,039 grants a term of 30 days to correct the problem, which does not affect the right of priority. If the above does not occur, the Office may declare the abandonment of the application for failure to comply with the official action. In practice, in most cases it grants a new period of 30 days, and possibly even more than one.

Notwithstanding this, in the case of designations in Chile, something different happens, which could be considered at odds with the contents of IP Law 19,039. In fact, the CL TMO has altered the usual order of the procedure *ex officio*, carrying out the formal examination after the publication of the extract of the designation in Chile in the Office's electronic gazette. Moreover, the formal examination is no longer performed by the trademark conservator as required by domestic law but is carried out directly by the head of the TMO.

In practice, the CL TMO has adopted the strategy of carrying out the formal examination within the substantive examination stage, thereby changing its legal nature. The Office has justified this situation, for example, based on the impossibility of determining the object of protection clearly and unequivocally because the goods and services are drafted in terms that are too broad, ambiguous and confusingly similar to other classes, making it impossible to carry out the substantive examination and grant such goods and services.

While the above could be acceptable for a provisional refusal under the WIPO rules, we must remember that the Chilean designation is also part of an internal regulated procedure – a situation that cannot be forgotten under the pretext of complying in any way with the obligations of the Madrid Protocol. What really corresponds at the moment is to carry out the formal examination within the stage established by IP Law 19,039. Basically, the current implementation of the Madrid Protocol in Chile led by the CL TMO has no mirror in certain aspects of IP Law 19,039.

In other words, the Office is creating a new cause for non-registrability not contemplated in article 20 of IP Law 19,039, in circumstances where the sanction for non-compliance with a formal requirement is not rejection, but abandonment. For clarity, the abandonment of a trademark application is very different from its rejection, as the former occurs at the formal stage of the procedure and implies that the CL TMO does not rule on the merits of the application. On the other hand, rejection is an institution of strict law, and its grounds are expressly established in article 20 of IP Law 19,039, and the CL TMO cannot add new grounds.

At the end of the day, we believe that the CL TMO has run into a practical problem with the implementation of the Madrid Protocol in Chile, as it has dispensed with a modification of the Law, has interpreted the Protocol as being self-executing and has only issued general instructions for its staff to apply it in a certain way (ie, Exempt Resolution 184-2022). This has generated many inconsistencies that could contravene the express text of IP Law 19,039.

Certainly, the CL TMO could issue a partial refusal before the publication of the designation in the electronic gazette, but after that it would have to wait to know if there are oppositions and then carry out the substantive examination. Eventually, other impediments could arise, turning the procedure into a very complex one for the holders of the designations in Chile, generating a lack of legal certainty.

It seems that one solution to this is, in addition to the CL TMO correctly applying the domestic law, complying with the legal obligation to appoint a representative in Chile in all trademark applications, including designations of the Madrid Protocol, as established in article 2, paragraph 1 of IP Law 19,039, as in this way, the formal examination could be carried out normally by the Office. Unfortunately, the position of the CL TMO, as stated in article 12(4) of Exempt Resolution 184-2022, is to require representation only when an action will be taken before the Office.

For the moment, and as long as the CL TMO does not follow IP Law 19,039 in its entirety, Exempt Resolution 184-2022 will continue to govern as, in accordance with Law 19,880 that Establishes Bases of the Administrative Procedures that Govern the Acts of the Bodies of the State Administration, it will remain in force and is presumed to be legal, imperative and enforceable against its addressees, from its entry into force, unless the Act is challenged, *ex officio* or upon request, and it is declared ineffective by order of the administrative authority or the competent judicial court.

To date, there is no news of any challenge to Exempt Resolution 184-2022. If a challenge arises in the future, its effects should not be retroactive as, for this to occur, it is required by law that not only must there be favorable consequences for the interested parties, but also the rights of third parties must not be infringed.

In any case, to avoid any issues in the future, it would be advisable to voluntarily designate a representative in Chile from the beginning as established in IP Law 19,039 to allow the CL TMO to potentially perform the formal review at the appropriate time.

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Mexico: Practical considerations for pursuing oppositions

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IN SUMMARY

The opposition is a procedure that takes place in parallel to the prosecution of a trademark application and can be filed by any third party who has an interest and considers that the applied-for mark is prohibited by Mexican IP law.

Once the application and the opposition are processed, the Mexican IP Office will refuse registration (if the opposition proves favourable) or issue the certificate of registration and opposition decision (if the opposition proves unfavourable). In both cases, appeal is available.

DISCUSSION POINTS

- Overview of the two types of opposition decisions
 - Current challenges in practice
 - Time limits for filing an appeal against an adverse opposition decision
 - Other practical recommendations
-

REFERENCES IN THIS ARTICLE

- Federal Law for the Protection of Industrial Property (FLPIP)
 - Federal Law on Contentious Administrative Procedure (FLCAP)
-

The opposition system in Mexico is turning eight years old. During its development, the procedure has undergone changes in the interests of better functioning and better protection of the legal spheres of rights holders and consumers of goods and services.

In summary, the opposition is a procedure that takes place in parallel to the prosecution of a trademark application and can be filed by any third party who has an interest and considers the applied-for mark is prohibited by Mexican IP law.

Once the opposition is filed, the Mexican IP Office (IMPI) will conduct the registrability examination of the applied-for trademark and will notify the applicant of opposition, granting a statutory term of four months to file a formal reply thereto.

After this term lapses and if the applicant responds to the opposition, IMPI will grant both the parties a common five-day term to file closing arguments.

IMPI will then continue with the official examination of the opposed application and will issue its decision, either by refusing registration or by granting it if the opposition result was unsuccessful.

Articles 229 and 203 of the Federal Law for the Protection of Industrial Property (FLPIP) establish the following:

Article 229.

After the period of two months referred to in article 225 of this Law, once the evidence has been processed, the proceedings shall be made available

to the applicant and to the persons who have filed oppositions so that, where appropriate, submit claims within a period of five days, which shall be considered by the Institute. Once this period has elapsed, the corresponding resolution shall be issued without further formality.

Article 230.

Once the application process has concluded and the legal and regulatory requirements have been satisfied, the title shall be issued.

In the event that the Institute denies the registration of the trademark, it shall notify the applicant in writing, stating the reasons and legal grounds for its resolution.

The Institute shall issue the resolution that corresponds to the oppositions received, stating the reasons and legal grounds for its resolution.^[1]

As previously mentioned, there are two types of decision within an opposition procedure.

OPPOSITION PROCEDURE DECISIONS

Refusal Of Registration

The registrability examination and the opposition procedure both concluded that, if the examiner considers the opposition to be grounded or the applied-for mark is prohibited by the Law, IMPI will refuse the trademark registration and the opposition would be considered successful.

IMPI's refusal decision is not final as it can be appealed before the Federal Court on Administrative Affairs (FCA) through a nullity claim.

Likewise, the FCA's decision may also be appealed at the second instance through an *amparo* suit before a federal court with a panel of three judges.

Granting Of The Certificate Of Registration

Likewise, the registrability examination and the opposition procedure both concluded that, if the examiner considers the opposition to be ungrounded and the applied-for mark is not prohibited by the Law, IMPI will proceed to grant the certificate of registration and to issue a resolution that corresponds to the oppositions received, stating the reasons and legal grounds for its resolution.

Initially there was not much clarity about the possibility of appealing the opposition decision and the title issued by IMPI, nor many criteria in this regard.

At first, many nullity claims filed against the issuance of a certificate of registration were dismissed by the FCA, which argued that those affected by the granting of a trademark registration must file the administrative invalidation action of this trademark registration before IMPI, considering IMPI is the authority empowered and entitled to decide whether the administrative invalidation action of a registration is valid (but not the FCA).

In other words, the invalidation action of a trademark registration is not the jurisdiction of the FCA, as there is an express procedure for this purpose, and it is processed before IMPI.

Now there is greater clarity and criteria issued by the Superior Chamber of the FCA that establishes that the nullity claim is appropriate against the two decisions, the issuance of the certificate of registration and the opposition decision, and the FCA is the competent authority for this purpose.

If a favourable resolution is obtained in the appeal stage by virtue of a nullity claim, the nullity of the opposition resolution will be declared, and the trademark registration granted will be declared illegal and, therefore, lose all its effects.

In other words, IMPI's decisions regarding an opposition procedure are not final and can be appealed jointly before the FCA through a nullity claim. The legal effects are that the opposition resolution is declared null, and the trademark registration previously granted is declared illegal and loses all its effects.

The aforementioned is not recognised by the following:

OPPOSITION PROCEDURE. THE RESOLUTION ISSUED MAY BE CONTESTED JOINTLY WITH THE TRADEMARK REGISTRATION BEFORE THE FEDERAL COURT OF ADMINISTRATIVE JUSTICE.

In accordance with article 120 of the Industrial Property Law, the opposition procedure may be filed by any third party who considers that the application for trademark registration or publication falls within the assumptions provided for in articles 4 and 90 of the Industrial Property Law. Industrial Property; therefore, the result of the procedure will be to determine if the hypotheses in which the granting of the trademark registration or its publication are not actually updated. Derived from this, it is clear that between the resolution that ends the opposition procedure and the granting of the trademark registration, there is a common cause that consists of determining whether or not any impediment to granting the latter is updated; and in that sense, taking into account the contiguity of the case, both acts can be disputed simultaneously in the federal administrative litigation trial.

Contentious Administrative Trial No. 785/19-EPI-01-1/1911/21-PL-09-04.- Resolved by the Jurisdictional Plenary of the Superior Chamber of the Federal Court of Administrative Justice, in a session of 27 April 2022, unanimously with 11 votes in favour.- Judge Rapporteur: Alfredo Salgado Loyo.- Secretary: Lic. Enrique Camarena Huezca.

(Thesis approved in the session of 29 June 2022)^[2]

The above criterion represents a great advance in Mexico in terms of IP law, precisely regarding the opposition procedure, because it provides clarity and legal certainty to the holders of industrial property rights regarding the possibility of challenging adverse decisions of opposition procedures.

Likewise, this precedent is of utmost importance as, in the absence of promulgation and publication of the FLPIP Regulations, there is currently not much clarity about the legal avenues and available resources to appeal adverse decisions derived from opposition procedures. In a certain way, before the issuance of this criterion, the IP rights holders were unable to defend them.

It is highly likely that the pending FLPIP Regulations follow the criteria adopted by the court in the above thesis, which would result in a success because it clearly represents an important improvement and strengthening of the industrial property legal system in Mexico.

Likewise, the legal figure of the opposition has evolved since its introduction in 2016: currently, if we file an opposition and it does not succeed, we must be prepared to challenge the ruling that IMPI gets to issue in opposition proceeding, in all relevant appeal instances, which as previously mentioned, would be before the FCA through a nullity claim and, possibly, at a second appeal stage through an *amparo* suit before a federal court of administrative affairs, with a panel of three judges.

Otherwise, the result of the opposition may negatively impact any invalidity action that would later be attempted against any eventual registration to be granted for the above-mentioned trademark, because in recent cases counterparties and the Mexican courts are beginning to apply the notion of 'reflective res judicata'.

Reflective res judicata in this case means that as both the invalidity action and the opposition proceedings require IMPI to conduct an analysis on the likelihood of confusion between the trademarks in conflict, if when resolving the opposition IMPI considered that the trademarks under analysis are not confusingly similar, this should also apply in any invalidity action, which would force IMPI to deny that invalidity action.

CURRENT CHALLENGES IN PRACTICE

Article 52 of the Federal Law on Contentious Administrative Procedure (FLCAP) states the following:

ARTICLE 52.- The final sentence may:

1. Recognise the validity of the contested resolution.

...

1. Declare the nullity of the contested decision.

...

1. Declare the nullity of the contested resolution and also:

1. Recognise the plaintiff the existence of a subjective right and condemn compliance with the correlative obligation.
2. Grant or restore to the plaintiff the enjoyment of the affected rights.^[3]

In daily practice, we have been experiencing that in almost all cases in which an opposition is unfavourable, IMPI proceeds to issue the certificate of registration, but the opposition decision is not issued until several months have passed.

Considering the fact that the FLPIP Regulations have not yet been published and are due to clarify the particularities of the opposition procedure, a lot of confusion and nervousness among practitioners, law firms and trademark holders in Mexico has been generated in relation to the possible appeal stage against adverse opposition decisions.

Ideally, the certificate of registration and the decision should be issued by IMPI jointly because the course of action to challenge the conflicting registration would be the filing of a nullity action before the FCA against the opposition decision and the trademark registration certificate jointly.

Furthermore, having a complete picture of the panorama or scenario, and knowing the reasoning and foundation on which an IMPI decision was based, is essential to proposing a good and effective litigation strategy. Likewise, it provides certainty and greater clarity to clients about the costs, times and implications that each of the appeal stages may have.

Owing to the delay that exists between the issuance of the certificate of registration and the opposition, we have adopted as a 'practical remedy', filing a brief before IMPI to expedite the issuance of the opposition decision, as an effort for the authority to be more efficient in issuing both resolutions jointly until the regulations to the Law are published.

TIME LIMITS FOR FILING AN APPEAL AGAINST AN ADVERSE OPPOSITION DECISION

For the purpose of filing an appeal before the FCA through a nullity claim, we have a term of 30 business days after being served with an opposition decision. As mentioned, a current issue almost all the users and practitioners are experiencing is the great disparity of time that exists between the issuance of the registration certificate and the decision that led the examiner not to consider the arguments expressed in an opposition to be sufficient and well founded. In some cases, this disparity in time in issuing this decision reaches more than four to five months – a period that we consider excessive.

For the purposes of expediting the issuance of the examiner's decision regarding the opposition and reducing the time disparity with respect to the issuance of the trademark registration certificate, a practice that many colleagues have implemented in the absence of legal regulations in this regard is to file an additional writ before IMPI expressly requesting the issuance of the opposition decision so that, in the near future, both decisions will be issued jointly and it will be possible to evaluate, in a faster and efficient manner, potential litigation strategies to the clients as well as the chances of success.

OTHER PRACTICAL RECOMMENDATIONS

The opposition procedure has several advantages, including the following:

- It is a procedure instituted against a trademark that has not yet been registered and, therefore, does not have constituted rights per se.
- It is a procedure carried out at the same time or simultaneously as the trademark application prosecution, so the time frame of the issuance of a decision is faster.
- The costs are reduced compared to a litigation action.
- The unfavourable opposition decision and the potential certificate of registration can be appealed before two subsequent instances.

However, before recommending that a client pursue or take the opposition procedure as a course of action, it is very important to consider certain particularities, among which is

the penalty or impossibility of initiating an invalidation action in the event of obtaining an unsuccessful opposition claiming the same arguments and evidence.

For example, if an opposition has been promoted and it is unsuccessful or unfavourable, namely, it does not prevent the granting of the trademark registration in question, the possibility of filing an invalidation action against such trademark registration is prevented based on the same arguments and evidence as those filed in the opposition.

For example, if an opposition is filed based on the likelihood of confusion and it is unsuccessful, the possibility of filing an invalidation against the resulting trademark registration based on likelihood of confusion would be precluded. Consequently, a potential invalidation action would have to be filed on a different basis (eg, deceptiveness or bad faith).

However, it might be difficult to invoke these different causes of invalidation (deceptiveness or bad faith) because, in the end, any argument related to them would have to be linked to the likelihood of confusion, and if IMPI's determination concluding the absence of likelihood of confusion becomes firm, this determination will become *res judicata*, affecting the possibility of successfully cancelling the conflicting registration before IMPI.

Article 259 of the new Mexican IP law outlines the penalty to file a nullity action based on the same arguments and evidence presented in the opposition:

Article 259.- A nullity action shall not be admitted, when the opposition provided in Article 221 of this Law has been filed, provided that the arguments asserted in the nullity action, as well as the evidence, are the same as those filed in the opposition and the Institute has already ruled on them.^[4]

This new provision is intended to avoid the filing of idle oppositions, which tends to delay and hinder the trademark registration process in Mexico, and consolidate the opposition procedure as a more robust and reliable mechanism in preventing the granting of trademark registrations that may affect prior third parties' rights.

All these particularities must be considered when deciding the best course of action to take in terms of success rate, times and costs.

In conclusion, if pursuing an opposition, keep in mind that the opposition decision is appealable.

However, considering the FLPIP is still pending the publication of its regulations, and because the FCA and the Federal Courts on Administrative Affairs have just started to have precedents on the origin, jurisdiction and scope of opposition decisions, and certificates of trademark and their effects, there are several particularities that could influence the decision to opt for an invalidation action or the opposition procedure.

Endnotes

- 1 https://www.jpo.go.jp/e/system/laws/gaikoku/document/index/mexico-e_in_dustrial-property.pdf. [^ Back to section](#)

- 2 https://www.tfja.gob.mx/media/media/biblioteca/revistas/2022/Rev_TFJA_Sep_2022.pdf. ^ [Back to section](#)
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IN SUMMARY

This article summarises general principles of trademark prosecution in the United States.

DISCUSSION POINTS

- The types of trademarks that can and cannot be registered
 - Common law trademark rights
 - Non-traditional trademarks
 - Opposition to trademarks and petitions for cancellation
 - Transferring ownership of trademarks
 - Best practices for trademark licensing and assignments of trademarks
 - Trademark need-to-knows in the United States
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REFERENCED IN THIS ARTICLE

- The Trademark Manual of Examining Procedure
 - *Wal-Mart Stores, Inc v Samara Bros*
 - *Seabrook Foods, Inc v Bar-Well Foods, Ltd*
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WHAT CAN BE REGISTERED?

In the United States, a trademark^[1] is a device that is used to indicate the source of goods or services to which it is applied, and gives the owner the exclusive right to use the mark on those goods or services. As such, a registered trademark does not give the owner exclusive rights to prevent anyone from using the mark in any context. Rather, it gives the owner protection in connection with the specific goods and services with which the mark is registered throughout the United States and, in some instances, with those that are considered related or in the natural zone of expansion.

In addition to those rights, a trademark registration in the United States provides the owner with the following rights and privileges:

- the right to use the symbol to indicate registration with the United States Patent and Trademark Office (USPTO);
- listing of the trademark in the USPTO database of registered marks, which provides notice to anyone searching for the same or a similar mark;
- presumptive nationwide rights, which may ease the burden in federal litigation;
- the ability to use the registration as proof of ownership in any trademark-related disputes; and
- the right to register the trademark with US Customs and Border Patrol to prevent counterfeit goods from entering the country.

Almost anything can be a trademark if it is used to indicate the source of goods or services. For example, trademarks can range from words, images and designs to sounds, smells, colours, shapes of goods and even the trade dress of a restaurant or other establishment. While all of these can be registered with the USPTO, some of them are held to a heightened level of scrutiny and require a showing of secondary meaning.

WHAT CANNOT BE REGISTERED?

While the format of a trademark can vary, there are some restrictions as to what can be registered. Words, images or designs that are generic cannot be registered as trademarks. Marks are considered to be generic when the term is one that the purchasing public considers to be the common or class name for the goods or services.^[2] For example, the word 'book' for books is generic and cannot function as a trademark for those products (although it might be protectable if used for a completely unrelated item, such as the name of a restaurant). Similarly, sounds, smells, colours or shapes that are functional cannot be registered.

Other trademarks may be registrable only under certain circumstances. Specifically, marks that are descriptive of an ingredient, quality, characteristic, function, feature or purpose of the goods or services, or geographically descriptive of the place where the goods or services are produced, are difficult to register on the Principal Register.^[3] Some marks that would be refused registration on the Principal Register may be registered on the Supplemental Register. For example, trademarks that are merely descriptive or primarily merely a surname may be amended to the Supplemental Register and given the opportunity to acquire distinctiveness.

In the United States there are two registers: the Principal Register and the Supplemental Register. The Principal Register is for trademarks that are inherently distinctive and capable of functioning as an indicator of the source of goods and services. The Supplemental Register is a secondary register for trademarks that contain some descriptive or non-distinctive element and are not inherently capable of indicating source, but may become capable over time. A mark may only be registered on the Supplemental Register if it is in use in US commerce (or based on a home country registration if owned by a foreign applicant).

Marks that are registered on the Supplemental Register do not enjoy the same rights and privileges as those on the Principal Register. A mark registered on the Supplemental Register may use the symbol and be used as constructive evidence and notice of ownership of the mark and priority use. However, registration on the Supplemental Register is not presumptive evidence of the validity of the registration, nor of the ownership of the mark or the exclusive right to use it in the United States.

Marks that cannot be registered on either the Principal Register or the Supplemental Register include:

- marks that are likely to be confused with prior registered marks;
- marks containing deceptive matter and matter that may falsely suggest a connection with persons living or dead, institutions, beliefs or national symbols;
- marks that lead consumers to believe goods or services originate in a place where they do not;
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flags, coats of arms or other insignia of the United States, a state or municipality, or a foreign nation;

- names, portraits, or signatures of particular living individuals without their consent, or deceased US presidents without the consent of their living spouse; and
- titles of single creative works (eg, titles of books, albums and songs)

COMMON LAW TRADEMARK RIGHTS

In the United States, common law trademark rights are unregistered rights that are based on the use of a trademark in commerce in a particular geographic area. Common law trademark rights can be enforced only in the geographic area in which the trademark is used.

Common law trademark rights grant the owner some of, but not all, the rights granted in a federal registration. They include the right to use the trademark in connection with the goods and services in that geographic area (but not necessarily the right to expand beyond that), as well as the right to enforce those rights in both the Trademark Trial and Appeal Board (TTAB) and federal or state court.

NON-TRADITIONAL TRADEMARKS

Non-traditional trademarks such as sound, scent, colour and trade dress are held to higher standards than traditional trademarks. Like traditional trademarks, non-traditional marks must be capable of indicating the source of the goods and services and must not consist of material that is descriptive of or generic for the goods or services. However, non-traditional marks are not protectable to the extent they provide a functional purpose for the goods or services.^[4]

Aside from those differences, the procedure for prosecuting non-traditional marks is substantially the same as for traditional trademarks.

To be registrable, non-traditional trademarks cannot be functional and must have acquired distinctiveness. Both elements must be met: if the applied-for mark is functional but has acquired distinctiveness, this is not sufficient to obtain registration. Similarly, if the mark is not functional but has only been used minimally for two years, registration on the Principal Register may be difficult.

The most common type of non-traditional trademark is trade dress. The Supreme Court has distinguished between two types of trade dress – product design and product packaging.^[5] Product design trade dress cannot be inherently distinctive and, therefore, is registrable on the Principal Register only with a claim of acquired distinctiveness.^[6] If the product design has not obtained acquired distinctiveness, it may be registered on the Supplemental Register.^[7]

The bar for establishing distinctiveness for a trade dress application for the Principal Register is high, and a mere statement of five years' use (which is the standard for traditional marks) is generally not sufficient. Additionally, when providing evidence of acquired distinctiveness, it should show use of the product design trade dress alone, rather than together with other marks, in order to give greater weight to the evidence of sales and advertising figures.^[8] The applicant must be able to show that consumers would recognise the specific configuration of the trade dress mark, and not the goods or services in general.

Meanwhile, product packaging trade dress can be inherently distinctive. When determining if a proposed product packaging trade dress is inherently distinctive, the USPTO considers whether the:

- proposed mark is a 'common' basic shape or design;
- mark is unique or unusual in the proposed field;
- proposed mark is a mere refinement of a commonly adopted and well-known form of ornamentation for a particular class of goods viewed by the public as a dress ornamentation for the goods; or
- proposed mark is capable of creating a commercial impression distinct from the accompanying words.^[9]

Any one of these factors by itself may be determinative as to whether a mark is inherently distinctive.^[10]

If the non-functional product packaging, product design or other trade dress mark has not acquired distinctiveness, it may be registered on the Supplemental Register.

HOW ARE OPPOSITIONS HANDLED?

All applications on the Principal Register are published in the Official Gazette and are open for opposition by any third party. An opposition, or a request for an extension of time, must be filed with the TTAB within 30 days of publication of the mark. A 30-day extension of time is granted without cause (and at no cost); an additional 60-day extension of time is available for good cause (and upon payment of a fee). A further 60-day extension of time (for a total of 180 days) may be granted if consent from the applicant is obtained (and upon payment of an additional fee). The most common grounds on which an additional 60-day extension is granted are if more time is needed to investigate the claim, seek counsel or negotiate a settlement.

If an opposition is not filed at the end of this period or the appropriate extension of time was not initially requested, or both, a potential opposer must wait until the application matures to registration to file a petition to cancel. If an application is based on intent to use and an applicant takes advantage of all five extensions of time to show use, a potential opposer may have to wait three years to take action against a mark.

The notice of opposition must be filed together with the required fee, which is currently US\$600 per class. It is possible to oppose only some of the classes covered by an application; not all classes have to be opposed.

Possible grounds for opposition include:

- priority or likelihood of confusion;
- descriptiveness; and
- genericness.

While the initial costs to file an opposition (or cancellation) may be minimal, the entire proceeding could take years and cost hundreds of thousands of dollars, depending on how extensive discovery is, whether a consumer survey is obtained and whether the action goes through to trial. Much like regular litigation, it is difficult to estimate the cost of a proceeding because of the many different factors involved.

HOW ARE CANCELLATIONS HANDLED?

A petition for cancellation can be filed at any time after a registration issues; however, some grounds for cancellation are not available once a registration has been registered for five years. The petition for cancellation must be filed together with the required fee, which is currently US\$600 per class.

Common grounds on which a petition to cancel can be filed at any time include the following:

- the mark has been abandoned;
- the registration was obtained by fraud;
- the mark is generic; and
- the mark is geographically deceptive.

The grounds most notably missing from this list are likelihood of confusion or priority and descriptiveness. They are missing because marks that have been registered for five years on the Principal Register and used continuously during that time are afforded additional rights by virtue of their incontestable status; in a petition for cancellation, third parties cannot claim prior use of a mark (and therefore superior rights) against a registration that is incontestable.

Assuming the opposition or petition for cancellation has been filed in a timely manner and properly served, and the appropriate filing fees have been paid, the TTAB will institute the proceeding and issue a scheduling order outlining the deadlines for the proceeding.

Ultimately, if a decision is rendered, it determines only whether that particular mark is registrable; it does not have any bearing on whether a party can use a mark.

WHAT ARE THE PENDENCY LEVELS FOR THE PAST 12 MONTHS?

The time between filing a new trademark application with the USPTO and first examination on average is 8.3 months.^[11] The average time between filing a new application and that application registering is 14.6 months.^[12] This assumes that the application does not face any substantive issues, multiple office actions or oppositions by third parties, which can increase the timeline to registration.

HOW TO TRANSFER OWNERSHIP OF TRADEMARKS

During the course of a trademark's life, a number of different occurrences can affect title. For example, like other property, trademarks can be sold or transferred. Similarly, security interests can be granted to IP rights. Or perhaps a change of name or merger has affected the structure or name of the owner of record. Some occurrences affect title immediately (like an assignment); others simply preserve a party's interest (such as a security interest). Most transfers affecting title can be recorded with the USPTO; some must be recorded within a certain amount of time to preserve rights against third parties.

The USPTO recently updated its process for recording assignments and other documents relating to ownership, to streamline and modernise the process.^[13] The aesthetic of the platform has changed, though the key functionalities remain similar to the old system.

LICENSING AND ASSIGNMENT BEST PRACTICE

Licensing

Many trademark owners license their trademarks to other parties to develop the brand in specific areas where it does not traditionally operate. For example, the owner of a trademark most known for clothing might license another to use the mark on accessories, because the owner does not have the capability to develop and make the accessories. Other trademark owners may have a corporate structure such that one entity owns the trademark for tax purposes but allows another related entity to use it. If done with a proper licence, these types of arrangements can increase the value of the brand and strengthen the trademark owner's rights; however, if done improperly, they could denigrate the value of the trademark or create a situation in which the trademark owner has legally abandoned the mark.

A key point in US licensing is to avoid 'naked' licensing. This is when a trademark owner allows another party to use its trademarks without sufficient control. The amount of control required to avoid naked licensing depends on the context. Elements that can point toward retention of control include:

- a written licence agreement;
- the licensor's periodic review of licensed goods or services;
- appointment of a quality control officer; and
- establishment of trademark use guidelines.

Assignment

An assignment transfers all right, title and interest in a trademark from one party to another. To be a valid assignment, an assignment must transfer the goodwill associated with the trademark.

An assignment cannot be terminated; once the assignment has been executed, the mark has been sold and transferred to the new owner. While the assignor may attempt to preserve certain rights contractually (ie, if the assignee does not sell US\$1 million worth of widgets in a five-year period, the mark reverts back to the assignor), courts may not view this as an assignment but rather as a licence; if viewed as a licence, it may be viewed as a naked licence, thereby calling into question the assignor's rights in the mark.

Applicants should be aware that in the United States, the law prohibits the transfer of intent to use trademark applications. The exception to this rule is when the purchaser is the successor to the business to which the trademark pertains, and that business is ongoing and existing.

WHAT ARE THE FIVE KEY NEED-TO-KNOWS FOR THE JURISDICTION?

1. Search before filing to see if anyone else is using or has registered the mark in question or one that is substantially similar to the mark: searching to determine if anyone else is using the mark in connection with proposed goods and services can save time, money and frustration. If the proposed mark is not available, a new one can be picked and cleared before the product or services are launched, and the application process will likely be much smoother.
2. USPTO's new trademark search platform: the USPTO recently launched a new trademark search platform to replace the prior one. The new system was designed to be more user-friendly, though as a caveat the USPTO appears to still be working on resolving functionality issues because the new search platform sometimes yields

incomplete results and, in a small number of cases, lists incorrect application and registration statuses.^[14]

3. File early: current examination wait times can be frustrating to trademark owners looking for quick answers; it is recommended to file new applications early in the branding and product launch process. Additionally, filing early preserves rights to the mark even if the client is a few years from market.
4. Tailor your goods and services, especially for registrations based on home country registrations: there has been an increase in non-use challenges brought by third parties against these types of registrations (both at the TTAB and via the newly created expungement proceedings). Instead of filing to cover a broad range of goods and services, consider tailoring your goods and services and filing for those goods and services that you actually have an intent to use in the United States.

Post-registration audits: when filing maintenance or renewal documents, trademark owners should take a careful look at their goods and services and proactively delete any items that are no longer in use. There has been an increase in post-registration audits, and proactively deleting goods and services can save costs later.

Endnotes

- 1 The term 'service mark' is often used to refer to use in connection with services instead of goods. For convenience, we'll use 'trademark' to refer to both throughout this article. ^ [Back to section](#)
- 2 TMEP section 1209.01(c). ^ [Back to section](#)
- 3 TMEP section 1209.01(b). ^ [Back to section](#)
- 4 TMEP section 1202.02(a)(viii). ^ [Back to section](#)
- 5 *Wal-Mart Stores, Inc v Samara Bros*, 529 US 205 USPQ2d 1065, 1069 (2000). ^ [Back to section](#)
- 6 TMEP 1202.02(b)(i). ^ [Back to section](#)
- 7 id. ^ [Back to section](#)
- 8 id. ^ [Back to section](#)
- 9 *Seabrook Foods, Inc v Bar-Well Foods, Ltd*, 568 F.2d 1342, 1344, 196 USPQ 289, 291 (CCPA 1977). ^ [Back to section](#)
- 10 TMEP section 1202.02(b)(ii). ^ [Back to section](#)
- 11 <https://www.uspto.gov/trademarks/application-timeline>. ^ [Back to section](#)

12 id. [^ Back to section](#)

13 <https://assignmentcenter.uspto.gov/>. [^ Back to section](#)

14 <https://tmsearch.uspto.gov/search/search-information>. [^ Back to section](#)

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Best practices for protecting trademarks containing geographical names in China

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Summary

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IN SUMMARY

The topic of whether trademarks containing geographical names can be registered, and the scope of protection after registration has always been a hotly debated issue. For businesses, incorporating geographical names (especially foreign ones) into their trademarks can signify quality, culture or location, boosting market appeal and consumer interest. However, authorities must balance rights protection with market fairness and prevent consumer confusion. In January 2023, the China National Intellectual Property Administration of China (CNIPA) issued Guidance on the Registration and Use of Trademarks Containing Geographical Names, which clarifies prohibitions, risks and rights limits for such trademarks, emphasising honesty and preventing rights abuse. This article, based on those guidelines and examination practices, analyses the registrability of trademarks containing foreign geographical names, tips to increase the chances of registration and post-registration protection scope to aid businesses in China's trademark strategies.

DISCUSSION POINTS

- Current examination practices for trademarks containing foreign geographical names
 - Strategies for obtaining registration of trademarks containing foreign geographical names
 - Rights boundaries of trademarks containing foreign geographical names after registration
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REFERENCED IN THIS ARTICLE

- Guidance on the Registration and Use of Trademarks Containing Geographical Names
 - Trademark Examination and Adjudication Guidance (2021)
 - Trademark Law
-

INTRODUCTION

Geographical names are labels for specific places, used to indicate location or direction. They are public resources, owned collectively by a region's members, and are essential for identifying and distinguishing locations such as Beijing, Paris and New York. Registered trademarks are those officially approved by trademark authorities under applicable laws. Registration grants the owner exclusive use of the trademark and the right to stop others from using identical/similar marks for identical/similar goods or services. Clearly, trademarks containing geographical names involve a delicate balance between public resources and private rights. Determining whether a trademark containing a geographical name can be registered requires authorities to consider the balance between public and private interests.

CURRENT EXAMINATION PRACTICES FOR TRADEMARKS CONTAINING FOREIGN GEOGRAPHICAL NAMES

According to article 10(2) of the Trademark Law:

Names of administrative divisions at or above the county level or well-known foreign geographical names shall not be used as trademarks. However, this shall not apply if the geographical name has other meanings or is part of a collective trademark or certification trademark. Registered trademarks containing geographical names shall remain valid.

The Trademark Examination and Adjudication Guidance (2021) defines 'well-known foreign geographical names' as those known to the Chinese public, including the full names, abbreviations, foreign names and commonly used Chinese translations of geographical names from other countries and regions.

The concept of 'well known' is dynamic and evolving. Factors considered include: (1) dictionary definitions; (2) whether the foreign geographical name has been widely disseminated through mass media such as publishing, the internet, broadcasting, and film and television within a certain period, making it easily recognisable by the Chinese public; and (3) the actual usage of the foreign geographical name by trademark applicants.

In January 2023, the CNIPA issued the Guidance on Registration and Use of Trademarks Containing Geographical Names (the 2023 Guidance). This Guidance further clarifies the prohibitions, stability risks and rights boundaries of trademarks containing geographical names, guiding trademark applicants and users to adhere to principles of honesty and good faith, and preventing the abuse of rights when applying for and using trademarks. The 2023 Guidance identifies three scenarios involving foreign geographical names:

- Well-known foreign geographical names: examples include Havana (capital city of Cuba), Massachusetts (the state of Massachusetts in the United States), Florence (a famous tourist destination in Italy), etc.
- Foreign geographical names known for producing specific goods or services: this refers to foreign geographical names not known to the general Chinese public but whose corresponding regions are famous for producing certain goods or providing specific services. An example is 伊豆 (Izumi, a city in Japan), which is used in trademarks for textile towels and blankets. Imabari has the highest towel production in Japan, enjoying a certain degree of popularity among relevant consumers.
- Names of religious activity locations or venues: an example is Mecca (the holy city of Mecca in Islam).

The prohibition of the use of the aforementioned foreign geographical names is due to the following considerations:

- Geographical names directly indicate the origin of goods or services, making it difficult for them to function as identifiers of the source of products or services.
- Geographical names that do not match the actual origin of goods or services can mislead and deceive consumers.
- To prevent the monopoly of public resources by private rights, the scope of trademark rights cannot extend to public domains such as well-known geographical names.

Based on current examination practices, the CNIPA adopts a strict standard for examining absolute grounds for rejection. Generally, if examiners determine that a trademark contains any of the aforementioned foreign geographical names, the trademark is likely to be rejected during the initial examination stage. Moreover, due to the prohibitive nature of article 10 of the Trademark Law, the trademark cannot be used in the market. This represents a very strict regulatory measure.

Trademarks such as Prada Milano, Trinny London, Royal Delft 1653 and 24h Le Mans have been rejected in the initial examination stage due to the inclusion of foreign geographical names.

HOW TO INCREASE THE CHANCES OF REGISTERING TRADEMARKS CONTAINING FOREIGN GEOGRAPHICAL NAMES

Are all trademarks containing foreign geographical names that are rejected necessarily unregistrable? No.

If a trademark application is rejected in China, the applicant can request a review and challenge the refusal decision within a specified time frame. Following review, they can take the matter to court to dispute the decision, seeking a judicial review of the trademark's registrability.

So, what types of trademarks containing foreign geographical names may have a chance of being registered through the review or litigation process?

As per article 10(2) of the Trademark Law: 'However, this shall not apply if the geographical name has other meanings or is part of a collective trademark or certification trademark.'

Article 6 of the Supreme People's Court's Interpretation on Several Issues Concerning the Trial of Administrative Cases Involving the Authorisation and Confirmation of Trademarks (Fashi (2017) No. 2) states:

If a trademark consists of the name of an administrative division at or above the county level, a well-known foreign geographical name, and other elements, and has a meaning distinct from the geographical name as a whole, the people's court shall determine that it does not fall under the circumstances specified in Article 10(2) of the Trademark Law.

According to the Trademark Examination and Adjudication Guidance, a geographical name with alternative meanings is one that carries a clear and more significant meaning as a word than as a geographical identifier, without causing confusion.

The 2023 Guidance also mentions that the prohibitions on registering trademarks containing geographical names include the following exceptions: the geographical name contained in the trademark is independent of other elements with distinctive features, and the geographical name only serves to indicate the applicant's location.

In practice, the applicant may consider the following aspects.

How Well Known The Foreign Geographical Name Is

If the foreign geographical name is not widely known among the Chinese public or is not famous for producing certain goods or providing specific services, the trademark remains registrable.

For Case No. (2011) GaoXingZhongZi 384, regarding the refusal to review Mark No. 5356237 'SHIMIZU and device', the Beijing High People's Court ruled that the trademark contained 'SHIMIZU'. The Trademark Review and Adjudication Board (TRAB) cited the English–Chinese Dictionary to prove that 'SHIMIZU' refers to the city name in Japan. However, due to language differences, the Chinese public generally does not recognise 'SHIMIZU' as a geographical name in Japan, and existing evidence is insufficient to prove that SHIMIZU as a Japanese geographical name is widely known among the Chinese public.

Trademark No. 69159007 'LANCASTER GOLDEN LIFT' (containing the geographical name Lancaster) was also registered after argument based on similar reason.

Therefore, for trademarks rejected for containing geographical names, the starting point may be the relatively low degree of awareness of the geographical name.

Whether The Chinese Public Knows The Foreign Geographical Name In Its Foreign Language Or Chinese Translation

For foreign geographical names, the applicant may consider whether the Chinese public is familiar with the English or Chinese expressions of the geographical name. Some foreign geographical names may be known to the Chinese public in their Chinese translations but not in their English expressions. This does not preclude the English expression from being registered as a trademark, or vice versa.

For Case No. (2012) GaoXingZhongZi No.1001, regarding the refusal review of Trademark No. G980884 'ZURICH HELPPPOINT', the Beijing High People's Court ruled that, if the Chinese public knows the Chinese translation of the foreign geographical name but not the English expression, the English expression is not prohibited from use or registration as a trademark. Regarding the disputed mark, although the name 'ZURICH' corresponds to the Chinese translation '瑞 士 瑞 士 瑞 士' which is known to the Chinese public, the English name per se is not widely recognised by the Chinese public. Therefore, the first instance court correctly determined that the trademark application did not violate the provisions of article 10(2) of the Trademark Law and had registrability.

Whether The Trademark Contains Other Elements And Whether It Has A Different Meaning As A Whole

In practice, most trademarks rejected for containing geographical names consist of a geographical name and other elements. In such cases, if the trademark gains distinctiveness through the addition of other elements and no longer only has the meaning of a geographical name or primarily conveys a geographical name, it should not be deemed unregistrable solely due to the inclusion of a foreign geographical name.

According to the Trademark Examination and Adjudication Guidance, trademarks consisting of well-known foreign geographical names and other characters shall not be excluded from registration if they have a different meaning as a whole and their use on the designated goods or services will not lead to public confusion regarding the origin of the goods, for example 'London Fog' (Class 18: briefcases; umbrellas) (*London fog is a natural phenomenon).

For Case No. (2019) JingXingZhong No. 5319, regarding the refusal review of Mark No. 22790153 'VIRGINIABLU', the Beijing High Court held that the disputed trademark

'VIRGINIABLU' is a coined word with no fixed meaning. Although 'VIRGINIA' in the disputed trademark refers to the state of Virginia, the Chinese public does not easily recognise the individual spelling of Virginia in the disputed trademark. Therefore, the first instance court correctly determined that the disputed trademark did not constitute a violation of the provisions of article 10(2) of the Trademark Law.

On the other hand, if a trademark includes other elements but fails to form a meaning distinct from the geographical name as a whole, it remains unregistrable.

For Case No. (2019) JingXingZhong No. 8165, regarding the refusal review of Trademark No. 25834778 '碧山里昂' (Bishan Lison & Lyon' in Chinese), the courts ruled that, although the trademark includes several other elements and the characters 'Lyon' are located at the end, the trademark as a whole did not form a meaning distinct from the geographical name. Therefore, both the first instance and second instance courts held that the registration of the disputed trademark constituted the circumstances specified in article 10(2) of the Trademark Law, prohibiting its use as a trademark.

Whether The Trademark Has Been Used To Distinguish It From The Geographical Name

The essential purpose of a trademark is to distinguish the source of goods or services. If a trademark containing a geographical name has been used to develop a secondary meaning that enables the public to distinguish the source of the product, it can be registered. Therefore, whether a trademark containing a geographical name has developed a secondary meaning through use is also a key consideration.

For Case No. (2013) GaoXingZhongZi No. 884, regarding the refusal review of the Trademark IR No. 1024730 'Munich RE and device', the Beijing High Court ruled that the disputed trademark consists of 'Munich Re' and a device. Considering that the English name of the applicant is 'Munich Reinsurance Company' and its business is reinsurance for insurers, as well as the evidence in the case, the relevant public does not view the disputed trademark solely as a geographical name. Therefore, although the application trademark contains the characters of a geographical name, the addition of other elements has created a meaning distinct from the geographical name as a whole.

Upon research, many trademarks have been successfully registered by arguing on similar grounds, including:

- Trademark No. 22350425 'GARDNER DENVER PUREAIR' (including the geographical name DENVER); and
- Trademark No. 30287287 '巴黎' (the first two characters mean 'Paris').

Whether The Trademark Contains Other Elements And The Geographical Name Only Serves To Indicate The Applicant's Location

If the disputed trademark contains a geographical name that is independent of other marks with distinct characteristics and only serves to truthfully indicate the location of the applicant, it can also be argued for its registrability.

Examples in the Trademark Examination and Adjudication Guidance include:

- Raymond Weil Geneve (the registrant is located in Geneve, Switzerland); and
- Ambregris Paris (the registrant is located in Paris, France).

In the trademark case '24h Le Mans' represented by the author, the CNIPA determined that, despite 'Le Mans' being a well-known foreign geographical name, the mark could be registered because the applicant was from Le Mans, France. The geographical name served solely to indicate the applicant's location, not falling under the circumstances of article 10(2) of the Trademark Law. Consequently, the trademark was successfully registered and protected in China.

BOUNDARIES OF RIGHTS PROTECTION FOR TRADEMARKS CONTAINING FOREIGN GEOGRAPHICAL NAMES

After the registration of a trademark containing a geographical name, does this mean that everything is fine and the trademark holder has absolute exclusivity protection? No.

Upon registration, the trademark owner gains exclusive rights, allowing them to use, license, transfer and renew the mark for specific goods or services. They can also prevent unauthorised use of the same or similar marks on identical or related products.

However, the exclusivity of trademarks containing geographical names is subject to certain limitations due to their public nature. This restriction aims to balance interests, promote fair competition and maintain economic order.

According to article 59 of the Trademark Law, the registrant of a registered trademark has no right to prohibit others from using the trademark in a proper manner if it contains a geographical name.

The 2023 Guidance contains the following information.

- The trademark registrant should use the registered trademark in accordance with the approved trademark symbol and designated goods or services. The use should not alter, highlight, simplify, add to, deform or split the geographical name portion of the trademark without authorisation. If the use needs to extend beyond the designated scope of goods or services, or if there is a need to change the trademark symbol, a separate application should be submitted.
- The trademark registrant should exercise and maintain their rights in accordance with principles of honesty and good faith and the principle that rights should not be abused. The use of a relevant geographical name as a non-trademark meaning to indicate geographical origin should be considered a justified use, and the registrant has no right to prohibit it based on the similarity of the geographical name to the one in their registered trademark.
- Other market participants should respect the exclusive rights of registered trademarks and use the geographical name in a way that does not exceed the 'justified and reasonable' boundaries. When using the geographical name in a registered trademark, it should be limited to a non-trademark meaning to indicate geographical origin and should not ride on the reputation of others' trademarks, confuse the source of goods or services or use a non-geographical origin place name, to avoid misleading the public.
- Parties should avoid transferring a trademark containing a geographical name to an assignee who will actually use it in a way that could lead to confusion about the origin or source.

Therefore, in practice, if others use a geographical name to describe or introduce geographical location or environment, and not as a trademark to distinguish the source of products, even if the geographical name is included in the registrant's registered trademark, others are fully entitled to use the name in a reasonable manner.

For Case No. (2019) YueMinZhong No. 1597, Company A claimed trademark infringement by Company B, alleging unauthorised use of the Chinese translation of 'Fontainebleau' on hotel signage, brochures and other materials, on the basis of its earlier registered trademarks '凤丹 Feng Bailu & device' and '凤丹 Feng Bailu' (similar to Fengdan Bailu, which is the Chinese translation of Fontainebleau).

The second instance court held that 'Fengdan Bailu' is the Chinese translation of the famous French historical, cultural and tourist town Fontainebleau. They are well known in both France and China and have become public resources that cannot be monopolised by individuals. The main part of the alleged infringing mark, the French part, is identical to the famous French geographical name 'Fontainebleau', and the Chinese part is a complete translation of the French name. Other elements of the alleged infringing mark are not the same as nor similar to the registered trademarks. Therefore, Company A has no right to prohibit others from using the foreign geographical name Fontainebleau in Chinese in a proper manner, and Company B's use of the alleged infringing mark does not infringe on Company A's registered trademark rights.

However, the legitimate use of a geographical name contained in other parties' registered marks requires the public to recognise it as a location, not as another party's trademark. The use should be in good faith and within reasonable limits. If it is overused, the trademark owner is still entitled to take action to protect their rights.

For Case No. 2019 JinMinZhong No. 577, the court ruled that Shanxi Chaoniu Company's prominent use of 'Xiaolongkan' on various store elements constituted trademark use, as it served to identify the source of goods or services, despite the company's argument that 'Xiaolongkan' is a geographical name.

CONCLUSION

Every sword possesses two blades, and the registration of trademarks that incorporate foreign geographical names is also characterised by a balance of dual rights. For enterprises, the initial stage of applying for trademarks containing geographical names requires proactive preparation and strategic planning. Following successful registration, it is essential to engage in subsequent rights protection efforts to strike a balance between rights and responsibilities, to strategically plan ahead, and this approach holds significant practical value.



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China: Navigating non-use cancellations before the CNIPA

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Summary

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IN SUMMARY

According to the monthly report and annual report issued by the China National Intellectual Property Administration of China (CNIPA), the number of applications for review of non-use cancellation surged from 13,413 in 2019 to 21,393 in 2023. Not all the cancellation decisions will be reviewed, so the number of non-use cancellation actions in the first stage is higher than the above statistical data. It means that more and more trademark registrants have to actively cancel others' trademarks or respond to office actions. This article provides some special overview of the regulations, cases and developments of trademark non-use cancellation practices in China. They may be different from the practices in other countries and areas and could help you do business better in China.

DISCUSSION POINTS

- Use of a trademark on gifts
 - Use of a trademark in the context of OEM trade practices
 - Altered use of a trademark and use of a trademark that points to other similar registrations
-

REFERENCED IN THIS ARTICLE

- Standards on Trademark Examination and Trial 2016
 - Guidelines on Trademark Examination and Trial 2021
 - Guidelines of the Beijing High People's Court concerning the Trial of Administrative Cases involving Trademark Authorisation and Confirmation 2019
 - Trademark Law of the People's Republic of China 2019
 - Provisions of the Supreme People's Court on Several Issues concerning the Trial of Administrative Cases involving Trademark Authorisation and Confirmation 2017
-

USE OF A TRADEMARK ON GIFTS

Gift giving is a marketing strategy commonly adopted in commercial practice. Here, the concept of gift giving refers to the offering of gifts in purchases, usually free of charge, to consumers for promotional purposes to boost sales. So, when a trademark is used on such gifts, will it be deemed as effective commercial use to defend non-use cancellation?

In article 5.3.5 of the Standards on Trademark Examination and Trial 2016,^[1] 'the use of a mark only on gifts' is clearly listed as one of the situations that does not constitute the effective commercial use of the trademark in the sense of the Chinese Trademark Law. However, in the Guidelines on Trademark Examination and Trial 2021,^[2] this regulation has been deleted. No particular regulation is available now as to whether the use of a mark on gifts constitutes effective use in commerce or not.

The CNIPA and courts tend to make decisions regarding use on a case-by-case basis. However, the most important factor to be taken into consideration is whether the trademark

used in a gift has functioned to identify the source of the goods or services in actual use. In other words, when a gift is given out to consumers, for free or for a fee, as long as the consumers can identify the source of goods or services as emanating from the gift provider, it will be recognised as effective commercial use.

In the cancellation action against the trademark '☉' No. 4392695 (2019 JXZ No. 1690),^[3] this trademark was registered on daily porcelain, porcelain decorations, etc, in Class 21. The trademark holder submitted the commissioned production contract and invoice, the commissioned design agreement and invoice, the exhibition contract signed between the licensee and others, the contract and invoice for the licensee to sell the main goods to others, as well as media reports on the relevant goods. The court decided that although the trademark is used on goods that are given to consumers as gifts free of charge, considering that the trademark has functioned to identify the source of the goods, the evidence is effective to prove the use of the trademark.

In some cases, the court considered the main business of the trademark holder and considered whether gifting is common practice when doing business.

In the cancellation action against the trademark '☉' No. 853410 (2017 JXZ No. 2424),^[4] this trademark was registered on clocks, commemorative medals, etc, in Class 14. The trademark holder submitted the evidence showing that it had commissioned others to manufacture 1,000 pieces of silver commemorative medals labelled with the disputed trademark, but there is no evidence to prove that it sold the commemorative medals. The court considered the characteristics of the main business of the trademark holder and considered that the commemorative medals are commonly used for gifting to customers. Whether gifting or selling, they all constitute the commercial use aimed at consumers. As such, the trademark registration was decided to be maintained.

If the trademark holder labels its own trademark on other parties' already branded products and gives out the goods as gifts, it will be determined that the consumers are unlikely to identify the source of the gifts as coming from the trademark holder.

In the cancellation action against the trademark 'Mobil' No. 1170515 (2021 JXZ No. 5414),^[5] this trademark was registered on wallets, suitcases, etc, in Class 18. The trademark holder ordered gifts from other backpack manufacturers, including backpacks and suitcases labelled with the brands of the manufacturers. The logo design reference image shows that these products are also marked with the disputed trademark. However, considering that the aforementioned products are all sourced from other brands, and that there is a significant difference between the trademark holder's actual business and luggage products, even if the relevant public can see the aforementioned luggage products, they will not consider them to be sourced from the trademark holder. Therefore, the relevant public is unlikely to establish a connection between the disputed trademark and the goods it identifies, and therefore it does not constitute the use of the trademark.

USE OF A TRADEMARK IN THE CONTEXT OF OEM TRADE PRACTICES

The term 'original equipment manufacturer' (OEM), as mentioned in the following text, refers to two different situations. One is that the owner of a trademark not registered in China entrusts a Chinese company to produce and process relevant goods, and exports all goods without selling them in China. The other one is that the production is entrusted by the owner of a trademark as registered not in China, but the products are not exported from China.

According to article 19.16 of the Guidelines of the Beijing High People's Court concerning the Trial of Administrative Cases involving Trademark Authorisation and Confirmation 2019,^[6] it confirms that where the goods labelled with a disputed mark are not circulated in China and are directly exported to a foreign country, the registrant's request for maintaining the trademark registration shall be supported. The Guidelines on Trademark Examination and Trial 2021^[7] take a similar approach.

It is now quite a common practice for the CNIPA and the court to recognise the effective commercial use of a trademark labelled on goods that are directly exported to a foreign country without circulation among Chinese consumers. The rationale behind this practice is that the production link takes place within China, and in this process, the mark has already functioned to identify the origin of the goods, at least among the relevant public, including those closely related operators. Also, if the trademark holder has registered its trademark in China, even if its goods are only manufactured in China, the CNIPA and the court tend to believe the holder has a goodwill to use, and is actively using, the mark, instead of 'token use', considering the large costs involved in the exportation. They also tend to believe that there exists the possibility that these goods may someday be imported back into China for sale due to increasing interconnectivity between countries. Another consideration is that if the use of a trademark in the context of OEM trade practices does not constitute effective commercial use, OEM trades in China will be impacted significantly.

It is not difficult to prove the chain from making the order and exporting the products from China. But when collecting and preparing evidence, the trademark holder is likely to neglect that only when all the products are exported from China, which can constitute the use of the trademark under OEM. In the absence of this evidence, it shall not constitute trademark use, even though the products are entrusted for production by a foreign trademark holder. From some evidence, we can see that the trademark holder directly or through its Chinese company entrusts a Chinese factory for production and processing but does not provide export evidence. In addition, there is also a lack of the evidence showing the sales of products in the Chinese market. Under such circumstances, it shall not constitute effective trademark use.

In the cancellation action against the trademark 'Aptamil' No. 10000314 (2022 JXZ No. 5134),^[8] this trademark was registered on toilet paper, paper napkins, etc, in Class 16. The trademark holder submitted product photos, WeChat Moments screenshots, online promotional screenshots, the trademark licence agreement and authorisation letter, the distributor cooperation agreement and delivery note, the OEM contract and receipt, etc. The court considered that the OEM contract and the receipt only reflected the commissioned production of the products and did not prove that the trademark holder had engaged in commercial use of the disputed trademark in the sense of trademark law.

ALTERED USE OF A TRADEMARK AND USE OF A TRADEMARK THAT POINTS TO OTHER SIMILAR REGISTRATIONS

According to article 49 of the Trademark Law of the People's Republic of China,^[9] a trademark registrant should not make alterations with respect to the registered trademark. However, in practice, it is usually difficult to ensure that the mark in actual use is exactly the same as the one already registered. So, to what extent does the use of a mark constitute the effective use of a registered mark?

According to article 26 of the Provisions of the Supreme People's Court on Several Issues concerning the Trial of Administrative Cases involving Trademark Authorisation and Confirmation,^[10] where the mark in actual use is only slightly different from the registered mark and does not change its dominant feature, the use of the mark can be deemed as effective use of the registered mark. As such, the focal point in cancellation proceedings with respect to a mark is not whether it is exactly the same as the registered mark but whether it changes the dominant feature of the registered mark.

In *Jing Shunyou v Huizhou Qibei Technology Co, Ltd* (2023 ZGFXZ No. 5),^[11] the Supreme People's Court decided that the mark in actual use, namely 'HONG MENG EDUCATION & Device' only adds the word '教育' which means education, to the registered mark 'HONG MENG & Device' No. 7998354 and does not change the dominant feature of the registered mark. In this case, the additional word '教育' (education) is of weak distinctiveness in respect of the educational services in Class 41 on which the disputed mark is registered. In other words, the dominant part of the mark in actual use is the same as the one already registered. Accordingly, the Supreme People's Court finally recognised the use of the trademark with an additional descriptive word as the effective use of the registered mark, and the registration of the disputed mark was finally decided to be maintained.

It takes four and a half years from lodging the non-use cancellation to receiving the judgment from the Supreme People's Court. We can see that the trademark in actual use does not have obvious difference from the registered mark in the appearance. However, the CNIPA, the Beijing IP Court and the Beijing High People's Court all determined that the evidence is insufficient to prove the use of the trademark.

From this case, we can learn that adding some descriptive parts to a registered mark shall not affect the recognition of the use of a registered trademark. However, there is no doubt that lots of evidence is required and work needs to be done to persuade the authorities. As such, it is advisable to register the trademark the same as in actual use. If after registration, the trademark will be altered even if it is not the substantive modification, it is advisable to file a fresh application for registration of the new trademark.

At present, the Chinese Trademark Law does not prohibit repeated registration of the same or similar trademark on similar goods. So, it is common that a trademark holder has the registrations for several similar trademarks and there is no substantive difference between these marks. The evidence may show exactly one trademark, but not the disputed trademark. What if the trademark in actual use does not change the dominant feature of the registered trademark, but at the same time points to some other mark registered in the name of the holder?

As is pointed out in article 19.13 of the Guidelines of the Beijing High People's Court concerning the Trial of Administrative Cases involving Trademark Authorisation and Confirmation 2019,^[12] where a trademark registrant owns several registrations, even if there are only nuanced differences between the trademark in actual use and the disputed trademark, the request for maintaining the registration of the disputed trademark may be rejected if it could be proved that the trademark actually used is some other registered trademark in the name of the holder.

In *Shanghai Sanshi Enterprise Management Co, Ltd v Lacoste* (2021 JXZ No. 5906),^[13] the Beijing High People's Court particularly pointed out that the mark shown in the evidence was the crocodile device facing right, which is different from the registered one that faces left.

Considering that the holder registered both versions of the crocodile device in Class 14 in China, the use of the right-facing one points to other registered marks with the same device in the name of the registrant, which does not constitute the effective use of the disputed mark that faces left. Accordingly, the disputed mark was decided to be cancelled.

In *Chocoladefabriken Lindt & Sprungli AG v Zhuang Fujiang* (2020 ZGFZX No. 72),^[14] the Supreme People's Court decided that the trademark shown in the evidence pointed to the mark '囍' Logo No. 9533138 as registered in the name of the holder, instead of the disputed mark '囍' No. 3040096. Although the two marks only differ slightly in the typeface and the device part, and the trademark in actual use does not change the dominant feature of the registered mark, as long as it points to another registered mark, the use of the trademark will be deemed as the effective use of the one that is more similar to it. In this case, the disputed mark was therefore cancelled.

In such kinds of cases, it is important to file solid evidence that the trademark in actual use does not point to other registered trademarks. In *Beijing Gaojie Shengshi Technology v Tencent Technology (Shenzhen) Co, Ltd* (2020 J73XC No. 17479),^[15] the Beijing IP Court pointed out that although the trademark in actual use is closer to the trademark '囍' No. 18015753 in Class 9, instead of the disputed mark '囍' No. 902500, by the time the contracts were concluded, the trademark shown in the contracts had not yet been approved for registration. As such, the use of the trademark '囍' can be deemed as the effective use of the disputed mark '囍'. Accordingly, the registration of the disputed mark was maintained.

From the above cases, we can see that if the holder owns several similar versions of the trademarks in China, more scrutiny will be given in the examination. Usually, the trademark examiner will take the initiative to check what marks have been registered in the name of the holder, and if they identify any mark that is more similar to the mark in actual use, they will tend to consider the trademark in actual use as the one more similar to it, instead of the disputed trademark, and cancel the disputed trademark registration, although the mark in actual use does not change the dominant feature of the registered mark.

Endnotes

- 1 <https://www.cta.org.cn/ywdt/201701/W020170105340933368453.pdf>. ^ [Back to section](#)
- 2 <https://sbj.cnipa.gov.cn/sbj/zcwj/202112/W020231026360188451411.pdf>. ^ [Back to section](#)
- 3 Beijing High People's Court: 2019 JXZ No. 1690. ^ [Back to section](#)
- 4 Beijing High People's Court: 2017 JXZ No. 2424. ^ [Back to section](#)
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- 9 https://www.gov.cn/guoqing/2020-12/24/content_5572941.htm. ^ [Back to section](#)
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- 13 Beijing High People's Court: 2021 JXZ No. 5906. ^ [Back to section](#)
- 14 The Supreme People's Court: 2020 ZGFXZ No. 72. ^ [Back to section](#)
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India: Practical application of legislation to enhance dispute resolution efficiency

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LexOrbis

Summary

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IN SUMMARY

This comprehensive study delves into the realm of trademark protection and enforcement in India, with the Trade Marks Act 1999 serving as the governing legislation for registration and enforcement. It explores the safeguarding of both registered and unregistered marks, the criteria for registration, enforcement mechanisms and recent developments. The analysis delves into the registration process, non-traditional trademark registration, trade dress protection, opposition proceedings, changes in ownership, cancellation and rectification, enforcement remedies, passing off for unregistered marks and recent initiatives.

DISCUSSION POINTS

- Trademark protection in India
 - Criteria for trademark registration and registration process
 - Non-traditional trademark registration
 - Trade dress protection
 - Trademark ownership changes and transfers
 - Trademark cancellation or rectification
-

REFERENCED IN THIS ARTICLE

- Trade Marks Act 1999
 - Trade Marks Rules 2017
 - Emblems and Names (Prevention of Improper Use) Act 1950
 - Intellectual Property Rights (Imported Goods) Enforcement Rules 2007
 - Bharatiya Nyaya Sanhita 2023
-

TRADEMARK PROTECTION IN INDIA

India's intellectual property regime is governed by the Trade Marks Act 1999 and the Trade Marks Rules 2017, which provide a comprehensive mechanism for the registration and enforcement of trademark rights in India. The Indian trademark regime extends protection to both registered and unregistered marks. In the case of misuse of a registered mark, the right holder can initiate an infringement action against the infringing party. On the other hand, for unregistered marks, the right holder can seek protection under the law of passing off. To establish a claim for passing off, the plaintiff must showcase three ingredients: demonstrate established goodwill or reputation of their mark attached to relevant goods or services; prove misrepresentation by the defendant likely to deceive the public; and show damage suffered or likely to be suffered by the plaintiff.

Criteria For Trademark Registration (what Can Be And Cannot Be Registered)

In India, a mark capable of being represented graphically and distinguishing the goods or services of one entity from others can be registered as a trademark.^[1] This includes

various forms, such as devices, brands, headings, labels, tickets, names, signatures, words, letters, numerals, shapes of goods, packaging and a combination of colours.^[2] In India, unconventional trademarks, such as sound and motion marks, can also be registered.

However, certain types of marks cannot be registered in India. The following categories of marks are ineligible for registration:

- marks that lack distinctive character;
- descriptive marks that provide information about the goods or services, such as their quality, quantity or geographical origin, and cannot be registered;
- marks that have become customary in the current language;
- marks that cause confusion and deception;
- marks that are likely to hurt religious sentiments;
- marks that contain obscene or scandalous matter;
- marks that are prohibited under the Emblems and Names (Prevention of Improper Use) Act 1950;
- marks that exclusively consist of the shape of goods resulting from the nature of the goods themselves or those necessary to obtain a technical result or give substantial value to the goods;
- marks identical or similar to earlier marks covering similar or identical goods and services, which may cause confusion and likelihood of association;
- marks identical or similar to well-known marks;
- marks that are prevented by copyright law; and
- marks that are protected by the law of passing off as unregistered trademarks, which cannot be used or registered by other parties as trademarks.^[3]

Trademark Registration Process

The application for trademark registration can be filed either online or offline with the Trade Marks Registry. After fulfilling the required procedural formalities, the application undergoes substantive examination on both absolute and relative grounds for refusal. If objections are raised, the applicant gets one month to respond after receiving the examination report. If the objections are maintained, a hearing is scheduled for presenting oral arguments. If the examiner is satisfied with the response or submissions made during the hearing, the mark is advertised in the Trade Marks Journal, and four months is allowed for third-party opposition. If the application is refused after the hearing, a review petition can be filed within one month of the date of the refusal order, or an appeal can be filed with the concerned high court within three months. If no opposition is filed during the publication period, the mark proceeds towards registration.

Non-traditional Trademark Registration

India also allows the registration of non-traditional trademarks, such as colour marks, motion or animated marks, sound marks and shape marks.

Registration of a combination of colours as a trademark can be applied by submitting a reproduction of the mark in colours with colour codes.

Where a mark contains a shape of the goods or its packaging or is a three-dimensional mark, the reproduction of the mark must contain different views of such trademark and a description of the nature of the mark in words. If the representation of the trademark provided by the applicant does not show all the features of the trademark clearly, the registrar may require up to five further views of the trademark.

For a sound mark, a sound recording must be submitted in MP3 format, not exceeding 30 seconds in length and recorded in a medium that allows easy and clear audible replay with a graphical representation of its notation.

For a motion mark, an appropriate representation of the mark clearly showing the motions must be filed.

Non-traditional trademarks are prosecuted and granted registration in the same manner as traditional trademarks.

Trade Dress Protection

Elements such as packaging design, colour combinations, product shape, texture, graphics and illustrations are collectively known as trade dress. These elements are safeguarded to mitigate misuse by other parties seeking to imitate the product's overall appearance to capitalise on its established goodwill and reputation. Indian trademark law specifically has a provision for trade dress protection, including the shape of goods, packaging and colour combinations. To qualify for protection, the overall appearance of the product must be distinctive, either inherently or through acquired distinctiveness.

Rights holders often face the challenge of selecting the most appropriate IP legislation for safeguarding a particular shape. Generally, if the shape of a product is novel, original and undisclosed to the public, it should be protected through design registration. However, where the right holder has not registered the shape under design law, it may still be protected under trademark law or the common law tort of passing off if it has acquired distinctiveness through prolonged and continuous use. To successfully claim to pass off, the right holder must demonstrate that the specific shape has become distinctive of their goods or services, that customers recognise such shape with its business and that its use by others would confuse the public. Courts in India have recognised that unique packaging design, colour combinations, product shape, etc, are entitled to protection under the Trade Marks Act 1999, and common law rights of the owner remain.

Trademark Ownership Changes And Transfers

Both registered and unregistered marks can be assigned and licensed in India. However, the licence can be recorded for registered marks only, and assignment can be recorded for both kinds. For recording a licence, the parties must file a recordal request within six months of the date of signing the agreement.

Trademarks are valid for 10 years from the application date and must be renewed every 10 years. Trademarks can be restored after six months and within one year of the date of expiration of the previous registration of the mark.

Additionally, it is recommended that the records for the name and address of the proprietor be updated with the Trade Marks Registry.

Trademark Opposition Proceedings

Opposition against a trademark application can be filed on both absolute and relative grounds for refusal. Any individual can file an opposition against a conflicting mark, and these opposition proceedings involve three stages: the pleading stage, the evidence stage and the hearing stage.

- **Pleading stage:** this stage commences with the filing of a notice of opposition, which outlines the grounds on which the opposition is filed against the conflicting mark. The notice of opposition must be submitted within four months of the date of the mark's advertisement in the Trade Marks Journal. This period is non-extendable. Upon receiving the notice of opposition, the applicant of the mark has two months (non-extendable) to file a counterstatement. Failure to submit a counterstatement results in the application being deemed abandoned.
- **Evidence stage:** once the counterstatement is served, the opponent must present evidence supporting their opposition by way of an affidavit within two months of the date of official service of the counterstatement by the Registry. Alternatively, the opponent can inform the registrar that they do not wish to provide any evidence and submit a letter relying on the contents of the notice of opposition. Subsequently, upon receiving the opponent's evidence, the applicant has two months to present their evidence in support of the application or submit a similar reliance letter, relying on the statements made in their counterstatement. Failure of this step by either the opponent or the applicant results in the opposition or application being deemed abandoned, respectively. Once evidence is received in support of the application, the opponent has one month to file evidence in reply, which is not mandatory.
- **Hearing stage:** after the completion of the evidence stage, the registrar schedules a hearing on the merits and adjudicates either allowing or dismissing the opposition.

Trademark Cancellation Or Rectification

Cancellation or revocation of trademark proceedings can be initiated through two avenues: before the Trade Marks Registry or before the concerned high court.

Proceedings Before The Trade Marks Registry

The cancellation petition can be filed on Form TM-O, along with a statement of the case submitted by the applicant or petitioner, who is referred to as the 'aggrieved person'. In this statement, the nature of the petitioner's interest, the facts and the relief sought are outlined. Subsequently, a copy of the petition is served on the registered proprietor by the Trade Marks Registry.

Once the petition is served, the registered proprietor must file a counterstatement within two months to defend its trademark registration. This period may further be extended by one month if required. Following the filing of the counterstatement, the Registry serves a copy of the same on the petitioner within one month.

If the registered proprietor fails to submit a counterstatement within three months, the petitioner may proceed to file evidence in support of the petition, as stipulated. The subsequent proceedings mirror those of opposition proceedings, as mentioned above.

Proceedings Before The Concerned High Court

Alternatively, a revocation petition can be filed before five high courts (Ahmedabad, Chennai, Delhi, Kolkata and Mumbai) in India based on the jurisdiction of the registered trademark.

To commence revocation proceedings, any person who claims to be an aggrieved person (ie, any person substantially interested in getting the mark removed from the Register or any individual whose rights are being affected by the impugned registration) may initiate action.

Enforcement Of Trademark Rights

Various remedies are available to the aggrieved parties for trademark infringement, which include civil, criminal and border enforcement measures.

- Civil remedies: in civil proceedings, third parties using the infringing mark can be enjoined (ie, they can be restrained from further use of the mark). The plaintiff can seek a preliminary injunction before the trial. To obtain a preliminary injunction, the plaintiff must establish a *prima facie* case, demonstrate the likelihood of irreparable injury if relief is not granted, and show that the balance of convenience favours granting the injunction. If these conditions are met, the court may grant a preliminary injunction to protect the plaintiff's rights until a final decision is made. After the trial or if the plaintiff obtains relief through summary judgment, the court may pass an order granting a permanent injunction. This injunction permanently restrains the defendant from using the infringing mark. Additionally, the court can award damages to compensate the trademark owner for the losses incurred owing to the infringement. The court may also order the rendition of accounts, delivery and destruction of infringing products to prevent further misuse of the trademark.
- Criminal remedies: in criminal proceedings, offenders found guilty of trademark infringement can face imprisonment and be subjected to fines. The court can seize the infringing copies and deliver them to the rightful owner.
- Border enforcement: these measures involve the prohibition of the import of infringing material, aiming to prevent counterfeit goods from entering the country. The government of India has empowered IP owners to protect their intellectual property rights at Indian borders through the Intellectual Property Rights (Imported Goods) Enforcement Rules 2007. To utilise this protection, it is essential to have a validly registered trademark or IP right. The period of protection granted by Customs is five years from the date of recordation of rights with the customs authorities or upon the expiration of the trademark or IP right registration validity, whichever comes earlier. After this initial five-year period, the right holder needs to submit a fresh notice to continue the protection.
- Appeals and Supreme Court jurisdiction: if a judgment is passed by a district court, an appeal can be filed in the relevant high court. If the judgment is passed by a single judge of the high court, the appeal may be brought before the division bench. Appeals to the Supreme Court of India are allowed only on questions of points of law.
- Anti-counterfeiting measures: anti-counterfeiting is a critical aspect of trademark enforcement. The Bharatiya Nyaya Sanhita (BNS) (previously referred to as the Indian Penal Code) defines 'counterfeiting' as an act intending to deceive by causing one thing to resemble another, which is punishable with imprisonment or a fine or both. Sections 102, 103 and 104 of the Trade Marks Act define offences, penalties and procedures relating to falsification and falsely applying for trademarks. Offenders can face imprisonment ranging from six months to three years, along with a fine. Offences defined under the Trade Marks Act 1999 are cognisable, allowing police officers of designated ranks to arrest offenders without a warrant and initiate investigations.

Before taking any action under the Trade Marks Act 1999, police officers must seek an opinion from the registrar of trademarks on the facts of the case. This helps ensure proper enforcement of trademark rights and deter counterfeit activities.

Need-to-knows

- India is a common law country wherein prior user rights precede the subsequent registered rights.
- In India, trademark applications can be filed either on an 'intent to use' basis or with a user claim. The trademark application filed with the user claim mandates the submission of a signed and notarised affidavit of use showing the use of the filed trademark from the date of first use as claimed, along with supporting documents.
- The trademark registration process can be expedited by an official expedited request, which expedites both prosecution and opposition proceedings relating to the filed trademark.
- In India, trademark registration can be renewed for a further period of 10 years without the need for furnishing use declaration.
- The registered trademark becomes vulnerable to non-use cancellation action after a period of five years and three months from the date of placement on the register of the Trade Marks Registry.

Recent Developments

Recent developments in the field of intellectual property in India have focused on improving electronic systems for easy stakeholder access and providing transparent mechanisms for grievance redressal. Initiatives have been undertaken to expedite case disposal and reduce backlogs.

- Open house for discussion of grievances: at the National Intellectual Property Conference 2022, the Union Minister of Commerce and Industry proposed the establishment of an open house communication system to address concerns and grievances within the IP fraternity. The IP Office promptly implemented this suggestion and began conducting open house sessions on 17 October 2022. These sessions allow direct communication and discussions regarding various IP-related matters. Open house discussions occur every week from Monday to Friday from 4.30pm to 5.30pm (IST) and have successfully addressed multiple challenges faced by stakeholders across different IP offices.
- Open House Helpdesk Portal: the IP Office has also launched the Open House Helpdesk Portal, to provide swift and effective resolution to the queries and grievances of applicants and stakeholders on a plethora of issues. Upon raising a complaint, a ticket is raised in the Portal, and after the IP Office shares its response, the complainant can raise a subsequent support ticket or close the ticket if the query has been resolved.
- Scheme for Facilitating Start-Ups Intellectual Property Protection extended to 31 March 2026: the government of India, to encourage start-ups, launched this Scheme in 2016 to reach out to start-ups and protect and promote their intellectual property and thus encourage innovation and creativity among entrepreneurs, individual innovators and creators, and educational institutes.

- Update on trademark show-cause and opposition hearings: the IP Office, with the aim to strengthen the existing hearing system and reduce distance barriers, time and effort, has introduced the WebVideo Conferencing System. The show cause hearings can be accessed from the dedicated link provided on the dynamic cause list for the scheduled date from 10.30am to 1.30pm IST. This system allows the applicants or authorised agents to have online videoconferencing from their own premises or office simply with the use of a desktop computer or laptop with a camera, microphone and speakers.
- IP Manthan: the Office of Controller General of Patents, Designs and Trade Marks (CGPDTM) launched the 'IP Manthan' series in 2023, which includes periodic discussions on various IP-related topics among the IP fraternity as well as scientists, IP professionals, industry experts and persons from the judiciary.
- The number of trademark registrations and disposals during 2022–2023 was lower by 11.25 per cent and 8.38 per cent, respectively, as compared to the previous year, due to discontinuation of contractual manpower and new recruitments undergoing training.
- National Intellectual Property Awareness Mission: the Mission was launched in 2021 by the Office of CGPDTM to impart IP awareness to students. As at 31 March 2023, 1.862 million students and faculty members had been informed about IP from more than 7,377 educational institutes across the country.^[4]
- Announcement for proposed Intellectual Property Rights Division Rules of the High Court at Calcutta 2023: on 19 December 2023, draft rules were circulated for feedback from legal professionals and stakeholders before being formally enacted. Upon finalisation and notification, these Rules are anticipated to not only expedite the resolution of IP-related disputes but also provide urgent and essential interim relief, as outlined in draft Rule 7(e).
- Budget allocation for 2024–2025: in the intellectual property sector in India, a total budget of 3,182 million rupees has been allocated, with 2,791.8 million rupees for the Office of the CGPDTM; 208.4 million rupees for intellectual property rights policy management; and 180 million rupees for the infrastructure development in the offices of CGPDTM. Another 10 million rupees have been allocated to the World Intellectual Property Organization.

These developments aim to enhance the efficiency and effectiveness of IP dispute resolution, offering stakeholders timely and fair adjudication of their rights.

CONCLUSION

The Trade Marks Act 1999 plays a pivotal role in shaping India's trademark registration and enforcement framework. With a focus on both registered and unregistered marks, the Act provides a robust system to protect the rights of trademark owners. The creation of the Intellectual Property Division (IPD) in the High Court of Delhi and Madras, proposed IPD at Calcutta, and regular listing of hearings before the Trade Marks Registry work towards improving the efficiency of trademark protection and enforcement in India. As India continues to evolve as a major player in the global market, trademark protection remains essential for businesses to safeguard their brands and intellectual property.

Endnotes

- 1 Section 2(1)(zb) of the Trade Marks Act 1999. [^ Back to section](#)
- 2 Section 2(1)(m) of the Trade Marks Act 1999. [^ Back to section](#)
- 3 Sections 9 and 11 of the Trade Marks Act 1999. [^ Back to section](#)
- 4 https://ipindia.gov.in/writereaddata/Portal/IPOAnnualReport/1_114_1_A_NNUAL_REPORT_202223_English.pdf. [^ Back to section](#)



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Thailand: Examiners' unique approach to distinctiveness underscores complex registration process

Panisa Suwanmatajarn

The Legal Co Ltd

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IN SUMMARY

The trademark registration process in Thailand is a complex and time-consuming process. The examiner in Thailand has a unique approach to considering whether a trademark is distinctive. More interesting is what the examiner considers to be acceptable goods and services under the item-by-item meaning of the goods and services.

DISCUSSION POINTS

- What can I register and what can I not register?
 - How are unregistered rights protected, and how is trade dress protected?
 - How are non-traditional marks prosecuted?
 - How are oppositions and cancellations handled?
 - What are the pendency levels for the past 12 months?
 - How to transfer ownership of trademark registrations, and licensing best practices
 - What are the five key 'need-to-knows' for Thailand?
-

REFERENCED IN THIS ARTICLE

- Thai Trademark Act BE 2534 (1991)
 - Examiner Registration Manual BE 2565 (2022)
 - Penal Code
 - Ministerial Regulation No. 5 BE 2560 (2017)
 - Civil and Commercial Code
 - Unfair Contract Terms Act BE 2540 (1997)
-

WHAT CAN I REGISTER?

In Thailand, you can register the following types of trademarks and service marks, including word marks and device marks:

- word marks: these are trademarks consisting of words or letters;
- device marks: these are trademarks consisting of images or logos, or a combination of both;
- service marks: these are trademarks used to distinguish services from physical products;
- three-dimensional marks: these are trademarks comprising the shape or packaging of a product;
- sound marks: these are trademarks comprising a distinctive sound;
- collective marks: these are trademarks used by members of an association or group to identify themselves with a particular trade, service or geographical origin; and

- certification marks: these are trademarks used to indicate that a product or service meets a certain standard or certification.

The proposed trademark must be distinctive, not prohibited under applicable laws and not similar or identical to pending or registered trademarks of other persons.

One problematic aspect of trademark registration in Thailand is how a distinctive trademark is considered. The examiner in Thailand has a unique approach to considering whether a proposed trademark is distinctive.

A distinctive trademark is a mark that is capable of distinguishing the goods or services of one trader from those of another. According to the Thai Trademark Act BE 2534 (1991) and its amendments,^[1] a trademark is considered distinctive if it:

- does not describe the nature, quality or characteristics of the goods or services;
- is not a commonly used or recognised term in the relevant trade or industry;
- does not indicate the geographical origin of the goods or services; and
- is not deceptive or misleading.

There was a case where a bank brought a case against the Department of Intellectual Property (DIP), which oversees the Trademark Office, under which the examiner determined that a trademark was unregistrable due to the non-distinctive nature of the proposed mark.

In most cases, the examiner tends to consider any abbreviated mark to be non-distinctive. The same goes for captions or descriptions of goods or services. The examiner tends to ignore whether the proposed mark directly references the goods or services. On the other hand, the Trademark Act BE 2534 (1991) clearly requires direct reference as the primary test. In this particular case, the bank did not agree with the examiner's decision. The case was brought to the Supreme Court's consideration and the Supreme Court decided in Ruling No. 2587/2559^[2] that:

If the words or statement that the Plaintiff applied for a service mark registration did not have direct characteristics or natures of commercial bank services as applied, the said words or statement could be deemed as having distinctiveness in itself as prescribed in Section 80 in conjunction with Section 7 paragraph two (2) of the Trademark Act B.E. 2534 (1991). In applying for registration of the service mark "TMB Make THE Difference", as the service mark which would be used for Class 36 commercial bank services, they had a nature of generic description not directly related to the commercial bank services which was the service item the Plaintiff applied for registration in any way. The said statement had a nature of suggestive word only not a descriptive word that enabled the public or the service users to immediately know or understand the nature or characteristic in relation to commercial bank activities specifically but the service users had to use their imagination or find additional information to know that the Plaintiff's commercial bank services were different from others. Moreover, the statement "Make THE Difference" was not commonly used in commercial bank services in any way. Therefore, the statement "Make THE Difference" did not convey the characteristics or nature of commercial banks directly and was not commonly

used in commercial bank services that Plaintiff applied for registration. As a result, Plaintiff's service mark "TMB" with the statement "Make THE Difference" which are component parts of the image of the service mark have inherent distinctiveness and are registrable and the Plaintiff does not have to disclaim exclusive right in using the statement in Roman letters "Make THE Difference".

WHAT CAN I NOT REGISTER?

A trademark that does not have a specific character within the meaning of the first paragraph of section 7 of the Trademark Act BE 2534 (1991) has characteristics that can be used by the public in all industries, all businesses and groups of individuals. Therefore, it lacks the feature that makes the public or the user of the product aware of and understand that the product using the trademark is different from other products.

The most common aspects of a product that parties attempt to register relate to the general meaning used by the public in industries and businesses. All groups of persons may use and should not grant any person the exclusive right to use marks relating to the general meaning of a product, including generic terms and product names. Examples – see the Examiner Registration Manual BE 2565 (2022)^[3] – and commonly used symbols are as follows:

- international expressions, such as 'international' and 'global';
- 'guarantee', 'warranty', etc;
- model or product numbers (eg, series numbers, classes and generation types);
- colour names and their classes, such as green, dark silver and dark grey;
- readings of numbers, letters and counts (eg, ab, one, first, twin, double and xlvii (Roman numerals));
- names of diseases, such as covid-19, HIV, Ebola and H1N1;
- country-related language, such as 'American', meaning about the country;
- currency symbols, such as baht and dollar;
- mathematical symbols, such as +, -, %, alpha, beta, Σ and β ;
- commonly used pictograms, such as those relating to disability and gender symbols; and
- others, such as Eco3D, 4D, tech, technology, original, organic and classic.

Any words or statements directly referring to the characteristics or services of the product or services that are non-distinctive must be clear to consumers immediately or must only require a little judgement to understand. For example, 'STEELSCREWS' means screws made of steel. When applied to a product, threaded nails made of metal, it may cause consumers to immediately understand that it is a product of threaded nails made of steel. Thus, 'STEELSCREWS' is non-distinctive.

Translation of a non-distinctive trademark is considered non-distinctive even if there are several meanings and one of these meanings directly addresses the characteristics of the product. This consideration includes an abbreviation of that word. For example, the word 'cool' has many meanings, including excellent, modern or cold. When used with goods in Class 17 (window film), it is understood as a window film product that cools the temperature, so it is a term that directly refers to the properties of the product. If used with 'shirt' in Class

25, it is understood as a beautiful and modern product, so it is a word that directly refers to the properties of the product. Another example is the word 'max' – it is an abbreviation for 'maximum', and this can be considered non-distinctive.

Words or text intentionally misspelled can be non-distinctive if, considering a colloquial accent, they can be understood as words or text that have a meaning and that meaning directly describes the characteristics or properties of the product.

Words or text that are written by combining two or more words with two or more meanings, and the meanings of these words may be easily interpreted as a direct description of the appearance or properties of the product, are non-distinctive. For example, 'Clearview', which combined the two words 'clear' and 'view', translates to a clear vision. When used for contact lens products, it can be understood as a contact lens product that makes things clearly visible; it directly describes the features of the product.

Words or statements that directly refer to the characteristics or properties of goods, even if invented to have special characteristics, are considered to be non-distinctive.

Comparative consideration of whether a trademark is identical or similar is another issue. The word 'identical' means that the mark is the same, and the word 'similar' means that the mark is so similar that it may confuse or mislead the public as to the ownership or origin of the goods. Consider whether a trademark is identical or similar comparing not only images, words and text that appear but also all elements of the trademark. All pronunciations, colloquial accents and items that are sought to be registered for use with trademarks should be considered. The same goes for whether the members of the public that use the goods under the trademarks are part of the same groups and have sufficient knowledge to distinguish between the goods under the two trademarks (Supreme Court Decisions No. 3271/2560 and No. 8156/2560).^[4]

HOW ARE UNREGISTERED RIGHTS PROTECTED?

In Thailand, unregistered trademarks can still receive protection under the old, but still in effect, Penal Code. Penalties under the Penal Code^[5] are very low, and it is more difficult to prove ownership and enforce the rights of an unregistered trademark owner compared to a registered trademark owner.

To protect an unregistered trademark in Thailand, the owner can take the following steps.

- Monitoring: it is important to monitor and watch out for any instances of infringement or unauthorised use of the unregistered trademark.
- Taking legal action: if an infringement occurs, the owner of the unregistered trademark can take legal action against the infringing party. This can involve filing a complaint with the police and filing a lawsuit and providing evidence of ownership, the use of the mark and the infringement.

HOW ARE NON-TRADITIONAL MARKS PROSECUTED?

In Thailand, non-traditional marks can be prosecuted under the same legal framework as traditional marks. This includes marks with a combination of colours, figurative elements or sounds, or a combination thereof. Notably, scent marks are not recognised under the Trademark Act [BE 2534 \(1991\)](#). To obtain protection for non-traditional marks, the owner must apply for registration with the DIP under the Trademark Act BE 2534 (1991). The

application must include a clear representation of the mark. For sound marks, under Ministerial Regulation No. 5 BE 2560 (2017), it is necessary to describe the sound in detail, and sound files need to be submitted. While Ministerial Regulation No. 5 BE 2560 (2017) does not specify any format of sound files, MP3 is the most commonly recognised. Sound notes, graphs and others that represent the characters of sounds can also be submitted.

The DIP will examine the application and determine whether the mark is distinctive and not confusingly similar to existing registered marks. If the mark meets these requirements, it will be published for opposition, allowing third parties to challenge the registration. If no opposition is filed within the specified period, the mark will be registered.

Once registered, the owner of the non-traditional mark can take legal action against infringers, similar to traditional marks. Infringement of non-traditional marks can occur through acts such as unauthorised use, reproduction or imitation of the mark.

HOW IS TRADE DRESS PROTECTED?

Trade dress often refers to the visual appearance of a product or its packaging that identifies and distinguishes it from other products in the market. Unfortunately, the Trademark Act [BE 2534 \(1991\)](#) does not explicitly protect the trade dress of a product.

Thairath, a local newspaper, reported that a Thai restaurant copied recipes, table designs, ordering forms and the ordering system from a Japanese restaurant. At the same time, the newspaper also cited the DIP's responses that while the Japanese restaurant had a patent registration over a specific system, it had nothing to do with the overall appearance of the restaurant.⁶¹

Later, in 2019, a local tea chain store brought a case against another local tea chain store claiming that the defendant used a trade name and trademark together with an animal logo, all of which were similar to those of the plaintiff. In 2021, the Central Intellectual Property and International Trade Court (CIPITC), which is the lower court, ruled in favour of the plaintiff. The CIPITC reasoned that the defendant used a similar word and the animal's name in its store name and product names, including cups bearing an animal's head in the same position as that of the plaintiff. Also, the defendant was in the same business as the plaintiff. All of these could deceive the public into believing that the defendant's business is associated with that of the plaintiff. It constituted a passing off under the Trademark Act BE 2534 (1991).

To enforce trade dress rights, the owner must bring a civil action in the CIPITC. In cases of infringement, the owner is entitled to request for injunctive relief, damages and other remedies.

HOW ARE OPPOSITIONS HANDLED?

In Thailand, trademark oppositions are handled by the DIP, which is responsible for the registration of intellectual property rights in the country. If the DIP decides to allow the trademark to be registered, the mark will be published in the Trademark Gazette. At this point, any interested party may file an opposition to the registration of the mark within 60 days of the publication date. The opposition must be filed in writing and must specify the grounds for opposition.

After an opposition is filed, the DIP will review the opposition and any response filed by the trademark applicant. Based on the evidence and arguments presented, the DIP will decide

whether the trademark should be registered. Currently, the DIP takes around two to three years to render a decision.

If the DIP decides to reject the opposition and allow the trademark to be registered, the mark will be registered and published in the Trademark Gazette. If the DIP decides to uphold the opposition, the trademark application will be refused, and the applicant will have the right to appeal the decision to the Trademark Board and the CIPITC.

HOW ARE CANCELLATIONS HANDLED?

Trademark registration may be cancelled on certain grounds, including non-use, invalidity or cancellation for the public interest.

Non-use Cancellation

If a trademark has not been used in Thailand for a continuous period of three years or more, any interested person may file a request for cancellation of the trademark registration on the grounds of non-use. The request must be filed in writing and must provide evidence of the trademark's non-use. Section 63 of the Trademark Act BE 2534 (1991) stipulates that 'if it is proved that . . . with the goods which it was registered'. The burden of proof rests with the plaintiff to prove the non-use of all items registered. In other words, it is necessary to prove the non-existence of items registered, which is extremely difficult.

The consideration of the Trademark Board in Thailand has been in accordance with the Supreme Court's judgments, based on the concept of the burden of proof in the accusatorial system that 'the person who asserts the matter must prove it', where the precedent is held by the Supreme Court (see Supreme Court Decision No. 7774/2540).^[7] If the plaintiff is lucky enough to be able to prove the non-use of one item out of many goods registered, the Trademark Board or the CIPITC, as the case may be, will cancel the trademark in question. In addition, a token of use is considered use. Supreme Court Decision No. 4006/2533^[8] ruled that 'use of the mark even for a short period of time and in relation to a small number of products still constitutes use.'

Invalidity Cancellation

A trademark registration may be cancelled if it is found to be invalid. Invalidity may arise if the trademark was registered in violation of the law or if it is identical or confusingly similar to a prior registered trademark. Any interested person may file a request for cancellation of a trademark registration on the grounds of invalidity.

Cancellation For Public Interest

A trademark registration may also be cancelled for public interest. This may occur if the trademark registration conflicts with public policy or if the trademark is used in a manner that is likely to mislead the public. The DIP may initiate a cancellation action on its own initiative or upon the request of any interested party.

In each case, the cancellation request must be filed in writing with the DIP. The DIP will review the request and any evidence provided and will notify the trademark owner of the request. The trademark owner will be allowed to respond to the request, and the DIP may, in theory, conduct a hearing to allow both parties to present evidence and arguments.

Based on the evidence and arguments presented, the DIP will decide whether the trademark should be cancelled. If the trademark is cancelled, the cancellation will be published in the

Trademark Gazette. Currently, the DIP will take no less than two to three years to decide. The trademark owner will have the right to appeal the decision with the CIPITC.

WHAT ARE THE PENDENCY LEVELS FOR THE PAST 12 MONTHS?

Trademark pendency can vary depending on various factors, such as the complexity of the application, the workload of the DIP and the number of applications filed.

The DIP has been taking steps to streamline and expedite the trademark registration process in recent years. For example, the DIP has implemented an online filing system for trademark applications, which can help to speed up the processing time. Additionally, the DIP has increased the number of examiners handling trademark applications to reduce the backlog of pending applications. However, it could take as long as two to three years for a straightforward application to maturely register.

Earlier in 2023, the DIP implemented a fast-track trademark registration, meaning that an application may take four months to get examined if the list of goods or services that the mark relates to is not more than 10 items, and six months if the list of goods or services is not more than 50 items, provided that the application meets the following requirements:

- the application and supporting evidence as listed below are filed simultaneously online;
- the trademark or service mark – not including a combination of colour, three-dimensional or sound marks – is a letter, word or device, or a combination thereof;
- the application covers only one class and not more than 10 or 50 items of goods or services and the list of goods or services must be identical to that used to be allowed for registration by the DIP;
- the applicant submits proof of the necessity for urgent use of the mark (eg, a marketing plan and a plan for using the mark); and
- the applicant submits a search result conducted from certain databases (eg, the Thai Trademark Office's online database, TMview, and the WIPO Global Brand Database).- [9] [10]

HOW TO TRANSFER OWNERSHIP OF TRADEMARK REGISTRATIONS

The transfer of ownership of a trademark registration can be accomplished by filing a request with the DIP. The process involves the following steps.

- Draft a deed of assignment: the current owner and the new owner of the trademark registration execute a deed of assignment, which is a legal document that transfers ownership of the trademark from the current owner to the new owner. The deed of assignment must specify the details of the trademark, including the trademark registration number, the goods or services for which the trademark is registered and the date of registration.
- Submit the deed of assignment to the DIP: the new owner of the trademark registration should submit the deed of assignment to the DIP, along with a request to transfer ownership of the trademark registration. The request should include details of both the current owner and the new owner, as well as the trademark registration number.

LICENSING BEST PRACTICE

A trademark licence agreement is a legal contract between the trademark owner (licensor) and the licensee, which permits the licensee to use the trademark. Consideration is not a prerequisite.

While Thailand is based on freedom of contract, for a trademark licence agreement, under the Trademark Act BE 2534 (1991) and its related subordinate rule, the trademark licence agreement should clearly specify the scope of the licence, including the specific goods or services for which the trademark can be used, the geographical area where the trademark can be used and the duration of the licence. The agreement should also include provisions on the quality control of the goods or services to ensure that they meet the standards of the trademark owner.

In addition, under the Civil and Commercial Code, an agreement made in advance exonerating a debtor from their own fraud or gross negligence is void. Also, under the Unfair Contract Terms Act BE 2540 (1997), the following terms may cause legal issues:

- exempt or restricted liability arising from breach of contract;
- allowing contract termination without reasonable grounds or without any material breach by the other party;
- allowing one party to delay or not comply with its contractual obligations without reasonable grounds; and
- allowing one party to enforce further obligations on the other party on top of those agreed to on the date of contract execution, etc.

As required by the Trademark Act BE 2534 (1991), the trademark licence agreement must be in writing and signed by both parties. The agreement must be registered and recorded with the DIP. Failure to register and record the agreement will result in the agreement being void.

WHAT ARE THE FIVE KEY 'NEED-TO-KNOWS' FOR THAILAND

The following are the five key need-to-knows for trademark registration in Thailand.

- First-to-file system: Thailand operates a first-to-file system, meaning that the first person or entity to file a trademark application for a particular mark will generally have priority over subsequent applicants. Therefore, it is important to file your trademark application as soon as possible to secure protection for your mark in Thailand.
- Use of trademark: unlike some other countries, Thailand does not require the use of a trademark to register it. However, if a trademark has not been used in Thailand for three consecutive years after registration, it may be subject to cancellation.
- Trademark classes: trademarks are categorised into 45 classes based on the goods or services for which they are used. It is important to select each very specific item for your trademark application. The item 'pharmaceutical preparations' in Class 5, which may be allowed elsewhere, will not be accepted in Thailand as it is considered too broad. An acceptable description of goods in this regard would be 'pharmaceutical preparations for pain-killing'.
- Examination process: after filing a trademark application, the DIP will examine it to determine whether the trademark is eligible for registration. The examination process

can take an extremely long time, and the DIP may issue an office action requesting additional information or clarification. It is important to respond to the office action within the specified period to avoid abandonment of the application.

- Renewal: trademark registrations in Thailand are valid for 10 years from the date of registration and can be renewed for successive 10-year periods. It is important to renew your trademark registration in a timely manner to ensure that your mark remains protected in Thailand.

Endnotes

- 1 https://www.ipthailand.go.th/images/781/____1_1.pdf. ^ [Back to section](#)
- 2 <https://deka.in.th/view-598444.html>. ^ [Back to section](#)
- 3 https://www.ipthailand.go.th/images/3534/2565/TM/TM_2565.pdf. ^ [Back to section](#)
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- 5 <https://www.krisdika.go.th/librarian/get?sysid=443287&ext=pdf>. ^ [Back to section](#)
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Vietnam: A fresh take on third-party observations in trademark applications

[Nguyen Anh Tuan](#) and [Nguyen Ngoc Ly](#)

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IN SUMMARY

This article explores third-party rights relating to trademark applications, and recent amendments to the 2005 Intellectual Property Law.

DISCUSSION POINTS

- Third-party observation right
 - Time limits for exercising third-party observation right
 - Procedure for settlement of third-party opposition
 - Grounds for third-party opposition
 - Surveillance
 - Choice of opinion or opposition
-

REFERENCED IN THIS ARTICLE

- 2005 Intellectual Property Law (the IP Law, as amended in 2009, 2019 and 2022)
 - 2015 Civil Procedure Code
-

It's an important development in Vietnam IP law to set up a legal frame ensuring a fair protection to real owners by emphasizing third party observation role in the application examination phase for protection titles.

THIRD-PARTY OBSERVATION RIGHT

Third-party observation in an application's substantive examination phase, by allowing third parties to submit their opinion to the Intellectual Property Office of Vietnam (IPVN) on the grant of protection title to industrial property objects in the application, is mentioned in the IP Law and repeated in the 2009 and 2019 amended versions of it. The role of third-party observation in the IP Law is limited to the submission of a third-party opinion only; no further discussion or communication is permitted between the opposer and the IPVN, as the third-party opinion as filed is treated as a source of information for reference only by the IPVN when it conducts the substantive examination. The IPVN is not obliged or responsible for sending its settlement result to the opposer.

However, the role of third-party observation is emphasised and improved in the latest amended version of the IP Law, which became effective on 1 January 2023. Accordingly, third parties are not only entitled to submit their opinion as previously stipulated in the IP Law's old versions but also given the right to file their opposition to the grant of protection titles to industrial property objects in applications during the substantive examination phase with the IPVN. The IPVN shall be responsible for settling the third-party opposition and sending its settlement result to the opposers. This is one of the most fundamental and important developments in the IP Law's 2022 version in ensuring fair protection to the rights holders.

TIME LIMITS FOR EXERCISING THIRD-PARTY OBSERVATION RIGHT

One of the conditions for exercising the third-party observation right is that the opinion or opposition must be submitted to the IPVN with the time limits set by the IP Law.

As to third-party opinion, it must be submitted to the IPVN after the application publication date and prior to the decision of whether to grant protection title to the application. As to the international trademark application designating Vietnam under the Madrid Agreement and Protocol, the time limit for submitting a third-party opinion is regulated differently. Under article 27.10 of Decree 65, it can be submitted to the IPVN after the publication date of the international application and prior to any of the following dates, whichever comes first: (1) the date on which the IPVN accepts the international application; or (2) the end of 12 months from the International Bureau's notification on the international application designating Vietnam.

As to third-party opposition, it must be submitted within five months of the publication date of the trademark application, which is two months from the date on which the trademark application is legitimately accepted by the IPVN. The trademark application will be checked for its compatibility with the IP Law's requirements within one month of its filing date, not including time for supplements or revisions, or both, at the IPVN's request, if any. Prior to the effective date of the IP Law's 2022 amended version, many third-party opinions were submitted in the form of third-party oppositions within the whole substantive examination duration of nine months from the publication date and prior to granting the protection title to the industrial property objects in the applications.

PROCEDURE FOR SETTLEMENT OF THIRD-PARTY OPPOSITION

Applications for third-party opposition must be made in Vietnamese. No form of the application is stipulated by the IP Law. Accompanying documents of the application may be in a foreign language, but the IPVN may require a Vietnamese translation of any accompanying document to facilitate its settlement.

Once the application dossier for third-party opposition satisfies the statutory requirements, the IPVN shall notify the trademark applicant on the third-party opposition and set a time limit of two months for the owner of the trademark application to give its opinion on the answer to the opposition to the IPVN. If the trademark and the goods or services described in the application are identical to those that are demonstrated and evidenced by the opposer, or if there are firm and clear grounds for the conclusion that the trademark and the goods or services described in the application are or are not confusingly similar to those that are demonstrated and evidenced by the opposer, the IPVN shall settle the third-party opposition alongside the substantive examination of the trademark application that is opposed. The IPVN shall notify its settlement result of the third-party opposition and its substantive examination result of the trademark application to the opposer. In this circumstance, the substantive examination duration will be nine months from the publication date of the application.

After receipt of the trademark applicant's opinion on the answer of the third-party opposition and when it deems necessary, the IPVN may inform the opposer of the trademark applicant's opinion on the answer and set a time limit of two months for the opposer to give its opinion on the feedback to the trademark applicant through the IPVN.

In consideration of information, evidence and arguments provided by the parties on third-party opposition, and the application dossiers as filed, the IPVN will settle the third-party opposition and notify the opposer of its settlement result as well as its substantive examination result of the trademark application that is opposed. During the course of settlement, the IPVN may, at its sole discretion or at the request of the parties, consider organising direct conversations and negotiations between the parties to facilitate the settlement.

If the third-party opposition is on the right to file the trademark application, the IPVN will notify the opposer to bring the case to the court for settlement under the Civil Procedure Code, except in the following cases:

- There are firm and clear grounds to determine that the trademark applicant has no right to file the application in accordance with the IP Law (article 87.4).
- The third-party opposition on the right to file the trademark application consists of geographical signs or other signs indicating the origin of local specialties of Vietnam in the trademark specimen (articles 87.3 and 87.4).

The opposer shall have two months from IPVN's notification date to submit a copy of the court's acceptance notice of the opposer's claim to the IPVN. Once the court accepts to hear the claim from the opposer, the substantive examination process of the trademark application in question will be temporarily suspended from the IPVN's receipt of the court's acceptance notice of the opposer's claim until the court's verdict is issued. The trademark application will then be settled by the IPVN in accordance with the court's verdict. If no court acceptance notice of the opposer's claim is submitted to the IPVN within two months, the opposer's opposition will be considered withdrawn.

GROUND FOR THIRD-PARTY OPPOSITION

The opposer can cite various legal stipulations from the IP Law's 2022 amended version for challenging and opposing the grant of protection title to the trademark application in question: for instance, legal stipulations on the distinctiveness of trademarks identical or confusingly similar to registered trademarks (article 74), right-to-file applications (article 87) or bad-faith filing (article 96). The opposer should contact and request advice from a qualified trademark attorney in Vietnam on legal grounds for undertaking the opposition.

SURVEILLANCE

Trademark owners or opposers can conduct surveillance on trademark applications filed in Vietnam for opposition through searching by themselves or requesting qualified services from local law firms. The following search tools are available for trademark owners and opposers to exploit:

- The IPVN's Industrial Property Gazettes, which are published monthly. The Industrial Property Gazettes are in Vietnamese and only published on a Vietnamese page of the IPVN's [website](#).
- WIPO Publish trademarks and VN Trademarks, which are free-of-charge online search engines. The IP search tools are on an English page of IPVN's [website](#).
- Other international and regional IP information search tools, which can link to or retrieve information from the Vietnam

trademark database, namely <https://patentscope.wipo.int/search/en/search.jsf> and <http://www.asean-tmview.org/tmview/welcome>.

Apart from the above online search tools, trademark owners and opposers can contact and request the relevant services from local law firms for information searches, surveillance and undertaking opposition.

CHOICE OF OPINION OR OPPOSITION

While both opinion and opposition allow opposers to challenge the trademark application, an opposition is a formal, more robust and interactive platform between the parties. An opinion, on the other hand, constitutes an expeditious and less stringent mechanism for an opposer. An opinion necessitates only a written submission substantiated by relevant legal arguments and supporting evidence. In contradiction, an opinion is not subject to a filing fee. The ease and lack of cost associated with filing an opinion could lead to frivolous or strategic filings intended to delay or disrupt the application process. This could become a concern if an opinion becomes more widely used. Furthermore, it is crucial to acknowledge that the IPVN considers an opinion solely as an information reference during the examination process of the trademark application that is opposed. Consequently, it generally does not provide the opposer with formal notification regarding the ultimate outcome of the application's assessment. Therefore, an opinion may not carry the same persuasive influence as an opposition does. Conversely, an opposition requires specific filings, fees and a structured communication process where both parties present arguments. The IPVN is obliged to settle an opposition and notifies its settlement to the opposer alongside the substantive examination result of the trademark application.

Opinion and opposition mechanisms serve as crucial safeguards within Vietnam's trademark registration system. An opinion offers a flexible and cost-effective means for interested parties to bring potential conflicts to the IPVN's attention during the substantive examination of the application. This enables the early identification of issues and potentially smoother registration processes. Conversely, an opposition provides a more structured and formal platform for challenging the trademark application with strong legal grounds. By engaging in opposition proceedings, the opposer can defend its legitimate trademark rights against the conflicting marks as well as prevent the conflicting marks from registration.

The choice of opinion or opposition hinges on a practical consideration – the balance between effort and formality. In simpler situations, or when a quick response from the IPVN is required, the choice of the opinion option might be a suitable way. However, from an efficiency point of view, with a settlement result from the IPVN, the choice of opposition becomes the preferable option. Looking ahead, continued refinement of the legal framework on the option of a third-party opinion or a third-party opposition can further enhance transparency and clarity of the IPVN's trademark system, fostering a more robust environment of protection for intellectual property rights.



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How to protect green trademarks under Swiss law amid registration and enforcement challenges

Simone Brauchbar Birkhäuser and **Olivia Zingg**

CMS von Erlach Partners AG

Summary

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 - <https://www.europarl.europa.eu/topics/en/article/20240111STO16722/stopping-greenwashing-how-the-eu-regulates-green-claims>
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-

SUMMARY

Consumer demand for sustainable products is increasing, prompting businesses to adopt, among other measures, green trademarks to communicate their environmental commitments. Trademark and unfair competition laws can play a role in protecting consumers from greenwashing by regulating the registration and use of these green trademarks. However, laws on intellectual property can also sometimes pose challenges to sustainability initiatives, for practices such as customisation and upcycling.

INTRODUCTION

Against the background of consumers' increasing environmental awareness, businesses are developing their environmental commitment and communicating it effectively not only in their advertisement claims, but also through trademarks. Consequently, 'green trademarks' are becoming increasingly prevalent also in Switzerland. Green trademarks are not a type of trademark in the legal sense; however, what is particular about them is that they contain words, slogans and figurative representations that refer to environmental protection or sustainability, either individually or in combination. These trademarks serve two main purposes: first, they inform consumers about the ecological benefits of a product, allowing them to differentiate environmentally friendly products from others; second, they motivate producers and suppliers to adopt environmentally friendly production practices, as these trademarks can be used effectively as a marketing tool to advertise their commitment to sustainability. However, despite their growing influence, these trademarks are also subject to legal scrutiny, raising important questions in connection with the regulation and enforcement of sustainability claims under Swiss trademark and unfair competition law.

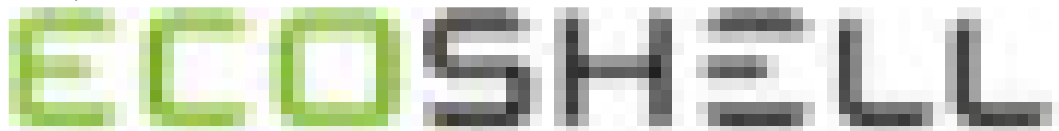
PROTECTION OF GREEN TRADEMARKS UNDER SWISS LAW

There is currently no specific legislation on green trademarks in Switzerland. However, registering a green trademark can still be a challenge under the current Swiss trademark system. Applications for green trademarks that specifically include direct environmental claims are liable to face refusal; the most obvious basis for such refusal on absolute grounds is that the trademark is considered descriptive. However, another potential ground for refusal is that the trademark is considered deceptive or contrary to applicable law (see article 2 of the Swiss Trademark Protection Act (TmPA)).

Distinctiveness

Many green trademarks are not eligible for trademark protection in themselves because they are purely descriptive and therefore lack distinctiveness. This means that they often merely refer to the positive or neutral environmental impact of the goods or services, which is considered descriptive (Part 5 Nos. 4.4.1 and 4.4.2 Trademark Guidelines of the Swiss Federal Institute of Intellectual Property). Moreover, trademarks that consist solely of general advertising statements or slogans without distinctive character are also refused trademark protection (Part 5 Nos. 4.4.3 and 4.4.5 Trademark Guidelines of the Swiss Federal Institute of Intellectual Property).

Nonetheless, a green trademark can still be protected if it combines (non-distinctive) elements related to environmental protection or sustainability with other elements, such as words, letters, numbers or figurative elements, resulting in an overall distinctive sign. For example,



was refused protection for clothing and certain textile goods in classes 24 and 25 because the elements were insufficient to confer a distinctive character (Decision B-103/2020 of the Swiss Federal Administrative Court). In contrast,



and



were considered distinctive. By adding a distinctive element or creating an overall distinctive sign, green trademarks can avoid rejection.

Non-deceptiveness

Additionally, under the Swiss TmPA, a green trademark must not be deceptive, which means that it must not contain any deceptive information about the origin, quality or characteristics of the goods or services (article 2 letter c TmPA). In practice, however, the Swiss Federal Institute of Intellectual Property (IPI) only refuses to register a trademark if there is an obvious risk of deception (ie, if a truthful use of the trademark is excluded (eg, 'ABC Green Asbestos' or 'XYZ Organic Mercury')). The IPI does not actively examine whether the environment-related information in green trademarks corresponds to the actual use of the trademark nor does the IPI investigate the actual characteristics of the trademark applicant. Consequently, it is currently rare for green trademarks to be refused based on the risk of deception. Nevertheless, in the future, one could imagine an exception to Swiss trademark law and practice making the continued protection of green trademarks dependent on their use in connection with genuinely sustainable services or products. In addition, the burden of proof could lie with the trademark owner. A similar shift in the burden of proof took place in the context of the revision of the Swiss Unfair Competition Act (UCA), where it is now in the responsibility of the claim maker to substantiate their green claims (article 3 paragraph 1 letter x revUCA).

Compliance With Applicable Law

The registration of a trademark must also comply with the applicable law (article 2 letter d TmPA). Various federal laws prohibit the use of certain terms in connection with certain goods and services. Such terms cannot be protected as part of a trademark unless the term is lost in the overall impression of the trademark and is no longer independently identifiable.

In the EU, claims that a product has a neutral, reduced or positive impact on the environment because the producer is offsetting emissions (eg, using the term 'net zero' in claims) will be prohibited under the Green Claims Directive. Should Switzerland follow this legislation, the IPI will have to refuse the registration of a trademark containing such a prohibited term for non-compliance with Swiss law according to article 2 letter d TmPA. However, Switzerland has not yet enacted any laws or regulations that absolutely prohibit the use of certain terms when making green claims. Under the current regulation, all terms indicating sustainability can be used if they are truthful and not deceptive.

Individual Trademark Versus Guarantee Trademark

When considering the registration of a green certification trademark, there are two primary options: registering it as an individual trademark (standard type of trademark) or as a guarantee trademark.

- While the individual trademark offers greater flexibility, it suffers from a lack of transparency. It is not subject to specific rules of use, allowing the owner to use it personally or to license it to third parties under freely determined conditions. The trademark owner is not obliged to offer identical terms to different licensees and is not obliged to ensure that the licensed products meet the quality standards outlined in the licence agreement.
- The guarantee trademark, on the other hand, offers significant advantages for the protection of green certification trademarks under the TmPA. A guarantee trademark is owned by an entity that sets certain standards. All products bearing the guarantee trademark must meet a certain defined standard or have common (more environmentally friendly) characteristics (article 21 abstract 1 TmPA). In our view, this makes the guarantee trademark particularly suitable to protect green

certification marks, as it can ensure that the products sold under the trademark meet a certain standard. Guarantee trademarks must also have distinctive character but face less stringent requirements than individual trademarks. Regulations governing their use must be submitted to and approved by the IPI (article 23 paragraph 1 TmPA), defining common characteristics and ensuring control and sanctions (article 23 paragraph 2 TmPA). However, the IPI's control is limited to ensuring that the regulations comply with public policy and current laws. The IPI does not verify whether the described characteristics have a positive impact on the environment. For example, in Switzerland, the following green certification trademarks utilise the guarantee trademark system:

CH-807847



or CH-791882



Despite the greater legitimacy and transparency offered by the guarantee trademark, companies have so far predominantly opted for the 'individual' trademark, making relatively little use of the guarantee trademark.

GREEN TRADEMARKS IN USE

Not only the registration but also the use of green trademarks involves various legal considerations, especially if the claimed environmental standards are not adhered to. In such cases, questions could arise, among others, regarding compliance with unfair competition law and whether these green trademarks are being used in a right-preserving manner.

Unfair Competition

The UCA aims to ensure fair competition by preventing misleading or deceptive behaviour by the market participants (article 2 UCA). In the context of the use of green trademarks, article 3 paragraph 1 letter b UCA seems to be particularly relevant, as it considers making misleading statements about one's goods or services to be unfair competition, which could result in civil or criminal sanctions. For instance, it would violate article 3 paragraph 1 letter b UCA if a company uses a guarantee trademark without obtaining certification from the responsible organisation. This would falsely imply that the trademarked products have been certified and meet certain (environmental) standards. Similarly, a company that has obtained certification but fails to comply with the regulations of the guarantee trademark, but continues to use the green trademark, would also be in breach of article 3 paragraph 1 letter b UCA, as it would mislead the public into believing that its products meet the required standards.

Currently, if a company makes a claim about itself, its products or services in relation to climate impact, such as through a green trademark, the court has the discretion to reverse the burden of proof, obliging the claimant to evidence the truthfulness of the claim (article 13a UCA). In such cases, the company making the claim is required to support its claims with objective and verifiable evidence; otherwise, it is considered to commit unfair competition. With the revision of the UCA entering into force on 1 January 2025, the court's discretion in this matter will be removed and the burden of proof for these green claims will always be on the company making such claims (article 3 paragraph 1 letter x revUCA).

Right-preserving Use?

Generally, in order to preserve the rights associated with a trademark, it must be used in a manner consistent with its registered form (article 11 paragraph 2 in connection with article 12 paragraph 2 TmPA). This includes that it must be used for the goods and services described in the list of goods and services. Consequently, green trademarks must also be used in connection with the goods and services covered by the trademark, including possible restrictions to sustainability standards contained in the list.

Use of the trademark with the consent of the proprietor is deemed to be use by the proprietor themselves (article 11 paragraph 3 TmPA). Such consent must be given before the third party uses the trademark. According to established case law, the use of the trademark by a licensee is deemed to be use by the trademark proprietor.

ENFORCEMENT

As previously assessed, trademark and unfair competition law plays a vital role in protecting consumers from greenwashing by enforcing rules on the registration and use of green trademarks. However, the same legal framework can sometimes hinder sustainability efforts. With the growing emphasis on sustainability and the urgent need to transition towards a circular economy, practices such as customisation and upcycling have gained significant traction in recent years. Yet the rise of customisation and upcycling has highlighted a tension between this sustainable practice and trademark and unfair competition law. Under current trademark rules, upcycling or customisation could constitute a violation of trademark and unfair competition law, especially the unauthorised use of a trademark on customised or upcycled products could imply affiliation or endorsement.

Customisation

The conditions under which modified branded products can be sold without infringing upon trademark rights have long been ambiguous under Swiss trademark law. This ambiguity was partially addressed in a decision of the Swiss Federal Supreme Court (FSC) concerning the customisation of branded watches (4A_171/2023 dated 19 January 2024).

In this decision, the FSC first recalled the function of a trademark and the principle of exhaustion: Trademark rights grant their owners exclusive control over their trademarks, prohibiting other parties from using identical or similar signs in ways that might cause consumer confusion (article 3 paragraph 1 and article 13 TmPA). However, these exclusive rights are limited by the principle of exhaustion. This principle stipulates in case of Swiss trademark rights that once a trademarked product is wilfully placed on the market anywhere in the world, the exclusivity ends with regard to this product. Within the legal limits, a purchaser of this product is permitted to resell it or even destroy or redesign it. Such legal limits are that the product-specific properties and characteristics are subsequently not

changed significantly. In the case at hand, the Court assumed that the customisation in principle violated the trademark rights of the watch producer and therewith implicitly found that the customisation of the watches fell outside of the limits of permitted alterations.

However, the FSC distinguished between providing customisation services and offering customised goods. It ruled that providing customisation services to the owners of a branded watch for their own private use is admissible as the trademark is not used for commercial activities. However, if a company offers customised trademarked products without the consent of the trademark owner and not only customisation services, it is considered an infringement of trademark rights.

The other question of whether advertising such products can be done without engaging in unfair competition was not addressed by the FSC and was referred back to the lower court.

Finally, while this ruling provides clarity and allows on the customisation of a product (such as tuning an SUV, personalising a watch or altering a dress) under given circumstances, it remains to some extent unclear under Swiss law how such customisation services, even if permissible, can be advertised and what considerations must be taken into account.

Upcycling

Upcycling can be broadly described as the process of converting second-hand products into new products without breaking down the materials. Oftentimes the upcycling process adds new and, in most cases, higher value to products. While this practice supports sustainability, it also raises legal concerns when trademarked items are involved.

Similar to customisation, upcycling often involves altering original trademark-protected products and reintroducing them to the market. This can violate the aims of trademark and unfair competition law, namely to protect consumers from deception and to preserve the trademark owner's reputation and goodwill.

The FSC's decision (4A_171/2023) regarding the customisation of branded watches could provide some guidance on how trademark law might apply to upcycling. The principle of exhaustion suggests that upcycled products may be legally permissible under certain conditions.

Similar to customisation, where upcycling leads to customer confusion or, in the case of famous trademarks, causes trademark dilution or exploits or impairs the reputation of the famous trademark, offering upcycling services for private use may be permissible. However, the commercial sale of upcycled products without the consent of the trademark owner might be considered an infringement of trademark rights. However, it remains unclear whether these principles would be applied in the same way to upcycling, indicating a need for further legal clarification.



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Germany: trademark procedures before the DPMA

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COHAUSZ & FLORACK

Summary

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IN SUMMARY

This article outlines trademark procedures in Germany before the German Patent and Trademark Office (DPMA), including application and registration as well as opposition and cancellation proceedings. Requirements for proof of use are also discussed. The article also describes enforcement against infringements, changes of ownership, licensing, online domain disputes and additional protections under German copyright and trade practices.

DISCUSSION POINTS

- Requirements and criteria for registration of trademarks, as well as reasons for non-eligibility.
 - Overview of the application, DPMA examination, appeals, oppositions, publication and registration.
 - Use requirements and non-use revocation.
 - Enforcement and remedies.
-

REFERENCED IN THIS ARTICLE

- German Patent and Trademark Office (DPMA)
 - Federal Patent Court (BpatG)
 - Federal Court of Justice (BGH)
 - Federal Act of Criminal Procedure (StPO)
 - Act on the Remuneration of Lawyers (RVG)
 - German Unfair Practices Act (UWG)
 - DENIC eG
 - German Customs Office
 - World Intellectual Property Organization
 - Paris Convention
 - Act on the Protection of Trade Marks and other Signs 1994
-

FIVE KEY NEED-TO-KNOWS

- DPMA examines absolute grounds for refusal, particularly lack of distinctiveness. There is no refusal ex officio based on older conflicting trademarks.
- Germany is a first-to-file country.
- Three-month period after publication of registration in which to file an opposition, based on older rights.
- Trademarks must be put to genuine use within five years or they can be subject to revocation, but only on request and not ex officio.
-

Commercial designations are protected against newer identical or confusingly similar trade designations and trademarks once they are first used in Germany (without registration).

LEGAL FRAMEWORK

National Law

German trademarks, EU trademarks and German trademarks based on international registrations, names and non-registered trade designations are all enforceable in Germany. German trademarks are governed by the Act on the Protection of Trade Marks and other Signs 1994 (Trademark Act), which implements the EU Trade Marks Directive (2015/2436).

EU trademarks are governed by the EU Regulation (2017/1001), the EU Commission Delegated Regulation (2018/625) and the EU Commission Implementing Regulation (2018/626). International registrations that extend to Germany are governed by the Madrid Protocol, the Madrid Agreement and the Trademark Act. Names and non-registered commercial designations are governed by the Civil Code and the Trademark Act.

International Treaties

Germany has also acceded to several multilateral and bilateral international treaties. These include the Paris Convention for the Protection of Industrial Property, the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks and the Agreement on Trade-Related Aspects of Intellectual Property Rights.

Unregistered Marks

Commercial designations are protected against newer identical or confusingly similar trade designations and trademarks once they are first used in Germany. However, details of this protection can be complex. The protection may be locally restricted, for example, or there may be coexistence in the case of natural persons with the same name.

Unregistered trademarks and other commercial designations (eg, business symbols) are protected against newer identical or confusingly similar trademarks and commercial designations only from the date on which they acquire a sufficient degree of public recognition in the specific German market. The required minimum threshold is determined on a case-by-case basis. If the sign is distinctive, a degree of recognition of between 20 per cent and 25 per cent of relevant consumers is sufficient to pass the threshold test. However, if the sign is descriptive or not distinctive for other reasons, it must also have acquired distinctiveness through its use in Germany. The recognition threshold for this is set at 50 per cent. Unregistered trademarks used only outside Germany to the required substantial degree may be afforded protection in accordance with article 6-*bis* of the Paris Convention only if the mark is well known. This will usually require between 60 per cent and 70 per cent recognition. These requirements must be proved by opinion polls conducted in accordance with requirements established by precedent.

Registered Marks

Any natural or legal person may apply for and own a trademark. While representation is not necessary before the German Patent and Trademark Office (DPMA) or the Federal Patent Court (BpatG) – which has jurisdiction over certain trademark matters (although

not infringement cases) – applicants or owners with no domicile, seat or commercial establishment in Germany must appoint a German representative. German attorneys at law and German patent attorneys must be duly empowered, although no power of attorney need be submitted to the DPMA or the Patent Court. Other representatives must submit a power of attorney in writing (either in German, or the original with a German translation). No notarisation is required; however, foreign applicants and owners may need to comply with their local formal requirements.

Registration may be applied for a mark that consists of any sign capable of being represented clearly and in a definitively determinable way. This includes, in particular, words, numbers, graphical devices and three-dimensional shapes. The represented sign must be capable of distinguishing the goods or services of one undertaking from those of other undertakings in a legal manner.

Signs are not eligible for registration if, among other things, they:

- are devoid of any distinctive character;
- are descriptive;
- are used by competitors to describe their goods and services;
- consist exclusively of the shape that results from the nature of the goods as such, are necessary to obtain a technical result or give substantial value to the goods;
- are contrary to public policy or accepted principles of morality;
- could potentially deceive the public – for example, in regard to the nature, quality or geographical origin of the goods or services;
- consist of legally protected signs and have not been authorised by the competent authorities; or
- have been applied for in bad faith.

However, the grounds mentioned under the first three of these points may be overcome by acquiring around 50 per cent distinctiveness.

PROCEDURES

The DPMA will examine the trademark application with regard to formalities (eg, correct classification of the goods or services and full payment of the application fees) and absolute grounds for refusal. It does not conduct an ex officio search for older conflicting trademarks. Any deficiency will be raised by the DPMA in an official action that grants the applicant at least one month in which to reply. These periods are extendable on request. This decision may in turn be appealed within one month of notification, either by an administrative appeal to the DPMA or by a direct full appeal to the Patent Court, depending on the status of the person at the DPMA who first issued the decision. A decision of a DPMA appeal division may be appealed to the Patent Court. On rare occasions, decisions of this court may be appealed to the Federal Court (BGH). Publication and registration of a trademark occur when the DPMA has issued the allowance. Without any official action, this is likely to be completed between three and six months from the application, although the actual time can vary greatly. The trademark has effect from the date on which it is recorded in the Trademark Register.

An opposition may be filed three months after a trademark registration is published, provided that the corresponding fees are also paid. The rights on which the opposition is based,

and the scope of that opposition, must be clearly indicated. An additional fee must be paid for each right to which the newer mark is opposed. An opposition may be based on older German trademarks and EU trademarks, international trademarks in force in Germany and trade designations that are protected in Germany. It is also possible to base an opposition on older trademark applications. If and to the extent that an opposition succeeds, the opposed trademark will be expunged from the register once the ruling is final and binding.

Oppositions can also be based on protected geographical indications and protected designations of origin. Generally, opposition proceedings are documentary proceedings with no oral hearing. A typical case will involve one or two rounds of short submissions. Currently opposition proceedings before the DPMA can take at least a year for the first decision to be reached. An admissible opposition that is based on older rights will succeed if the newer mark or the goods and services claimed in its specification are identical or confusingly similar to the older right on which the opposition is based. This includes a danger of association with the older mark. In general, the scope of protection afforded to older well-known, famous or notorious trademarks will be broader. Finally, an opposition can also be based on the grounds that the opposed trademark was registered in bad faith, particularly in the name of an agent or other representative of the (normally foreign) trademark owner.

To support settlement negotiations between the parties to the proceedings, the DPMA may grant a cooling off period of at least two months within which to try to reach an amicable settlement. This period may be extended by a further joint request by the two parties.

The owner of the contested application may defend by requesting proof of use of the opposing trademark. The DPMA requires proof of use rather than simply the putting forward of a plausible case. However, in place of full proof, affirmation in lieu of an oath is still permitted pursuant to section 43(1) of the Trademark Act. The five-year period for which proof of use of the opposing trademark must be furnished will begin five years before the filing date or priority date of the challenged trademark.

The grace period for using the trademark on which the opposition is based (the period during which the use of the trademark does not have to be proven) begins essentially on the date on which the opposition period expires. In the case an opposition is filed, the commencement date of the grace period is the date on which the final decision of opposition proceedings becomes final and binding or the date of withdrawal of all oppositions. For trademarks whose application was filed with the DPMA after 14 January 2019, the beginning and end of the grace period for use is entered in the Trademark Register (section 25 (20a) of the Trademark Ordinance). An opposition will also be rejected if the younger opposed trademark was filed during the period during which the older trademark was not in genuine use. This applies even if the older trademark was subsequently put to genuine use by the owner and the lack of use cured regarding other third parties.

A trademark that is not put to genuine use within five years of expiration of the opposition period or the final decision in opposition proceedings is deemed invalid. However, if maintenance fees are paid, the mark will continue to exist on the public records, because no declaration or evidence of use is required. After the five-year grace period for commencing genuine use, any third party may file a request for revocation at any time. If the owner does not object to this within two months, the mark will be revoked. In case of an opposition, the third party is informed and may then proceed with revocation proceedings before the DPMA by paying another official fee within a month of notification or file a revocation action based on non-use with the German regional court that has special jurisdiction in the subject.

If the owner can prove that it has commenced genuine use before the revocation request is filed, the trademark will not be revoked. This is the case even if the trademark had not been used for more than five years. However, use that commences less than three months before the cancellation request after the owner became aware of its potential filing will not be considered.

Any party may file a request for revocation, and the trademark may be cancelled, if:

- there are absolute grounds for refusing trademark protection (usually overlooked by the DPMA during examination), if:
 - the absolute ground of refusal still exists at the time that the decision on the application for cancellation is made; and
 - cancellation is requested within 10 years of the registration date;
- the trademark has become the common name in the trade for the goods or services in respect of which it is registered as a consequence of acts or the inactivity of the owner; or
- use made of the mark is liable to mislead the public, particularly as to the nature, quality or geographical origin of those goods or services.

In respect to the enumerated number of statutory absolute grounds, a trademark may be cancelled ex officio by the DPMA if the procedure is commenced during the first two years after the registration date and the registration manifestly contravenes a finite number of provisions. These grounds may apply only to some of the goods and services for which the trademark is registered. In this case, the cancellation will concern only that part of the trademark.

As an alternative to opposition proceedings, especially after the expiry of the non-extendable three-month opposition period, the owner of older rights may file at any time a request for cancellation based on its older trademark or trade designation standing in force in Germany (ie, relative grounds). However, even if the relative grounds are proven to exist, the registration may not be cancelled if the owner of the older mark has knowingly tolerated the use of the newer mark for the goods or services in respect of which it is registered for a period of five consecutive years – unless the newer mark was obtained in bad faith or the owner of the older right has consented to registration and use of the younger mark. Further, cancellation is not possible if the older mark could have been cancelled on the date of publication of registration of the younger trademark.

Cancellation requests based on original or subsequent absolute grounds for refusal, lack of standing to own a trademark, lack of genuine use or because of the existence of earlier rights (only by the owner of such rights) may be filed with the DPMA. An action for cancellation for revocation or because of the existence of earlier rights may also be commenced before the competent higher regional court.

In adverse proceedings before the DPMA or the Federal Patent Court, each party typically bears its own costs, but the DPMA or the Federal Patent Court may issue a cost award if it is equitable that one party should bear whole or part of the costs.

The trademark may be renewed 10 years after the application filing for some or all of the goods and services for which it is registered by payment of the applicable maintenance fee.

All renewals and deletions will be recorded in the register, which may be accessed online at www.register.dpma.de. Any owner may at any time relinquish their trademark completely or regarding certain goods or services by filing a corresponding written request with the DPMA.

ENFORCEMENT

Civil infringement proceedings may be based on a conflict with older rights. Typically, infringement claims will first be asserted against the infringer in the form of a letter that asks them to cease and desist and to pay a contractual penalty in case of contravention. The latter requirement is a unique feature of the German legal system and is intended to disperse the danger of repeated infringement. Unless the infringer gives such an undertaking, the action requesting an order to cease and desist will remain admissible.

The rights holder may seek an interlocutory injunction from the competent regional higher court if the matter is urgent, which is legally presumed. (The competence of specific chambers is concentrated on the state level in a few courts in each state.) The petitioner must request injunctive relief soon after learning about the infringement. This period is not legally defined, although it is generally agreed to be within one month. Some courts grant a period of up to two months, but longer periods are granted only under special circumstances. Unless the infringer acknowledges the court order as final and binding, the petitioner will have to institute normal infringement proceedings.

The following remedies are available in civil infringement proceedings:

- claims to cease and desist, which do not depend on the infringement being culpable;
- claims for actual damages, which may be demonstrated via three alternative methods:
 - licence analogy;
 - actual damages suffered by the rights holder; and
 - profits made by the infringer that are attributable to the infringement, or unjust enrichment;
- claims for destruction and recall, or permanent removal from sale, unless this would be disproportionate – in order to secure the enforcement of such claims, under certain circumstances a sequestration can be ordered by interlocutory injunction;
- claims for information concerning the origin and sales channels of unlawfully marked goods or services (in special cases, these claims may also exist against certain third parties);
- claims that the infringer submits or allow access to banking, financial or commercial documents where these are required for the assertion of the compensation claim, unless this would be disproportionate – the court has the power to guarantee confidentiality protection;
- information claims, which, under certain circumstances, may be granted through an ex parte interlocutory injunction; and
- claims for the publication of the final judgment.

Reasonable attorneys' fees and court fees are awarded, depending on the extent to which a party prevails. Court and attorney fees are assessed on the basis of fee statutes that provide

for lump sums and cap recoverable amounts. German attorneys at law are not permitted to charge fees below such amounts.

Wilful trademark infringement is a crime and may be punished. The local public prosecutor's office is empowered by the Federal Act of Criminal Procedure (StPO) to commence proceedings on its own initiative or upon receiving a complaint. The abilities of the rights holder to influence the investigation, including the speed at which it is conducted, are limited.

Both the seizure and eventual destruction of imported counterfeit goods in Germany are possible under German and EU regulations. Detailed information regarding this is available from the [German Customs Office](#).

OWNERSHIP CHANGES AND RIGHTS TRANSFERS

A change of ownership regarding a German trademark takes place outside the register either through the operation of law (eg, legal succession) or on the basis of an agreement (eg, assignment). While it is not mandatory to record such a change in the register, this is highly recommended in order to ensure that rights can be enforced without delay. The validity and the form of such a change of ownership depend on the applicable law. There are no formal requirements regarding a registered trademark. A German representative who is a German attorney at law or patent attorney may request the recording of a change of ownership in the register without submitting a copy or original of the underlying legal instrument. In all other cases, documentary proof must be submitted.

Trademark licences are also granted outside the register. A licensee may themselves start infringement proceedings only with the consent of the licensor or owner of the licensed right. There is no statutory requirement to register a licence. Trademark licences are entered in the Register at the request of the proprietor of the trademark (licensor) or of the licensee if the respective other party consents. The entry contains information about the licensee, the type of licence and any restrictions. A fee is charged for the registration, amendment and cancellation of a licence in the Register. It is also possible to have licences for trademarks for which protection has been extended to Germany recorded in the International Register.

Commercial designations and names are regarded as being inextricably associated with the relevant business operation or company and may not be transferred without the business operation as such or licensed to another company. The related legal issues are complex.

RELATED RIGHTS

A trademark that is an individual and sufficiently original creative work may also be protected by copyright. This applies not only to device marks, but, on rare occasions, may also include slogans that meet a high standard of originality. Further, there may be a nexus between trademark infringement and the German Unfair Trade Practices Act (UWG). This legal area is mapped out by many precedents and is highly complex. To a certain extent, enforcement resembles trademark infringement matters, but claims differ substantially.

ONLINE ISSUES

The country code top-level domain '.de' is managed by DENIC eG. A dispute concerning a '.de' domain name may be registered with DENIC to prevent its transfer. Disputes must be resolved amicably or, if this is not possible, in court. A substantial body of trademark case law applies equally to cyberspace as it does to the offline world. For example, a domain name that is similar or identical to a registered trademark also requires use for identical or

similar goods or services for a trademark-based claim to succeed. Cases of famous marks or bad-faith domain name registration may be different. Bearing this in mind, precedents have established that metatags can be infringing. AdWords usage, on the other hand, will not normally constitute infringement unless the displayed advertisement contains something that is infringing.

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Israel: new practice paper indicates increasingly strict stance toward descriptive and non-distinctive marks

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Summary

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IN SUMMARY

The legal framework of the Israeli trademark registration process, its prosecution and enforcement. In the past several years, Israel has become extremely strict in its examination practice, specifically regarding non-distinctive marks. Just recently, a new Practice Paper has been circulated determining the distinctiveness of word marks and design marks. Applicants should become aware of this recent stance.

DISCUSSION POINTS

- Scope of protection of registered trademarks and unregistered mark
 - Trademark registration procedure, maintenance and renewal
 - Trademark enforcement
-

REFERENCED IN THIS ARTICLE

- The Trademarks Ordinance (new version – 5732/1972)
 - The Trademarks Regulations 1940
 - The Trademark Regulations (Implementation of the Madrid Protocol) (5767/2007)
 - Work instructions for determining distinctive marks – Practice Paper (2023)
 - The Unjust Enrichment Law (5739/1979)
 - The Commercial Torts Law (5759/1999)
 - The Consumer Protection Law (5741/1981)
-

LEGAL FRAMEWORK

Relevant national laws include:

- the Trademarks Ordinance (new version – 5732/1972);
- the Trademarks Regulations 1940;
- the Trademarks Order (Protection of Industrial Property) 1934;
- the Merchandise Marks Ordinance 1929, as amended;
- the Merchandise Marks Regulations 1935;
- the Appellations of Origin (Geographical Indications) (Protection) Law (5725/1965);
- the Appellations of Origin (Procedure of Registration of Appellations of Origin Originating in a Foreign Country) Regulations (5727/1967);
- the Appellations of Origin (Procedure before Appeal Committee) Regulations (5727/1966);
- the Symbols Protection Act (5735/1974);
- the Trademark Regulations (Implementation of the Madrid Protocol) (5767/2007);
- the Unjust Enrichment Law (5739/1979);

- the Commercial Torts Law (5759/1999); and
- the Consumer Protection Law (5741/1981).

Israel has signed the following international treaties:

- the Paris Convention for the Protection of Industrial Property (1883), Stockholm (1967);
- the Agreement on Trade-Related Aspects of Intellectual Property Rights;
- the Nice Agreement on the International Classification of Goods and Services (1957), Stockholm (1967);
- the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration (1958), Stockholm (1973); and
- the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks.

UNREGISTERED MARKS

While the Trademark Ordinance predominantly provides protection for registered trademarks, it also protects unregistered well-known trademarks.

Unregistered marks that are not considered well known may be protected under:

- the Commercial Wrongs Law (5759/1999), incorporating the tort of passing off;
- the Consumer Protection Law (5741/1981), according to which a lawsuit may be initiated against a third party using the mark in a manner that deceives the consumer public; and
- the Law of Unjust Enrichment (5741/1981), according to which unfair competition and unfair use of one's goodwill in a mark is prohibited.

According to Israeli law, there is no specific use requirement for establishing the mentioned rights. Each case is judged on its own merits, and the duration, extent, nature of use and nature of the mark are all taken into consideration to determine eligibility for protection. Unregistered rights may also be protected under different laws, including the Unjust Enrichment Law, the Commercial Torts Law and the Consumer Protection Law.

REGISTERED MARKS

Any person or legal entity may obtain protection for a mark. No power of attorney is required before filing, but one must be submitted to the Israeli Trademark Office (ITO) at a later stage. No notarisation or legalisation is required.

Scope Of Protection

Marks that are usually eligible for registration include those that are fanciful, arbitrary or distinctive, or that have acquired distinctiveness.

The following marks are not eligible for registration:

- a mark referring to a connection with the president of Israel or his or her household, or to presidential patronage, or a mark from which a connection or patronage might be inferred;

- flags and emblems of the state, its institutions, foreign states or international organisations, and any mark resembling any of these;
- public armorial bearings, official signs or seals used by any state and signs resembling any of these, and any sign from which it might be inferred that the owner enjoys the patronage of, or supplies goods or renders services to, a head of state or government, unless it can be proved that the rights holder is entitled to use it;
- a mark in which any of the following words appear: 'patent', 'patented', 'by royal letters patent', 'registered', 'registered design', 'copyright', 'to counterfeit this is forgery' or words to that effect;
- a mark that is or may be injurious to public order or morality;
- a mark that is likely to deceive the public, contains a false indication of origin or encourages unfair trade competition;
- a mark containing a geographical indication that may be misleading as to the real geographical area from which the goods originated;
- a mark containing a geographical indication that is literally correct, but that contains a false representation to the effect that the goods originated in a different area;
- a mark identical or similar to emblems of exclusively religious significance;
- a mark on which the representation of a person appears, unless the consent of that person has been obtained (in the case of representation of a deceased person, the consent of his or her successors is required unless reasonable grounds exist for not obtaining it);
- a mark identical to one belonging to a different owner that is already registered in respect of the same goods or description of goods, or so nearly resembling such a mark as to cause likely confusion;
- a mark consisting of numerals, letters or words that are in common use in trade to distinguish or describe goods or classes of goods, or that bear direct reference to their character or quality, unless the mark has a distinctive character;
- a mark whose ordinary significance is geographical or a surname, unless represented in a special manner or unless having a distinctive character;
- a mark identifying wines or spirits that contains a geographical indication, if the wine or spirit did not originate in that geographical area;
- a mark identical or misleadingly similar to a well-known trademark, even if the mark is not registered with respect to goods for which the mark is well known or with respect to goods of the same description;
- a mark identical or similar to a well-known registered trademark, even with respect to unrelated goods or services, if the mark sought to be registered might indicate a connection between the goods with respect to which the mark is sought and the registered owner of the trademark, and the registered owner of the trademark might be harmed as a result of using the mark sought; and
- a mark identical to, resembling or containing the name or business name of another person or entity, if the mark is likely to deceive the public or to cause unfair competition.

PROCEDURES

Filing And Examination Proceedings

Multi-class trademark applications are available in Israel. The mark is examined several months after filing. Proceedings may be accelerated under certain conditions. The examination is conducted based on absolute as well as relative grounds. With respect to absolute grounds, it should be noted that in recent years the ILTMO has become significantly strict with its examination practice in relation to descriptive and non-distinctive marks.

Indeed, in the past year a new Practice Paper has been circulated by the ILTMO, according to which descriptive or non-distinctive word elements appearing in basic or standard typeface, lettering or handwritten style typefaces are not registrable. Where standard typefaces incorporate elements of graphic design as part of the lettering, those elements need to have sufficient impact on the mark as a whole to render it distinctive. When these elements are sufficient to distract the consumer's attention from the descriptive meaning of the word element or are likely to create a lasting impression of the mark, the mark is registrable. The mere 'addition' of a single colour to a descriptive/non-distinctive word element, either to the letters themselves or as a background, is not sufficient to render the mark distinctive. Use of colors is common in trade and would not be seen as an indication of origin. However, it is possible that an unusual and memorable arrangement of colors could render a mark distinctive.

With respect to the figurative elements in the mark, descriptive or non-distinctive verbal elements combined with simple geometric shapes are unlikely to be acceptable, in particular when these shapes are used as a frame or border. On the other hand, geometric shapes can add distinctiveness to a sign when their presentation, configuration or combination with other elements creates a global impression which is sufficiently distinctive.

A figurative element is considered to be descriptive or devoid of distinctive character whenever:

- it is a mere depiction of the goods and services;
- it consists of a symbolic or stylised portrayal of the goods and services that does not depart significantly from their common representation; or
- it is common in the trade.

A figurative element which does not represent the goods and services but has a direct link to the characteristics of the goods and services will not render the mark distinctive, unless it is sufficiently stylised.

With respect to both the word and figurative elements in the mark, principally, a combination of figurative elements and word elements, which if considered individually are devoid of distinctive character, does not give rise to a distinctive mark. That said, a combination of such elements when considered as a whole could be perceived as an indication of origin due to the presentation and composition of the sign. This will be the case when the combination results in an overall impression which is sufficiently far removed from the descriptive/non-distinctive message conveyed by the word element.

A unique procedure in Israel relates to a refusal based on the existence of a corresponding pending application (inter partes proceedings). If such a refusal is issued, the parties may

resolve the conflict by reaching a settlement approved by the registrar. Otherwise, the registrar will issue a decision based on three criteria:

- the applicants' good faith in choosing the trademark;
- the extent of use of the respective marks; and
- the filing dates of the applications.

According to local practice, and because Israel belongs to those common law countries where trademark rights may commonly be acquired by use, more emphasis is given to first use and to volume of use than to the date of filing.

A response to the examiner's objection must be filed within three months. If no response is submitted by this deadline or no extension of time is requested, the ITO will ultimately close the file. Extensions are available up to eight months from the date on which the response should have been filed, while the applicant is required to finalise the examination within two years of the first office action.

Once accepted, the mark will be published in the Trademarks Gazette.

Opposition

Upon publication, third parties have three months to oppose the registration. If no opposition is filed, the mark will proceed to registration. The opposition period cannot be extended.

Once the opposition is filed, the applicant has two months to respond by filing a counterstatement. Two months thereafter, the opponent must file their evidence in support of the opposition. Subsequently, the applicant has two months to file their counterevidence and the opponent may then file evidence in response. The evidence is submitted in the form of affidavits. An oral hearing is then scheduled before the ITO (unless the parties reach a procedural agreement to waive cross-examinations). The parties then proceed to submit their oral or (usually) written summations and summations in reply. A decision will be issued thereafter. Such a decision is final and binding, unless it is appealed to the relevant district court.

Registration

If no opposition is filed within the opposition period or if an opposition has been dismissed, the mark proceeds to registration.

Renewal

Registered trademarks are valid for 10 years from the application date.

Removal From Register

Any person may file an invalidation action to remove or amend a trademark from the register on the grounds that it is not eligible for registration. Such an application should be filed within five years of the registration date. However, if an application is filed in bad faith, there is no five-year limit.

A registered mark may become vulnerable to non-use cancellation action three years after its registration date. A cancellation action against a registered mark may be initiated by any third party on the grounds that there was no good-faith intention to use the trademark in

connection with the goods for which it was registered, and that there has been no good-faith use of the trademark during the three years preceding the application for cancellation.

Cancellation and invalidation actions should usually be submitted to the registrar at first instance. The registrar's decision may then be appealed to the relevant district court at second instance. However, some actions may be submitted to the first instance court.

Searches

Official trademark searches are conducted for any identical or confusingly similar marks, word marks and device marks for as many classes as requested.

ENFORCEMENT

Civil Proceedings

A request for interim remedies is one of the most valuable tools for the protection of trademarks. The plaintiff will be granted an interlocutory injunction if the court is convinced that the plaintiff has a good chance to win the suit and that the balance of convenience leans in its favour. A plaintiff who superfluously delays action may not be granted interim remedies. There is no rule as to how much time must pass before it constitutes such a delay: this depends on the circumstances of each case. The main lawsuit, including the request for a permanent injunction, can be filed at any time within seven years of the date of infringement. However, in extreme circumstances, a superfluous delay might stop the plaintiff from bringing the claim to court.

If the plaintiff prevails, they are entitled to an injunction preventing the continuation of the infringements and, in some cases, destruction of the goods and a financial remedy.

Administrative Proceedings

According to the Customs Ordinance, Customs is entitled to detain imported goods that are suspected of infringing trademarks.

It is possible, although not mandatory, for rights holders to file a complaint while recording their registered trademarks with Customs. It is highly recommended that such a complaint be filed if the rights holder is aware of specific shipments of infringing goods bound for Israel or if they wish to bring certain trademarks to the attention of Customs.

Notwithstanding this, Customs is authorised to seize suspected goods (whether as a result of a complaint submitted by the rights holder or as a result of a random examination of shipments arriving in Israel). Once such goods are seized, Customs must send appropriate notice to the rights holder and the importer.

In most cases involving small shipments, Customs initiates a short procedure while agreeing to destroy the goods based on a written opinion submitted by the rights holder, in which it indicates the reasoning behind its belief that the goods are indeed infringing and provides that it will compensate the importer for any financial damage that may be inflicted as a result of the seizure, as well as joining Customs in any lawsuit initiated by the importer.

In other cases (mostly, when the shipment includes a high number of goods or expensive goods), Customs initiates a long procedure, under which the rights holder must file a lawsuit. As an initial step, the rights holder must submit a bank guarantee to Customs to compensate the importer for any financial damage that may be inflicted as a result of the seizure or the filing of a lawsuit.

Whether a long or short procedure is being instigated, on receiving the customs notification, the rights holder has three working days (with a possible further three-day extension) in which to respond. To complete the short procedure, they may submit the required bank guarantee and relevant documents. Only after the bank guarantee has been submitted will Customs advise the rights holder of the importer's details and allow it to obtain a sample of the seized goods. As such, if the rights holder decides to proceed with the short procedure, they will not receive any details regarding the shipment.

Upon filing the bank guarantee, the rights holder can either settle the matter amicably with the importer or file a lawsuit against it within 10 working days of the notice date (an extension of 10 further working days is available upon filing a reasoned request). Should the rights holder choose to take no further action, the goods will be released.

Criminal Proceedings

The knowing infringement of a trademark constitutes a criminal offence. In recent years, IP police units have been downsized and their action is now limited. However, the activity levels of local police stations that do not specialise in intellectual property have increased.

The police may act on the basis of information obtained by its own investigation or a complaint initiated by the trademark owner. The trademark owner (or its representative) is usually required to assist the police by giving a deposition and testify to the nature of the infringement. It is still possible for trademark owners to file private criminal complaints.

OWNERSHIP CHANGES AND RIGHTS TRANSFERS

Assignment

A pending or registered trademark may be assigned with respect to all or some of the goods or services covered thereby. The assignment should be recorded with the ITO, among other things, in order to avoid claims of non-use and to properly maintain any goodwill of the trademark. To record an assignment in Israel, a copy of the deed of assignment executed by the assignor is required. This must state that to the best of its knowledge the recordal of the assignment will not cause confusion among the public (if such statement is not included in the assignment document, a separate document may be provided). In addition, an executed power of attorney on behalf of the assignee is required.

Licence

Recordal of a licence agreement in Israel is mandatory. Recordal of a licensee or registered user can take place only with respect to registered rights. If a licensee is not recorded as a registered user, the trademark registration may be cancelled for non-use. Further, not recording a licence may have other implications, including regarding the goodwill of the mark and its associated owners. A recorded licensee can take action against infringements in certain circumstances.

To record the registered user, the licence agreement should indicate:

- the relationship between the owner and the authorised person, including the extent of the owner's control over the authorised person's use;
- the goods in respect of which authorisation is sought;
- the conditions or limitations that are to apply to the use of the mark;

- the period of validity of the authorisation, if its registration is requested for a determinate period; and
- a statement that, to the best of the licensor's knowledge, the recordal of the licence will not cause confusion among the public (if the general agreement includes no statement to this effect, a separate statement may be provided).

In addition, a power of attorney signed by the licensee should be submitted. No notarisation or legalisation is required.

Merger

A copy of the merger certificate is required. The certificate must reflect a public official or agency attesting to the merger. In addition, a power of attorney must also be filed.

Change Of Name

One of the following documents is required to record a name change with the ITO:

- a copy of the name change certificate, which attests to the change of name and is made by a public official or agency;
- a copy of the official publication of the change of name; or
- a copy of a notary confirmation indicating that the change of name was registered with the proper authorities in the owner's incorporating country.

Change Of Address

One of the following documents is required to record a merger with the ITO:

- a copy of the merger certificate, which attests to the merger and is made by a public official or agency;
- a copy of the official publication of the merger; or
- a copy of a notary confirmation indicating that the merger was registered with the proper authorities in the owner's incorporating country.

As all documents are filed electronically, simple copies are sufficient. However, the ITO retains the right to request the original/certified documents, if necessary.

RELATED RIGHTS

Under specific conditions, a trademark logo that has artistic value or a slogan may be protected under copyright law. Three-dimensional marks may be protected under design law.

The issue of trademarks overlapping with other IP rights is a complex one and has barely been addressed by the Israeli courts. It appears that most cases will turn on their circumstances, but clear guidelines have yet to be established. That said, the courts have addressed the registration of 3D trademarks and slogans as trademarks, ruling that, in certain cases, the shape of a product may be protected as a 3D trademark if it has acquired distinctiveness and is used as a trademark, and that a slogan filed for registration should be examined in the same manner as any other mark and should not be a priori considered inherently non-distinctive. These judgments were endorsed by the ITO.

ONLINE ISSUES

The Israel Internet Association (ISOC-IL) operates as the registry for domain names under the '.il' ccTLD. The IL-DRP is an alternative dispute resolution procedure intended to resolve disputes regarding the allocation of domain names under the '.il' ccTLD. It is not intended to create or replace judicial precedent or jurisprudence.

Under the rules for allocation of domain names under '.il', the IL-DRP will review third-party challenges to an existing allocation of a domain name by ISOC-IL on a case-by-case basis. Disputes regarding the allocation of a domain name by a holder may be brought by a third party on the following grounds:

- the domain name is identical or confusingly similar to a trademark, trade name, registered company name or legal entity registration of the complainant;
- the complainant has rights in the name;
- the holder has no rights in the name; and
- the application for allocation of the domain name was made or the domain name was used in bad faith.

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Romania: understanding cancellations at the OSIM

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Summary

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IN SUMMARY

Romania has a first-to-file trademark system that presents many similarities with the European Trademark system when it comes to both procedural and substantive aspects. A novel element since 2023 is that cancellations (invalidations) and exhaustion of rights can be heard by the Patent Office in administrative proceedings as an alternative of court proceedings.

DISCUSSION POINTS

- Legal framework
 - Filing and prosecution
 - Contentious matters
 - Enforcement
 - Changes of ownership
-

REFERENCED IN THIS ARTICLE

Institutions and legal texts:

- OSIM – acronym in Romanian for Romanian Patent and Trademark Office
 - Municipal Court of Bucharest
 - Romanian trademarks Law No. 84/1998
 - Court of Appeal of Bucharest
 - High Court of Cassation and Justice
 - Directive (EU) 2015/2436 of the European Parliament and of the Council of 16 December 2015 to approximate the laws of the member states relating to trademarks (the Harmonisation Directive)
 - Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trademark
 - Paris Convention for the Protection of Industrial Property
 - Madrid Agreement Concerning the International Registration of Marks
 - Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks
 - TRIPS Agreement
 - EU Custom Regulation No. 608/2013 and its national counterpart; namely, Law No. 344 of 29 November 2005
-

FIVE KEY NEED-TO-KNOWS

1. Romania has a first-to-file trademark system.

2. OSIM carries out only examination on absolute grounds (inherent registrability).
3. Conflict with prior rights is solved via opposition procedures; the opposition term is two months after the publication of the trademark application.
4. Trademarks must be used within at least five years from the total validity term. Failure to comply with this requirement results in having the trademark vulnerable for invalidation.
5. Since 2023, OSIM acts as court of first instance for trademark invalidations; however, infringement is only of the competence of the courts of law.

LEGAL FRAMEWORK

There are three types of trademarks valid in Romania: national trademarks, international trademarks (Madrid Agreement) and EU trademarks, as Romania is part of the European Union.

Romanian Trademarks Law No. 84/1998 was last amended in 2022 for the purpose of transposing Directive (EU) 2015/2436 of the European Parliament and of the Council of 16 December 2015 to approximate the laws of the member states relating to trademarks (the Harmonisation Directive) into national legislation.

The implementing Regulations of the Law have not been updated at the date of writing this article.

Romania is part of the following international treaties applicable in the field of trademarks:

- Paris Convention for the Protection of Industrial Property;
- Madrid Agreement Concerning the International Registration of Marks;
- Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks; and
- TRIPS Agreement.

The relevant competent authorities for trademark matters are OSIM as the administrative body and judicial body and the Municipal Court of Bucharest as the judicial body together with the Court of Appeal of Bucharest. For enforcement, customs authorities and the police are also involved.

FILING AND PROSECUTION

Under the provisions of the Romanian Trademarks Law No. 84/1998, the following type of marks are protected:

- registered trademarks (including collective or certification marks);
- unregistered and well-known marks;
- company names;
- trade names and business names;
- geographical indications; and
- domain names.

The trademark applications are examined by OSIM for inherent registrability.

The Romanian Trademarks Law No. 84/1998 respects, in general, the provisions of articles 4.1 and 4.3 of the Harmonisation Directive. The possibility that the mark has acquired a distinctive character before the date of submitting the request for cancellation is mentioned for the first time in the Romanian Trademarks Law No. 84/1998 as amended in 2022.

CONTENTIOUS MATTERS HEARD BY OSIM

There are two types of contentious proceedings heard by the Romanian Patent Office: opposition on one hand; cancellation (invalidation) and exhaustion of rights on the other hand.

Opposition

The application is first examined on absolute grounds and published if it fulfils the requirements, with the opposition proceeding taking place after publication.

The opposition term is two months; however, it is possible to submit the detailed arguments at a later date.

A term of two months is provided for the parties to reach an amicable settlement on the opposition proceedings. This term may be extended with a period mutually agreed between the opponent and applicant, but which cannot exceed three months.

To date, there is no sufficient data for concluding if this newly introduced cooling-off period has increased the number of cases when parties reach an amicable settlement. Traditionally, amicable settlements are rather rare in Romania.

Decisions of the examining division as well as decisions of the oppositions commission can be appealed to the Board of Appeal of OSIM within 30 days from the communication of the decision to be appealed. The Board of Appeal should motivate the decision no later than three months from the date of ruling it. In the past, it took up to two years in some cases from the moment the decision was taken until it was written and handed to the parties. In practice, some decisions (especially ones from old files) continued to be issued later than the timescale provided by the new law.

Decisions of the Board of Appeal of OSIM can be further appealed to the Municipal Court of Bucharest within 30 days from the communication of the decision to be appealed.

Decisions of the Municipal Court of Bucharest can be further appealed to the Court of Appeal of Bucharest.

Decisions of the Court of Appeal may only in exceptional circumstances be further appealed to the High Court of Cassation and Justice.

Opponents who missed the term to lodge an opposition will have only the possibility to lodge cancellations (invalidations).

Types Of Grounds Of Opposition On The Merits Of The Case

Among other things, the registration of a junior application may be refused by the Commission of the Opposition of OSIM on relative grounds if the junior application:

- is identical to an earlier trademark for identical goods or services;
-

is identical or similar to an earlier trademark for identical or similar goods or services, where there is a likelihood of confusion, including the likelihood of association with the earlier trademark; or

- is identical or similar to an earlier Romanian or EU trademark for goods or services that are identical, similar or not similar to those in relation to which the earlier trademark is registered, where the earlier trademark enjoys a reputation in Romania or in the European Union and the use of the subsequent trademark would generate an unjustified profit deriving from either the distinctive character or reputation of the earlier trademark.

Cancellation (invalidation) And Exhaustion Of Rights

The Romanian trademark law uses other words for invalidity – namely, cancellation – and, respectively, for revocation – namely, exhaustion of rights.

Under the old law, all cancellations and exhaustions of rights were exclusively judicial procedures ruled by the Municipal Court of Bucharest with the possibility to appeal to the Court of Appeal of Bucharest.

Since 2023, OSIM functions as a first instance court for cancellations and exhaustions of rights.

Such administrative proceedings are alternative to the filing of claims directly with the competent court. The decision of OSIM rendered in cancellation and exhaustion proceedings can be appealed within 30 days of the communication before the Municipal Court of Bucharest. The decision of the Municipal Court of Bucharest is only subject to appeal before the Bucharest Court of Appeals.

ENFORCEMENT OF TRADEMARK RIGHTS – COURT MATTERS

General Aspects

Romania has a civil law system, in which the legislative acts are the primary source of law. The court system is inquisitorial and unbound by precedent. There are no jury trials.

Intellectual property cases fall under the civil field of law. The civil courts consist of trial courts, tribunals, courts of appeal and the High Court of Cassation and Justice. The law provides for how jurisdiction is distributed between trial courts and tribunals, both acting as courts of first instance. The basic rule is that infringement lawsuits must be brought in the court having jurisdiction over either where the defendant is domiciled or where the infringement occurred.

Cancellations and exhaustion of rights lawsuits, as well as all lawsuits related to a European Union trademark, must take place only before the Municipal Court of Bucharest, with appeals taking place before the Bucharest Court of Appeal.

Second appeals can be filed only in exceptional situations; they are ruled by the High Court of Cassation and Justice.

This means that, if a national trademark is infringed in a county from the northern part of Romania, for example, but the infringer is domiciled in a county from the southern part, the infringement lawsuit can be lodged either in the northern county or in the southern county.

However, if a European trademark is infringed, the infringement lawsuit must be lodged before the Municipal Court of Bucharest.

Both the Municipal Court of Bucharest and the Bucharest Court of Appeal have specialised sections hearing intellectual property cases. The other courts of the country do not have specialised sections.

There are two types of proceedings – civil and penal (or criminal) – but it is possible to start with civil proceedings and to lodge penal proceedings at a later date. In this case, the decision in the civil claim is ruled only after a final decision in the penal proceedings. It is equally possible to start with penal proceedings and lodge civil proceedings at a later date.

Civil proceedings allow both parties, claimant and defendant, to have access to the entire court file. In penal proceedings, the parties do not have any access to the file during the investigation carried out by the police.

There are two types of civil proceedings: summary proceedings (alternatively called interim injunctions) and main infringement proceedings. Interim injunctions must be accompanied by main infringement proceedings.

Causes Of Action

Infringement of trademark rights may be coupled with a claim for unfair competition such as use without the consent of the owner of a sign that is similar to a registered trademark or the use of packaging similar to that used by a company.

Conflicts between trademarks and company names are not frequent; however, they are possible, especially when the company name is considered to be:

another sign used in the course of trade were acquired prior to the date of application for registration of the subsequent trademark, or the date of the priority claimed for the application for registration of the subsequent trademark, and that non-registered trademark or other sign confers on its proprietor the right to prohibit the use of a subsequent trademark. (Article 5.4.a of the Harmonization Directive)

The difficulty resides in proving the conflict between the use of a company name and the use of a trademark as, in practice, they are used in different ways.

Summary Proceedings

When deciding on a claim for an interim injunction, the judge will examine if all the following three conditions are met simultaneously:

- there is an appearance of right in favour of the claimant (prima facie right);
- the matter is urgent; and
- if, in the absence of granting the injunction, a right would be prejudiced or imminent and irreparable harm would be produced.

The injunction may be granted without the summoning of the parties at the request of the claimant – ex parte injunctions. In practice, judges avoid, whenever possible, granting injunctions without summoning the parties. Urgency and the magnitude of irreparable harm are the elements that help the judges assess whether to summon parties.

If granted, the interim injunction remains in force during the main infringement proceedings. If no main infringement proceeding is started within a certain term from the date of granting the injunction, it remains without effect.

In trademark matters, the typical interim injunction claim is for the infringement of a trademark right or a geographical indication.

The court gives an executory judgment. The defendant has the possibility to appeal against the injunction and can also request to suspend the execution of the decision pending the appeal. The Court of Appeal shall decide on the amount of the bail to be paid by the defendant to have the request for suspension granted.

The decision in the interim injunction case is not binding on the substantive trial (it does not have the value of *res judicata*); however, a judgment given in a main proceeding case is binding in respect of a later interim injunction case.

If a request for an interim injunction was lodged before lodging the claim on the merits of the case, in the decision ruling on the interim injunction, the court must establish a deadline for the claimant to file the request for permanent injunction in the main infringement proceedings. Where the claimant does not comply with this obligation, all provisional measures ordered by the court in an interim injunction file cease, provided that a maximum term of 30 days has elapsed since the date of the court decision taking the measures.

Permanent Infringement Proceedings

The structure of the permanent injunction claim lodged by the plaintiff, as proprietor of the trademark right, includes specific requests (also called sub claims) corresponding to the rights of the proprietor – the first request always being the request to permanently cease the non-authorised use of the trademark and other requests refer to monetary remedies or to have the final decision published.

The following means of evidence are allowed: documents (all in the Romanian language or accompanied by their translation into Romanian); cross evidence (interrogatory); expert opinions; and witness declarations.

Means of evidence are usually documents, such as invoices, purchase orders, offers for sale, pictures, catalogues and similar printed materials, including media surveys (eg, for determining the reputation of a trademark). Printed information from the internet or email correspondence is, in principle, admissible, provided that it is dated.

Cross evidence (interrogatory) can be allowed by the judge. Failure to respond to the interrogatory could be taken as a full confession or as positive evidence for the benefit of the party who requested this means of evidence.

Expert reports can be for accounts matters, for determining the amount of the damages claimed or for technical matters for assessing the infringement. The matter of assessing infringement of trademark is quite straightforward for the judge and does not require any technical background; however, in more complex cases, judges can order technical expert reports.

Remedies – General Aspects

The typical remedy in interim injunctions is to stop the infringing acts until the decision in the main infringement proceedings and the other would be to seize the infringing goods.

General exceptions as to remedies to be pursued in summary proceedings are:

- measures that can be ordered in the main infringement lawsuit, principally permanent cessation of infringement of a mark, damages; and
- measures that, if enforced, make impossible the reinstatement of the initial situation, such as, for example, the destruction of the goods.

Typical remedies in permanent interdiction proceedings are the permanent cease of unauthorised use of the trademark, the destruction of the infringing goods and the monetary remedies.

Monetary Remedies

There are two categories of monetary remedies: damages and reimbursement of trial costs. Damages are usually calculated as the lost profit of the plaintiff; in some cases, an accounts expert report is ordered by the judge for the calculation of the damages. To claim damages, the claimant must pay a stamp fee whose value is roughly 1 per cent of the value claimed. Reimbursement of trial costs usually refers to the charges of the lawyers or attorneys. In this respect, the claimant must bring to the closing debates the invoices of the lawyers or attorneys as well as the proof that the invoices were paid. Judges are usually willing to decide to reimburse the trial costs, partially or entirely.

For the time being, the specialised Board of OSIM do not rule in respect of the trial costs for the administrative cases of the cancellation and exhaustion claims.

In many cases, the trademark infringement case starts as a consequence of an application for customs intervention, according to EU Custom Regulation No. 608/2013 or its national counterpart; namely, Law No. 344 of 29 November 2005 regarding measures for ensuring the enforcement of intellectual property rights through custom procedures. In such cases, the goods are seized by the customs authorities until the end of the court proceedings.

Counterfeit of a trademark or of a design is defined as a criminal offence, both by the national trademark law and, respectively, by the unfair competition law.

Customs authorities may act in all situations where goods suspected of infringing an intellectual property right are or should have been subject to customs supervision or customs control.

CHANGES OF OWNERSHIP

The mark may be assigned in its entirety or only for some of the classes, products or services for which the mark is protected. The condition provided by the law for assignment is that identical or similar marks, belonging to the same owner and used for identical or similar goods or services are transmitted by assignment only in their entirety, and only to the same person, under the sanction of cancelling the assignment. The Romanian Trademarks Law also does not prohibit assigning the mark prior to the registration; namely, as a trademark application under examination procedure.

The request for recording the assignment of the mark should be accompanied by the original document attesting the transfer of the mark (recommended to be signed by the parties in front of the public notary since the public notary certifies the identity of the signatory parties and that the trademark and the wish of the parties really exist) or of an extract from said agreement.

The assignment of the mark is recorded with the OSIM and published in the Official Trademark Bulletin. The assignment is opposable to third parties only from the date of its publication in the Official Bulletin.

The assignment produces effects for the signatory parties starting with the date stipulated in the agreement signed by the parties. Thus, the recordal of the trademark assignment is not a condition for its validity but a condition for its opposability to third parties.

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Ukraine: navigating the examination and registration framework before the UANIPIO

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Summary

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IN SUMMARY

This article describes procedures for registering trademarks in Ukraine, including the application, registration, opposition, appeals and cancellation procedures. The requirements for proof of use are outlined. Enforcement of trademark rights and customs surveillance procedures against infringement are also covered. The article also describes ownership changes, licensing and online domain disputes.

DISCUSSION POINTS

- Requirements and criteria for registration of trademarks
 - Overview of the application, UANIPIO examination, oppositions, appeals, publication and registration
 - Use requirements and non-use revocation
 - Enforcement and remedies
 - Customs surveillance
 - Domain name disputes
-

REFERENCED IN THIS ARTICLE

- Ukrainian National Office for Intellectual Property and Innovations (UANIPPIO)
 - Appeals Chamber of UANIPIO
 - Civil Code of Ukraine
 - Criminal Code of Ukraine
 - Trademark Law
 - UA Domain Name Dispute Resolution Policy (the .UA Policy)
-

FIVE KEY NEED-TO-KNOWS

1. A trademark application undergoes two stages of examination – formal and substantive. The claimed designation is examined on both absolute and relative grounds at the substantive examination stage.
2. Ukraine is a first-to-file country.
3. Three-month period for filing an opposition against the application from the date of its publication applies to any interested parties who may rely on any grounds for refusal to grant legal protection.
4. Trademarks must be put in use within five years from the date of registration; otherwise, they may be revoked in court proceedings at the request of an interested party.
5. Commercial names are protected from later trademarks if they were used before the trademark filing date.

LEGAL FRAMEWORK

National Law

The main trademark laws are:

- Civil Code of Ukraine;
- Law of Ukraine 'On Protection of Rights to Marks for Goods and Services' (Trademark Law); and
- Rules on Drafting, Filing, and Consideration of Trademark Applications.

International Treaties

Ukraine is also a party to these international treaties:

- Paris Convention for the Protection of Industrial Property;
- Madrid Agreement Concerning the International Registration of Marks;
- Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks;
- Vienna Classification;
- Nairobi Treaty on the Protection of the Olympic Symbol;
- Protocol Relating to the Madrid Agreement;
- Trademark Law Treaty;
- Singapore Treaty on the Law of Trademarks; and
- EU–Ukraine Association Agreement.

Unregistered Marks

According to the Trademark Law, unregistered marks do not enjoy legal protection.

A trademark in use without registration is protected against a newly registered trademark through acquisition of the rights of the prior user, if the priority of use of such unregistered trademark is proved.

A well-known trademark, regardless of whether it is registered in Ukraine or not, acquires protection under article 6-bis of the Paris Convention upon recognition of the trademark as well-known by the Appeals Chamber of UANIPIO or a court.

In some cases, unregistered marks and commercial designations may be protected under the Law of Ukraine 'On Protection Against Unfair Competition' if there is ongoing competition between the marks on the market.

Also, trade (commercial) names may obtain legal protection by virtue of their use, subject to the requirements set out in the Civil Code of Ukraine.

Registered Marks

An application for trademark registration may be filed by an individual or legal entity, or by joint applicants residing in Ukraine or abroad. According to the Trademark Law, residents of Ukraine may file trademark applications by themselves or through a representative. Foreign

applicants residing outside Ukraine must be represented by trademark attorneys admitted to represent foreign applicants before UANIPIO.

Any sign or combination of signs may be the subject of a trademark, in particular: words, personal names, letters, numerals, figurative elements, colours, the shape of products or their packaging, and sounds, provided that such signs are suitable to distinguish the goods or services of one person from those of other persons.

Legal protection is granted to a trademark that does not contradict public policy and meets the requirements for registration under the Trademark Law, which includes both absolute and relative grounds for refusal.

Signs are not registrable if, inter alia, they:

- are usually devoid of distinctive character and have not acquired distinctiveness through use;
- consist exclusively of signs that are generally used in language or in fair and constant trade practices on goods and services;
- consist exclusively of signs or data that are descriptive;
- can be misleading as to the nature of the goods or services, or as to the person manufacturing the goods or rendering the services;
- can be confused or, in particular, may be associated with trademarks that were registered or filed earlier in Ukraine, trade names that are known in Ukraine and belong to other persons who have acquired the right to said names before the filing date for identical or similar goods and services; or
- reproduce registered industrial designs, or titles of scientific, literary and artistic works known in Ukraine or quotations and characters from said works, as well as the artistic works and their fragments, without the consent of copyright holders, and names, pseudonyms, portraits and facsimiles of persons known in Ukraine, without their consent.

A colour or combination of colours, sound and three-dimensional marks may be registered as a trademark, provided that such signs are suitable to distinguish the goods or services of one person from the goods or services of other persons and are appropriate for their reproduction in the Register in such a way as to enable clear and precise scope of the granted legal protection.

To register such marks, the following requirements should be fulfilled.

- Colour per se: as a rule, such signs do not have distinctiveness, but may be eligible for protection if the evidence is provided that the sign has acquired distinctiveness. A verbal description of the colours must be submitted with the application for registration of a trademark as a colour or combination of colours. The application may also include a description of how the colour or combination of colours is applied in connection with the claimed goods or services and examples of such use.
- Sound marks translated into musical notes, particularly in the form of a chord, musical work (or fragment), are acceptable for registration. To register a sound mark, a musical notation of sounds must be provided, a description of the sound designation

in which it is noted, in particular, a musical instrument on which a piece of music or its fragment is performed and the recording of such mark in electronic form.

- Three-dimensional marks cannot repeat the appearance of a known object, but must have an original appearance and their shape should not be determined solely by their functional purpose.

PROCEDURES

A trademark application undergoes two stages of examination – formal and substantive.

Formal Examination

The UANIPIO checks whether the filed application corresponds to the formal requirements; in particular, the claimed list of goods or services is examined for compliance with the NCL. In the case of any inaccuracies with the claimed wording, the examiner issues the office action. The statutory time limit for responding is two months.

The UANIPIO publishes the information on the filed application after reviewing whether it corresponds to the formal requirements and whether the official filing fee is paid.

If the application meets all formal requirements, a conclusion of formal examination is issued and the application moves on to the substantive examination.

Substantive Examination

The claimed designation is examined as to its conformity with the conditions for granting legal protection (absolute and relative grounds). If there are any reasons to consider that the claimed mark does not meet the requirements for granting legal protection, fully or partially, the UANIPIO sends a provisional refusal to the applicant with the suggestion to submit a motivated response thereto. The applicant has two months to reply to the provisional refusal (three months for marks filed through the Madrid System).

If the examiner finds no grounds for refusal and the claimed designation meets the criteria for granting legal protection, the examiner issues a decision on registration of a trademark.

Based on the granting decision, and provided that the registration fees are paid, a trademark certificate is issued and information about the registered trademark is published.

In the case of a smooth registration process, the registration of a trademark takes 18 months.

An opposition may be filed within three months after the application is published. Filing the opposition is subject to payment of the official fee. Trademark application may be opposed on the absolute and relative grounds.

The UANIPIO sends a copy of the opposition to the applicant. The applicant has two months to submit the response to the opposition. No cooling off period is available.

The applicant may decline the opposition and leave the application unchanged, make amendments to the application or withdraw it.

The filed opposition is considered by the UANIPIO's at the stage of the substantive examination. The results of the opposition's consideration are presented in the UANIPIO decision. A copy of such a decision is sent to all participants of the appeal procedure.

If the UANIPIO's final decision is deemed unfavourable by the opposer, such a decision can be appealed to the Appeals Chamber. The Appeals Chamber's decision may be appealed to the court within two months from the receipt date of the decision.

The applicant may appeal against the decision of the UANIPIO to the Appeals Chamber or to the court within two months from the date of receipt of such decision. The applicants usually appeal unfavourable decisions when the UANIPIO refuses to register a trademark or grants legal protection to part of the claimed goods or services.

Meanwhile, per the Trademark Law, a person who has filed an opposition against granting protection to a third party's trademark may also appeal the final decision of the UANIPIO regarding the opposed mark to the Appeals Chamber within two months. Usually, such a decision is appealed when the UANIPIO grants protection to the opposed mark of a third party in contrast with the opposer's goal to prevent registration of such a mark.

If the Appeals Chamber receives the appeal, the examination of the trademark application shall be suspended until the decision of the Appeals Chamber is issued. Furthermore, the Appeals Chamber's decision may be further challenged by the opposer in court within two months.

The trademark registration is valid for 10 years from the filing date. The registration may be renewed for the next period of 10 years provided that the renewal fee is paid and the renewal request was filed with the UANIPIO within the last six months of the validity of the registration. The Trademark Law also provides the option of renewal the trademark during the grace period that comprises six months after expiration of the trademark validity.

The owner of a registered trademark may withdraw from the registration in whole or in part by filing an appropriate request with the UANIPIO. The withdrawal shall take effect from the publication date of the information in the Official Bulletin.

A trademark registration shall be deemed abandoned and its validity shall be terminated in the case of non-payment of the renewal fee.

Use

There is no requirement for use prior to trademark registration.

Proof of use is not required for trademark registrations and renewal purposes.

The use of a registered trademark is mandatory. Non-use may result in revocation of the trademark registration (ie, the trademark registration becomes vulnerable to revocation due to non-use after five years from the publication date).

The use of the mark is carried out by the trademark owner or by the licensee or any other person under the control of the trademark owner. The proper use of a trademark is putting it on any product for which the trademark is registered, the packaging containing the product, a sign associated with it, a label, a bar, a tag or other object attached to the product, storing such product with the said mark for the purpose of offering it for sale; offering for sale, selling, importing, exporting; using the mark when offering and providing any service for which the trademark is registered; using the mark in business documentation or in advertising and on the internet.

A trademark is deemed to be used if it is applied in the same form as the registered trademark, as well as in a form that differs from the registered trademark only in certain elements, if this does not change the distinctiveness of the trademark.

If a registered mark is not used without valid reasons, its registration may be revoked in part or in full. Any interested person may file a claim with the court for early termination of the registration of a mark because the mark has not been used for five years preceding the date of filing the claim. The evidence provided by the trademark owner that the non-use was caused by circumstances beyond the owner's control may be considered when making a court decision. The burden of proof of trademark use is borne by the trademark owner.

ASSIGNMENT AND RECORDATION

A trademark owner may transfer its trademark rights through an assignment agreement.

The assignment agreement shall be registered with the UANIPIO. The effective date of the assignment agreement is the date of its registration.

Both the assignor and the assignee are entitled to file a trademark assignment registration request with UANIPIO. If the trademark is assigned to a non-resident of Ukraine, the trademark assignment agreement shall be registered through a local trademark attorney. An official fee is paid for the registration of a trademark assignment agreement.

To register the trademark assignment, it is necessary to submit to the UAPTO the trademark assignment agreement or a notarised extract from such agreement, a power of attorney (if necessary) and a document on payment of the fee.

Registering the trademark assignment is not allowed if it may lead to misleading consumers regarding goods and services or the person who produces goods or provides services.

Licensing

A trademark owner may grant an exclusive or non-exclusive licence to use a registered trademark.

The subject of a licence agreement may be only a registered trademark, not an application for such a trademark. The licence agreement is not subject to mandatory registration. The parties may register the licence agreement with the UANIPIO.

The licence agreement must include a provision that the quality of goods or services produced or provided under the licence agreement will not be lower than the quality of goods and services provided by the trademark owner. The trademark owner controls the fulfilment of this provision.

Enforcement

Registration of a trademark confers exclusive IP rights.

Civil Remedies:

Owners of registered trademarks may request the following remedies in a civil action:

- injunction;
- cessation of the acts that infringe trademark rights;
- award of damages or compensation or moral damage;

- confiscation of infringing products and devices for their manufacture; and
- destruction of infringing articles or removal of the illegally used mark from articles and packaging.

The amount of damages shall be determined by the court, taking into account the lost profits or income received by the infringer because of the infringement of the trademark rights.

The amount of compensation shall be determined by the court depending on the scope of the infringement, the fault of the infringer and other circumstances of material importance. In this case, the amount of compensation cannot be less than the amount of remuneration that would have been paid for granting permission to use the trademark in dispute. If the infringement of the trademark rights occurred unintentionally and without negligence, the amount of compensation shall be equal to the amount of remuneration that would have been paid for granting such permission.

Recovery of compensation is applied by the court instead of damages at the discretion of the trademark owner.

The statute of limitations for filing a claim is three years from the date when the claimant learned or should have learned of the infringement. The missed limitation period may be restored provided that the plaintiff confirms the validity of the reason for the inability to file a claim within the prescribed period.

Criminal And Administrative Penalties

Infringement may be considered an administrative or criminal offense (if on a large scale).

According to the Criminal Code of Ukraine, trademark infringement is a crime if it caused significant damage. Criminal proceedings may be initiated if a certain threshold of damage is met. Damage is considered significant if it is 20 times the tax-free minimum income.

Cases on trademark infringement are private prosecution cases and can be initiated only on the basis of a complaint by the trademark owner or their representative in Ukraine who has information about a criminal offense, or a victim of a crime committed as a result of actions infringing trademark rights.

The police cannot act *ex officio* in cases of trademark infringement. However, the police may conduct searches based on a complaint from the right holder and documents collected. A court order is required to conduct a specific investigative action.

CUSTOMS SURVEILLANCE

Ukraine provides a mechanism to combat the movement of counterfeit goods across the border through the Customs Register of Intellectual Property Rights.

Such a mechanism for seizing goods and preventing infringements includes the risk management system of the Customs Register of Ukraine, which allows for the inspection of imported goods per the information recorded with the Customs Register of Ukraine, as well as through visual inspection of goods by customs officers.

In such a case, if the Customs Register indicates that the goods are suspected of infringing intellectual property rights, their customs clearance is suspended for 10 business days and the trademark owner is notified.

The time frame for resolving the issue of such suspension depends on the court proceedings. If the issue of infringement is settled amicably by the parties through negotiations, the term for resolving the issue of interim measures may last within the general terms for suspending customs clearance of goods, which are as follows.

- The owner has the right to notify the customs within 10 days of applying to the court or to submit a request to the customs for an extension of the suspension period (which may be extended for another 10 days).
- If the owner submits a court ruling on a preliminary injunction to the customs authority, the suspension may be extended for the period specified in such ruling.
- If a lawsuit is filed, the timeframe for consideration of such a court case is three to six months.

The seizure of infringing goods at the border by the customs authorities is possible upon the court decision.

Additionally, the suspended goods can be destroyed at the border, subject to the consent of the owner of a shipment, or without such consent after 10 days from the customs notification on suspension. The trademark owner shall bare all expenses related to the destruction unless the shipment owner and the trademark owner agree on the contrary.

It is important to note that border control measures do not apply to original goods.

DOMAIN NAMES

Any natural or legal entity is entitled to own a domain name. There is an exception for the top-level domain '.ua', which is only available to the owner of a trademark protected in Ukraine (word or combined) or its licensee (the licence agreement should be registered with the UANIPIO).

Since March 2019, the Ukrainian country code top-level domain '.ua' can be subject to alternative dispute resolution through the WIPO Arbitration and Mediation Center according to the .UA Policy. It is sufficient for the complainant to prove that either registration or use of the domain name is in bad faith. The same has also recently become applicable to the following third-level domain name registrations: '.com.ua'; '.kyiv.ua'; and '.kiev.ua', etc.



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