

WEEKLY NEWS - JUNE 14, 2010 Trade mark study focuses on cluttering of register

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Members of the Max Planck Institute conducting a study into Europe's trade mark system appear concerned about the cluttering of the register, according to practitioners who attended a meeting last week

Representatives of users groups who were present at a discussion in Munich on Tuesday and Wednesday told *Managing IP* that the members of the Institute seemed to have already identified the key issues that they will report on when they submit recommendations in November this year.

"It seems to have been accepted that cluttering is a problem without any evidence," said Dawn Franklin of Brandright, who represented European business group AIM at the meeting. "The market is itself cluttered in this area. We say you should not try to solve market problems via the registry."

Kerstin Gründig-Schnelle of Liechtenstein Körner & Partner, who was part of INTA's delegation, added: "They asked a lot about how we feel about cluttering. The consensus among the users groups was that, while searching is difficult, we don't feel unduly restricted."

Tove Graulund, who represented MARQUES, said: "I got the impression they want to have a clean register. There seemed to be an over-zealous wish to protect consumers from being confused. That was a bit of a surprise and a little bit concerning."

Those present said much of the discussion in Munich focused on how to reduce the number of possible conflicts given the growing volume of Community trade mark (CTM) applications. Several proposals were put forward by members of the Institute.

One of those proposals was the regulation by registries of coexistence agreements, which was criticised by users. "Coexistence agreements are negotiated very carefully. There is no possibility that a registry could have a role to play in that. It would be a complete disaster," said Franklin.

Another proposal was to create a financial incentive to withdraw a registration, which Graulund described as "an interesting thought".

Range of issues raised

The meeting began on Tuesday morning, when 15 IP users groups each made 10-minute presentations to representatives of the Institute. In the afternoon, there was an open discussion based on a six-point agenda.

On Wednesday, the five users groups that have observer status at OHIM (AIM, BusinessEurope, ECTA, INTA and MARQUES) took part in further, informal, discussions.

As well as members of the Institute working on the study, the meetings were attended by representatives of the European Commission and OHIM.

Among the other issues raised during the discussion were the need to make optional provisions of the Trade Marks Directive mandatory for member states, the use of class headings and fees (including the proposed allocation of 50% of renewal fees to national offices).

The requirement for genuine use of a Community trade mark, following this year's ONEL decision in the Benelux, was also raised – but there was little consensus, with some people maintaining that use in one member state should not be sufficient to prove genuine use, and others saying there should be no territorial requirement.

Having a stricter rule on genuine use is seen by some as one way of addressing any perceived cluttering of the CTM register, as it would make it easier to cancel marks on the basis of non-use.

"There was some heated discussion about genuine use, which is one area where there are various views among users," explained Liesbeth Marijnissen of Klos Morel Vos & Schaap in Alicante. She represented INTA at the meeting, which is reviewing its recommendation on genuine use.

National office reform neglected

Some users also said they were disappointed that it has become clear that the study will focus primarily on the Community trade mark system, and not address the reform of national offices in more detail.

Said Franklin: "The study is of the trade mark system in Europe, but it came over pretty clearly that there's little interest or expectation that anything can be done at the national level. That's a sad omission."

She added that, from AIM's perspective, only about a quarter of the issues with Europe's trade mark system relate to OHIM, with three-quarters relating to the different systems and inconsistencies across the national offices.

The Institute is believed to have concluded that addressing problems and making recommendations about all of the EU's 25 national offices, as well as OHIM, is too big a task in the time provided. However, it has said it will accept submissions on areas where harmonisation is needed and its final report is expected to reflect particular issues raised by users.

Marijnissen said: "One of our priorities is harmonisation and consistency. That is only possible if national offices and OHIM streamline their services in areas such as classification." Opposition procedures were also highlighted as an area where national offices could harmonise practices.

A Cooperation Fund has been set up to use part of OHIM's backlog to improve systems and procedures across national offices, and users have broadly welcomed this, as the spending will be clearly defined and measurable.

But they largely oppose more general diversion of OHIM funds to national offices, and have reservations about giving national offices or OHIM a role in anti-counterfeiting work.

What happens next?

Despite their concerns about the limits of the study, most of those spoken to by *Managing IP* welcomed the meeting and described it as constructive. Carla Schwartz of INTA said: "We thought the meeting was extremely useful and covered a lot of ground."

"Brand owners welcome the opportunity to talk and make this a good study and improve the system," said Franklin. "But we feel it is a pity that it appears to be rushed."

During the meeting the Institute also confirmed that it expects to share the results of a survey of trade mark practitioners conducted by the Allensbach Institute later this month. "The questionnaire covers basic but important questions, such as feedback, the quality of decisions, the consistency of decision making and the time it takes to issue decisions," said Marijnissen.

The Institute, which was contracted by the European Commission to conduct the study last year, has already held meetings with various national offices and OHIM and received numerous written submissions.

It has said it will not hold any further users' meetings but will accept written submissions up until the end of July.

Schwartz confirmed that INTA will make a more detailed submission, based on extensive work by its committees, later this year: "INTA is working on a thorough submission. We have received drafts covering many areas and are focusing on the higher priority issues. We hope to consolidate it and present it to our leadership for review early in July."

ECTA, whose annual meeting is being held in Barcelona this week, is also understood to have drafted a further submission which will be presented to the Institute before the end of this month.

The Institute is expected to deliver the final report and recommendations in November this year. Once it receives the report, the Commission is likely to consult further on the recommendations before making any changes to European legislation.

Former OHIM vice-president, Alexander von Mühlendahl, spoke about the study and the trade mark system in Europe in an [interview](#) to mark Managing IP's 20th anniversary