



Spanish as a New Working Language of the Madrid Protocol

Mr José Graça-Aranha, Acting Director, Promotions & Information Division, WIPO, sees only benefits in the adoption of Spanish as a third language for the Protocol. The views and opinions expressed in this article are his own and do not necessarily reflect those of WIPO or **MARQUES**.

The Madrid System has been evolving to meet the new challenges and adapt to an increasingly globalised market. When the Madrid Protocol was adopted in 1996, important new features, beneficial to both users and Trade Mark Offices, were introduced to the Madrid System. One of these new features was the inclusion of English as a second working language. This facilitated the accession of many important countries, such as the UK, Japan, some Scandinavian countries, and the USA.

The Members of the Madrid Union adopted further amendments to the Madrid System during the Thirty-Fifth Session of the Special Union for the International Registration of Marks Assembly in September 2003. One of those amendments was the inclusion of Spanish as a third working language. This decision was adopted after careful evaluation and consideration of the advantages that such an inclusion would have on the Madrid System.

The inclusion of Spanish as an additional language of the Madrid System should encourage Spanish-speaking countries to join the Madrid Protocol. Spanish is the official language of 20 countries in the world (representing around 400 million people), of which only two (Cuba and Spain) are currently party to the Madrid System.

It has been erroneously argued that the inclusion of Spanish might cause additional costs to trade mark owners. As a matter of

fact, an international application filed under the Protocol will be translated into Spanish by WIPO, ex officio and without any additional costs for the applicant.

Concerns have also been expressed that translation into three languages might cause delays in the international registration. Already today, international applications and registrations governed in part or in whole by the Protocol are translated from and into English and French. The experience so far has shown that translation does not cause delays in the international registration procedure.

It has also been argued that Trade Mark Offices in Spanish speaking countries will only issue office actions (notices of provisional refusal) to trade mark owners in Spanish. Trade mark owners that do not speak Spanish, would have to have the information translated, incurring costs and delays. Although it is true that Offices that choose Spanish as their working language can issue communications in Spanish, it must be noted that those communications will be accompanied by a cover letter from WIPO in the preferred language of the applicant or Offices, as the case may be. This is no different from the present the case with English speaking or French speaking countries.

This is an additional improvement of a system which has constantly been modernised. A system that today has 74 Member States, distributed in all five

continents. It can be said that with the recent increase in its membership, the Madrid system has become a truly global system.

In conclusion, users of the Madrid System (trade mark owners, trade mark agents and representatives and Trade mark Offices) will benefit from the inclusion of Spanish as a new language of the Madrid Protocol, with no additional costs or delays for trade mark owners.

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Geographical Indications: The Biggest Threat to Trade Marks?

Jeremy Phillips and Ilanah Simon, members of the **MARQUES** Publications and Website Team, illustrate differences between Trade Marks (assignable personal property) and Geographical Indications (non-assignable shared property) and highlight some of the dangers for brand owners.

What do Arbroath in Scotland, Parma in Italy and Lübeck in Germany have in common? They are all the source of, and lend their names to, goods which are protected by the European Union's protected geographical indication (GI) regime. The EU protects GIs under Regulation 2081/92 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs. The regulation recognises two types of GIs. Protected designations of origin (PDOs) protect the name of a geographical area from which goods originate, where (i) the goods essentially or exclusively owe their quality or characteristics to a particular geographical environment with its inherent natural and human factors and (ii) the production, processing and preparation of the goods takes place in the defined area. Protected geographical indications (PGIs), are much the same as PDOs. The main difference is that out of production, processing and preparation of the goods, only one of those criteria need take place in the defined area. The Regulation also establishes a register of geographical indications that are protected throughout the EU and defines the scope of their protection.

Tension

GIs have caused considerable tension within the international arena. Commentators in the US have condemned the EU's calls for greater protection for GIs, branding them as anticompetitive and as an example of protectionism that benefits European traders. Some fear that rights will be asserted in product names that, in the US, have become generic. However, proponents of the EU system have taken a wider view of competition, expressing disquiet at the prospect of rival traders being able to take advantage of the effort and investment made by GI owners in establishing and maintaining their reputations.

In this context we should remember that many products protected by GIs originate in the Old World rather than the New World.

This tension came to a head at the Fifth World Trade Organisation (WTO) Ministerial Conference, held in Cancún, Mexico in September 2003. At present, TRIPS calls for WTO member states to provide protection against confusing use of GIs and use involving unfair competition, but fails to state the form this protection must take. It also provides enhanced protection for wines and spirits. In the face of ultimately successful opposition, particularly from the US, the EU sought to expand international GI protection in three ways:

(i) by establishing a multilateral register for GIs; (ii) by extending the wines and spirits style of protection to other goods and (iii) by calling for the registration one of 41 EU-based GIs on that multilateral register, which would have involved a "claw-back" of



certain GIs that had already become generic but which the EU would like to see protected once more. This attempt failed and the entire Cancún conference collapsed. Instead, the issue is under ongoing review by a Special TRIPS Council, which is empowered under Article 23.4 of the TRIPS Agreement and paragraph 18 of the Doha Declaration.

Conflict

The conflict between the protection of geographical indications on the one hand and competition and free movement of goods on the other is visible in three recent ECJ cases. These consider whether the geographical indication protection afforded under either the Regulation or under Member States' national law constitutes measures equivalent to quantitative restriction on the free movement of goods under Article 29 of the EC Treaty, and whether such measures are justified under Article 30 because their aim is to prevent unfair competition. Case C-216/01 Budweiser v Ammersin analysed the protection of "simple indications of geographical source" that did not meet the requirements of the Regulation because there was no specific link between the characteristics of the goods and their geographical origin. In Case C-469/00 Ravil and Case C-108/01 Parma Ham, the question was whether the protection afforded under the Regulation allowed an association to control the use of the GI by packagers and subsequent processors of the genuine product. Ravil and the Budweiser case also have wider constitutional implications, as they address the position of Member States which, prior to joining the EU, entered into bilateral agreements containing terms inconsistent with their obligations under EU law.

Relationship

What then is the relationship between GIs and trade marks? Although both types of indication are applied to goods in order to distinguish them from other goods, they are actually very different. Trade marks are assignable personal property rights while GIs, which are non-transferable, are granted to groups of producers. The reason for this is that, since trade marks indicate to consumers that goods come from a single undertaking, it is logical that they be owned by a single undertaking. However, GIs tell consumers about the characteristics they can expect of the goods to which they are attached, so far as they are associated with production in a certain region. Since such characteristics will, in many cases, be found in the products of all the producers in a specified region, GIs can more easily be "shared". This highlights another difference between the two rights: while GIs give specific information about the characteristics of goods, trade marks only tell consumers that the qualities of the trade marked goods, whatever they are, are consistent and that they are controlled by the proprietor.

Finally, geographically descriptive terms are barred from registration as trade marks unless they later acquire distinctiveness, whereas geographically descriptive terms are the basic subject-matter of GIs. Considering that GIs and trade marks are so different in nature, is there a conflict between them? Although the CTM Regulation lists pre-existing geographical indications as a ground on which a trade mark can be refused registration (and only then for PGIs used for wines and spirits), the answer is usually "No", for the simple reason that the geographically descriptive terms which make up the bulk of GIs are ineligible for trade mark protection. Additionally, GIs may count as signs of more than mere local significance (depending on how well-known they are) which can be used as the basis of an opposition against the registration of an identical or similar trade mark under Article 8(4) of the CTM Regulation/Article 4(4)(b) of the

Trade Marks Directive. In a few fringe cases, conflict does, however, arise. For example in Case C- 100/02 Gerolsteiner, recently decided by the ECJ, the conflict was not between a geographical term used as a trade mark and a geographical term used as a PGI, but instead between a geographically descriptive term (KERRY) and a trade mark that coincidentally happened to sound like the term (GERRI). *[For a more detailed discussion of this case see "The Result from the ECJ - Place Names 1: Brand Owners Nil" by Niamh Hall also in this issue of the Newsletter].*



Ilanah Simon



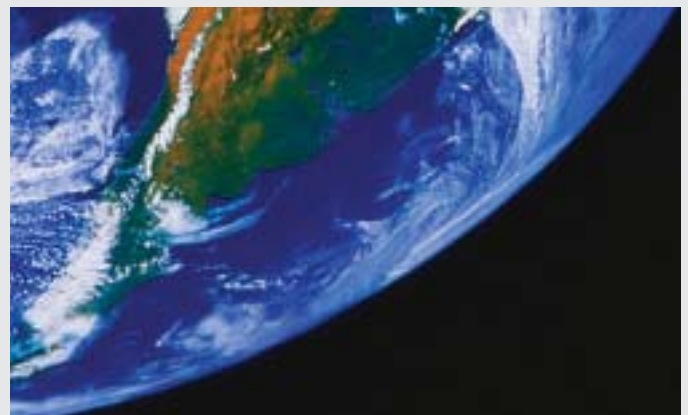
Jeremy Phillips

Members of **MARQUES** Publications and Website Team

Side Effects

Another tricky issue has arisen concerning NEWCASTLE BROWN ALE. The term is protected as both a PGI and as a trade mark. Recently, there has been speculation that Scottish & Newcastle, which is both the named producer for the PGI and the trade mark proprietor, may transfer production from Newcastle to Gateshead, a nearby town. Since the specification for the PGI states that the drink must be made in Newcastle-upon-Tyne, moving production to Gateshead would mean that Scottish & Newcastle would not be able to use the PGI NEWCASTLE BROWN ALE. However, if this state of affairs continues for more than five years, then its trade mark could be liable to be revoked on grounds of non-use. If Scottish & Newcastle is thus prevented from switching locations, it would seem that PGI protection can bar producers from making economically efficient decisions.

When it comes to PGI protection, feelings run high on both sides of the debate. Those who think that PGIs are an illegitimate form of protectionism shout just as loudly as those who want to secure protection for regional and traditional methods and production, as well as the investment in establishing their reputation. Much remains to be resolved. In the meantime, the **MARQUES** Geographical Indications Team will be monitoring the latest developments ●



MARQUES Holds Its Second Regional Meeting in Spain

Following the interest in and success of last year's **MARQUES** Regional Meeting in Spain, **MARQUES** held its second Meeting in Barcelona on 16th March 2004. Levi Strauss kindly offered their conference room for the event.

The meeting was organised by Carles Prat, (member of **MARQUES** Council) and focused on an interactive review of three recent judgments of particular interest to trade mark owners. The decisions analysed were: the ECJ Adidas judgment of 23rd October 2003 on well-known trade marks, the "Doublemint" case on registrability and the very interesting Spanish decision of the Court of Appeal of Zaragoza in the "Clarins/Sabeco" case applying Article 7.2 of the Directive.

The panel was made up of a combination of three external lawyers and three in-house trade mark counsel: Miquel Montaña of Clifford Chance, Enrique Armijo of Elzaburu and Lara Foncillas of Mullerat, on the one



Carles Prat, Member of **MARQUES** Council, addressing the meeting

hand, and Mariona Baldó of Panrico, Jordi Colominas of Danone and Enric Juyol of Laboratorios del Dr. Esteve, on the other.

Pepsico, Miguel Torres, United Biscuits and Roca Sanitario.



The meeting was attended by approximately twenty five in-house lawyers (no external lawyers were invited!), including those from the following companies in Spain: Levi Strauss, Grupo Puig, Codorniu, Bimbo, Nestlé, Laboratorios Vita, Chupa-chups, the Colomer Group, Cirsia Compañia de Inversiones,

It was an excellent occasion for trade mark owners to get together and interact. As on the previous occasion, **MARQUES** received praise for organising the event and all delegates benefited from the discussions. The event was a positive step towards developing the membership of **MARQUES** in Spain ●

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The Result from the ECJ – Place Names 1: Brand Owners Nil

Geographical Indications again, Niamh Hall, of F. R. Kelly & Co., Dublin keeps score at the ECJ



Niamh Hall

Conflict between trade mark registrants and third parties legitimately using descriptive indications for their goods or services has always existed and with the upcoming enlargement of the European Union, it is set to increase. The European Court of Justice in its decision of 7th January, 2004, in the case of Gerolsteiner Brunnen GmbH & Co. –v- Putsch GmbH (Case C-100/02), has clarified, somewhat, the limitations on the effect of trade mark registrations in relation to use by third parties of indications of geographical origin.

The Case

This was a case referred to the ECJ by the German Bundesgerichtshof in relation to a trade mark infringement action taken on the basis of German registrations for the mark GERRI, both in word and device forms, in respect of mineral water and other non-alcoholic beverages. The action was taken in relation to the marketing of soft drinks in Germany with labels bearing the mark KERRY SPRING. The soft drinks are manufactured and bottled in County Kerry in Ireland, from a spring called the Kerry Spring, by Kerry Group plc, the large consumer food and beverages manufacturer based in Ireland, and distributed in Germany by Putsch GmbH. The Bundesgerichtshof was satisfied that there was a likelihood of aural confusion between the marks GERRI and KERRY, the evidence showing that consumers in Germany shortened the name in oral requests from KERRY SPRING to KERRY. However, it was

uncertain as to whether the exclusion from infringement, where the later mark is an indication of geographical origin, would apply in this case. The main question posed was Does the protection afforded to indications of geographical origin apply where the sign at issue is used as a trade mark? In essence, the question put to the ECJ was: Does the exclusion from infringement extend to trade mark use, as opposed to merely descriptive use such as “this water comes from a spring in Kerry”? If so, must the fact that it is trade mark use be taken into account when considering if the use was in accordance with honest practices in industrial or commercial matters?

The Decision

The ECJ noted that the original draft of the Directive 89/104 set out that this protection was granted to indications of geographical origin provided that the sign was not used as a trade mark but that, in the final version, this was changed, in the interests of greater clarity, to circumstances where the use was in accordance with honest industrial or commercial practices. The ECJ went on to state that the expression “use as a trade mark” was not appropriate for determining the scope of the limitation. The purpose of this limitation was an attempt to reconcile trade mark rights with the interests of free movement of goods in the common market as discussed in the BMW case (Case C-63/97). The provision does not distinguish between use of a sign as a trade mark and other types of use. To fall within the exclusion, it is sufficient that the sign is, in fact, an indication of geographical origin and the use is in accordance with honest practices. In this case, KERRY was the geographical origin of the water used in the manufacture of the soft drink, the place where it was bottled, and also the place where the producer is established. “Kerry Spring” is also one of the mineral waters recognised by Ireland for the purposes of a Directive concerning natural mineral waters. The test of whether the use was in accordance with honest practices is set out in the BMW Case. In substance, it is a duty to act fairly in relation to the legitimate interests of the trade mark owner. The ECJ did

not comment on whether the fact that it was trade mark use is a factor which may be taken into account in this consideration.

However, the ECJ went beyond the scope of the questions and commented that the likelihood of aural confusion is not sufficient to conclude that the use is not in accordance with honest practices. Further, they stated that in a community of 15 member states with great linguistic diversity, there is already a substantial chance of some phonetic similarity existing between trade marks registered in one member state and indications of geographical origin from another member state. With the impending enlargement of the EU, the chances of such similarities occurring will increase. The only



guidance given to the national court, in assessing whether the use is in accordance with honest practices, was that an overall assessment of all of the relevant circumstances should be carried out. In the present case, this would include an assessment of the shape and labelling of the bottle to see if there was any unfair competition.

The Answer

The limitation on the effects of trade mark registrations in relation to use of indications of geographical origin will be disapplied only if the use is in not in accordance with honest practices in industrial or commercial matters. It is for the national court to carry out an overall assessment of all the circumstances of the particular case.

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The Significance

The ECJ refused to be tempted to consolidate the rights of trade mark owners by excluding use as a trade mark from the protection for indications of geographical origin. However, the Court restricted its answer to the particular circumstances, i.e. where there is a likelihood of aural confusion between a word mark registered in one member state and an indication of geographical origin of a product originating from another member state. It did not clarify whether this reasoning would apply if the trade mark is registered and the geographical origin is located in the same member state. Similarly, it did not clarify what the position would be if the mark and the sign were identical or there existed a strong likelihood of visual confusion.

This decision does not prevent the owners of marks from taking action against businesses specifically set up in areas, the names of which coincide with their marks, to take advantage of their goodwill. In the present case, it is common practice in the industry to use the geographical origin to identify the goods, including as part of trade marks, but this may not be the case in other industries. Thus for example, a sneaker manufacturer who set up a factory in a town called Nike or Adidas could likely be prevented from using those geographical indications as trade marks, if it could be shown that this is not in accordance with honest practices. The issue of whether use of a geographical indication as a trade mark is an infringement will be determined according to whether the use of the sign is in line with the duty to act fairly in relation to the legitimate interests of the trade mark owner. As always, the question effectively comes down to the *bona fides* of the owner of the later mark.

The enlargement of the EU, with its 20 official languages, will indeed result in greater conflict than ever before in this area. This is not the last we have heard on this issue.

Readers may be interested to note that an opposition to a Community Trade Mark application for KERRY SPRING Device based on the mark GERRI was decided in favour of Kerry Group plc (Decision No. 0148-2002) and an appeal by Gerolsteiner Brunnen GmbH & Co. against this decision was dismissed (Decision No. R0275/2002-1). There is a further appeal by Gerolsteiner Brunnen GmbH & Co. pending before the Court of First Instance (Case No. T-131/03) ●

Low Copyright Threshold in the Netherlands

In the Netherlands the threshold for extending copyright protection is low. In other words, you don't need to be particularly original to be eligible for copyright. Bas Kist, a partner in Shield Mark, Amsterdam and a member of the **MARQUES** Publications and Website Team explains.



A single EU trade mark law

Companies often rely on the protection afforded by trade mark and copyright law to protect their trade marks, logos and three-dimensional signs. EU member states are now more or less agreed about what is and is not eligible for protection as a trade mark. The harmonisation of EU trade mark law has standardised EU regulations governing the interpretation of the term 'distinctiveness'. These regulations are based on the rulings handed down by the European Court of Justice in the Baby Dry, Linde, Doublemint and Biomild cases.

Non-standardised copyright laws

However, no such uniformity applies to copyright law. Although the EU member states are feverishly busy adapting their laws to the European Union Directive on Copyright and Related Rights (no. 2001/29/EC), this Directive only harmonises a few aspects of copyright. So even when the Directive takes effect, deciding whether a particular work is sufficiently original to be eligible for protection under copyright will remain a matter for each individual member state.

Copyright protection in the Netherlands

According to Article 10 (1) of the Dutch Copyright Act (1912), protection is given to 'works of literature, science or art'. The Dutch Copyright Act does not expressly require originality. According to a ruling by the Dutch Supreme Court in 1991, to be protected under the Copyright Act, a work must have 'an individual character and bear the personal imprint of its creator'.

Low eligibility threshold

A look at Dutch case law over the past decade shows that this definition has been widely interpreted by the courts. In other words, the threshold for copyright protection is very low. Little is often required for a work to be afforded 'an individual character with the imprint of the creator'. Some of the more striking examples of this interpretation are illustrated below.

Slogans

It is quite easy to get a slogan protected under copyright law in the Netherlands. The following slogans have been afforded copyright protection by the Dutch courts: 1- 'More than just housepainters', 2- BMW makes driving a car fantastic, 3- To bake a cake in the refrigerator.

Logos

The design of this logo for Budget – a bold black typeface over two red lines – isn't particularly unusual in itself. But a Dutch court ruled that it was original enough to qualify for copyright protection.



Basic chip-fryer

Even the manufacturer of this fairly basic chip-fryer managed to get his appliance copyrighted (although this may have had something to do with the fact that the counterparty readily accepted that the appliance was a copyrighted work).



Changing a single letter

Another striking example is a very recent decision by the district court in Amsterdam that the replacement of the 'i' by the number '1' in the word SIngle was eligible for copyright. (The ruling prohibited reproduction of the magazine which appeared with the logo).



Wooden blocks

The fact that the courts in the Netherlands do sometimes go a bit far is illustrated by the ruling on the wooden blocks used in the parlour game Jenga – a ruling that has also attracted a great deal of criticism in the Netherlands itself. The game involves the use of 54 identical wooden blocks to build a tower. Each player then takes turns to remove a block (the aim being to avoid collapsing the tower). According to the district court in Amsterdam, while the idea behind the game is not eligible for copyright, its design is. The court has thus effectively ruled that a simple wooden block constitutes a copyrighted work.

Other EU member states

This clearly shows that the Dutch courts sometimes go slightly over the top when granting copyright. It would therefore be interesting to see how these rules are applied in other EU member states.

MARQUES Anti-Counterfeiting and Parallel Trade Project Team

Hans-Friedrich Czekay, of Hoffman-La Roche AG, Basel, Switzerland and a member of **MARQUES** Council, reports on a formative meeting of this important Team.



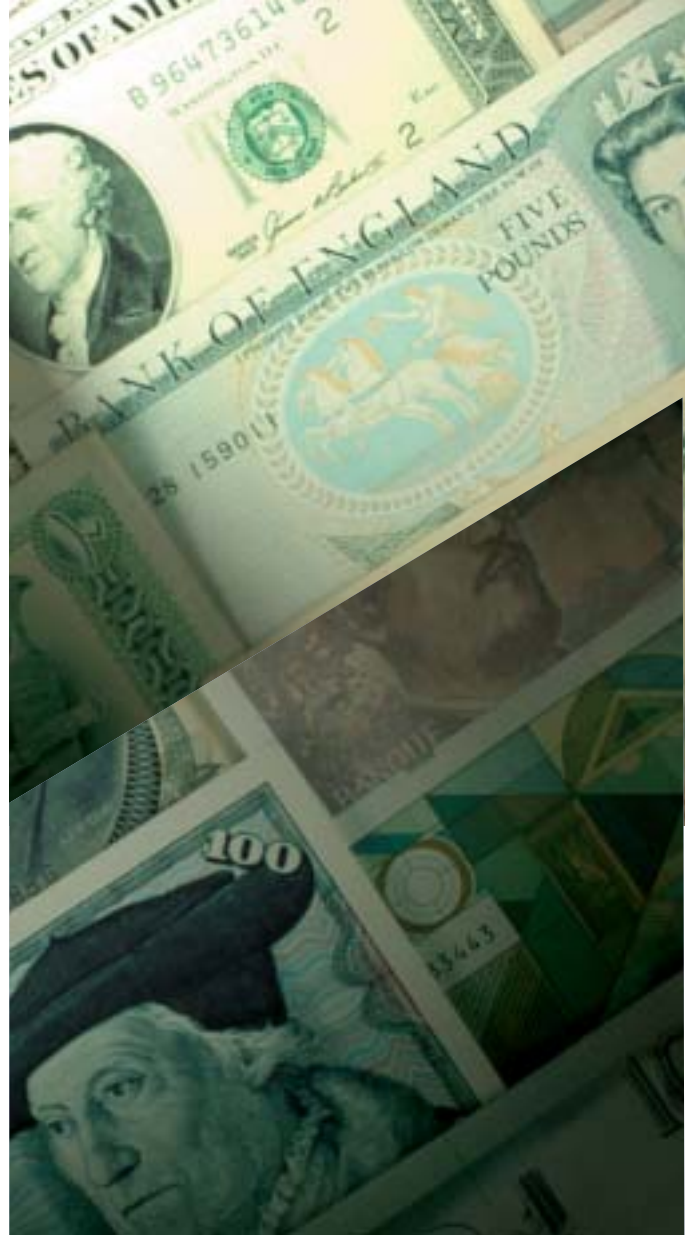
Hans-Friedrich Czekay

The Team met in Prague for the first time in an enlarged membership. Countries represented in the meeting were Germany, Great Britain, Russian Federation, Switzerland and Ukraine. Other team members are from the Netherlands, Paraguay and Spain. The discussions centered around constitutional issues and a mission statement was approved with the following wording:

To champion brand owners in the protection and enforcement of their rights against counterfeiters and unlawful parallel imports within a global economy and to create a forum for the free exchange of ideas and mutual experience among trade mark practitioners both in-house and in private practice.

A restriction to European issues was discussed, but not adopted since the team members were of the opinion that the worldwide interests of European trade mark owners need to be addressed. The first concrete activity under the mission statement was to prepare the Team's contribution to the Sept16th morning session at the **MARQUES** annual conference in Rome. Three speakers are now appointed who will deal with aspects of parallel trade including practical experience of the enforcement of trade mark rights by different courts, the effects of EU enlargement and the highly differentiated jurisprudence relating to pharmaceutical products.

The Team has a membership which is well balanced between in-house lawyers of brand owners and lawyers from private practice. We strive, however, to acquire new members from countries which are not among those mentioned above. **MARQUES** members who are interested in joining us are invited to contact any of the Team members as displayed on the team's section of the **MARQUES** website. ●



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Introducing: The **MARQUES** Trade Mark Team

Continuing our series of introductions to the people behind the **MARQUES** Project Teams

The Trade Mark Team deals with the following issues: Protection, management, tax issues, filings, legal, renewals, affidavits and user requirements.



Huib Berendschot (Chairman) is an IP attorney at the law firm **AKD Prinsen van Wijmen** in the Netherlands. Previously he was employed by Unilever for nearly eleven years and close to three years by Novagraaf Nederland B.V as a result of which he has a strong industry perspective of trade mark matters. Currently he is Chairman of the **MARQUES** Trade Mark Team and has also been active for AIM and UNICE.



Marius Knijff is the founder and senior partner of **Knijff & Partners**. He studied law at the University of Amsterdam specialising later in Intellectual Property law and the protection of trademarks. Marius started his own trade mark attorney's firm in 1989, before that he worked as a trade mark attorney and consultant in a number of Dutch trade mark and patent firms. He is a founding member of **MARQUES**, and was a Council member from the start of the organisation until September 2003. He is an active member of INTA, ECTA and the Benelux Association of Trade Mark Attorneys and regularly participates in conferences as a speaker on the subject of trade mark protection and other related fields.



Petra Goldenbaum studied law in Hamburg and worked as an in-house counsel for six years with Rotring, a German brand owner with international business activities in the field of writing, office and drawing equipment. In April 1999 she joined **CMS Hasche Sigle**, a German law firm with a traditional focus on IP. As Head of the trade mark department of the Hamburg office, Petra's main area of practice is trade mark law, including litigation and preliminary injunction and primarily specialising in trade mark prosecution worldwide.



Joanna Gray is the managing associate of **Linklaters**, Alicante. She is a qualified English solicitor, having studied law at Trinity College, Cambridge and then trained with Linklaters, London. She qualified into Linklaters' Intellectual Property Department in 1997 and in 1999 was seconded to the BBC for a period to assist with its trade mark work. Since 2000, Joanna has been running Linklaters' Alicante office, specialising in all aspects of Community trade mark and design work (including appeals before the European Court in Luxembourg) and maintaining close contact with officials at the Community Registry (OHIM). Joanna speaks fluent Spanish. She is also a member of the INTA OHIM-Subcommittee.



Knud Wallberg was Head of the trade mark department of the Danish Patent and Trade Mark Office for more than 7 years, before forming **Sandel, Løje & Wallberg** in 2000. Knud is an associate professor at the University of Copenhagen and the Copenhagen Business School, teaching IP-law. He is co-author of the law-commentary on the Danish trade mark law and has published a number of articles and papers on IP-issues, including trade marks and domain-names on the Internet. Knud also works as a UDPR Panelist with WIPO, the National Arbitration Forum and is member of the Danish Complaints Board for Domain Names. Knud is on the Editorial Board of "**Trade Mark World**" and is a member of the Danish Bar Association.



Dr. Éva Szigeti is the director of the Trade Mark Division and deputy managing partner of **Danubia Patent and Trade Mark Attorneys**. A graduate of the Eötvös Loránd University of Sciences of Budapest, her practice covers trade mark prosecution and litigation and unfair competition cases. She is involved in the training programme of the Hungarian Patent Office to teach trade mark agents and has been appointed to the Codification Committee of the new Hungarian Trade Mark Act. She is active in many professional trade mark organisations. She is on the Board of the Hungarian Trade Mark Association, is a member of the AIPPI, ECTA, ITMSA and PTMG, a Council member of **MARQUES** and a committee member of INTA.



Rudolph Haugg holds a Law degree from the Ludwig-Maximilian-Universität in Munich, specializing in Intellectual Property Law, Law Theory and Law Philosophy. After internships at the European Patent Office as well as with IP law firms in Munich and London, he worked in the trade mark department at Wuesthoff & Wuesthoff in Munich. He is currently employed in the trade mark department of **Syngenta AG** in Basel.



Adrian Smith is a senior solicitor in the IP practice in the London office of **Simmons & Simmons**. Adrian has extensive experience of advising on a wide range of contentious and non-contentious IP and commercial issues, in relation to registered trade marks, passing-off, copyright and design rights. In addition to UK, European and global trade mark clearance, registration, portfolio management and enforcement Adrian has increasingly become known for his work in the field of sports law (including sponsorship) through his extensive work for the International Cricket Council. Adrian has been a member of the **MARQUES** Trade Mark Team since inception and writes and lectures regularly on a range of IP issues.



Daniele Le Carval is currently Senior in-house Counsel - IP Division at **Procter & Gamble** in Paris. She joined the company more than 14 years ago. She holds a post-graduate degree in IP Law from the University of Paris II / Panthéon-Assas. She has been a Council Member of **MARQUES** since 2000.

A New Era in the Romanian IP Field

Andrew Vlad Ratza and Dragosh Marginean of Ratza & Ratza, Bucharest (<http://www.ratza-ratza.com>) explain how the courts have interpreted the relatively new Romanian Trade Mark Law.

Legislative Framework

During the past 14 years, the transition from a centralised economy to a free market has influenced all fields of activity and it has certainly influenced the field of intellectual property. This is particularly evident in the evolution of attitudes in the Romanian Courts of Law towards intellectual property. Before 1990, intellectual property cases were virtually non-existent. Most of the property rights belonged to the state or to state-owned companies; therefore a court action to solve any emerging conflicts was not necessary. In the last decade, Romania has received an unprecedented number of new trade mark applications and the Romanian Courts were not prepared for the intellectual property issues and magistrates were not familiar with the problems involved. The legislation also proved to be quite obsolete.

Thankfully, in 1998, the Romanian Parliament passed a new Trade Mark Law (No. 84/98). Inspired by similar laws from other European countries with vast experience in this field. Although not perfect, the new law brought Romania, at least from the legislative aspect, to the same level of development as the EU countries.

Unfortunately, not all problems were solved. There was still the issue of the way this law was going to be applied. Quite recently, though, after numerous requests filed by trade mark and patent attorneys, the Bucharest Municipal Court appointed a Court Section, which exclusively handles intellectual property cases. Trade mark owners and foreign practitioners can now be confident that competent judges will handle their court actions.



Protection offered by weak trade marks

As an example of a court decision that would not have been possible in the past is the case of General Biscuit (France) vs. The Romanian Patent Office.



Andrew Vlad Ratza



Dragosh Marginean

General Biscuit (a division of Group Danone) tried to register the trade mark EXTRAVITA in Class 30. The Patent Office issued a Provisional Refusal Notice stating that the registration of the above mentioned trade mark was refused based on the prior national trade mark ULTRAVITA also registered in Class 30. General Biscuit filed an appeal at the Romanian Patent Office. The Patent Office rejected the appeal. However, General Biscuit appealed to the Bucharest Municipal Court.

In this appeal they argued that the trade mark, on which the Patent Office decision is based, is a weak trade mark because it lacks a certain level of distinctiveness. The trade mark is formed from two very common words, widely used in this sector. Therefore, the protection of a weak trade mark cannot be the same as the protection of a strong trade mark (e.g. a trade mark that is not descriptive regarding the products or services that it's used for such as: Kodak, Adidas etc.). If a weak trade mark, a descriptive trade mark, is granted the same level of protection as a strong trade mark it could prove damaging to other competitors in the same sector. In order not to create a privileged position in the market for the owner of such a trade mark, the Patent Office should not refuse the registration of other trade marks that, even though are similar to a prior trade mark, do not create confusion amongst consumers.

To support these claims the Court was provided with a number of relevant decisions from European countries with a greater tradition and experience in this field, as well as a decision of the European Court of Justice and an WIPO recommendation. This was even though such judicial precedents have no weight under Romanian Law. The Court found in favour of the plaintiff, General Biscuit, and granted the registration of EXTRAVITA in Class 30. Following this case, a distinction is now made between weak and strong trade marks.

Cancellation for non-use

Another novelty stipulated by the Trade mark Law is the cancellation procedure for non-used trade marks. Therefore, "any concerned person may apply to the Bucharest Municipal Court, at any time during the term of protection of the trade mark in order to revoke the owner from the rights conferred by that trade mark if, within a continuous period of five years, the mark has not been put to genuine use on the territory of Romania in connection with the goods or services in respect of which it is registered, and there are no reasons for non-use".

However, at the date of entering into force, the law provided trade mark owners with a 5 five-year period of grace, which expired on 23rd July 2003. Since that date, all trade marks unused for the past five years are vulnerable to a cancellation action.

One very interesting aspect of this provision is that the rights of the owner may not be revoked if, in the time between the end of the five-year period and the submission of the cancellation action, the trade mark has been subject to effective use. However, if the trade mark is first used within a three month period preceding the submission of the action, it will not be taken into consideration and will be considered artificial, but only if the owner acknowledged that a third-party intends to apply for cancellation.

Another unique aspect of this procedure is underlined by the fact that the plaintiff is not required to prove its action and the burden of proof (furnished by any means), rests entirely with the trade mark owner. Another important aspect pertains to the opposition procedure, in which, on request, the plaintiff should present evidence that, within a five-year period preceding the publication of the recently filed trade mark, his trade mark was the object of an effective use on the territory of Romania, for the registered goods and services, or, that there are justified grounds for the non-use of this trade mark. The evidence of use consists mainly of: packages, labels, catalogues, invoices, photographs, advertisements in newspapers, written declarations, etc.

In the absence of such evidence for the use of the opposed trade, mark, the opposition is rejected. ●



Book Review

Trade Mark Law – A Practical Anatomy Jeremy Phillips, Oxford University Press

We asked Shane Smyth of F. R. Kelly & Co., Dublin, Member of MARQUES Council and Chairman of the Education Committee, to review Jeremy Phillips' new book on trade mark law.

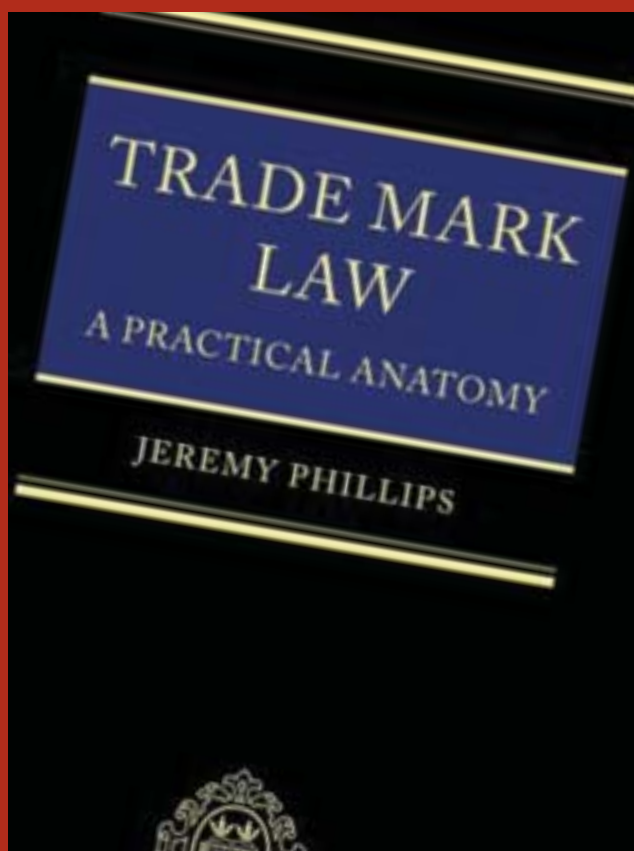
The "patient", Trade Mark law, has been dismembered in a manner which allows readers to retain their own health while the patient's many complex disorders are dissected without anaesthetic. Professionals are encouraged to improve their bedside manner to avoid being pedantic and to see their patient as a whole and not simply as a sum of its parts.

The author in his preface states as his sole objective a book to explain how the Trade Mark system works. The workings are described in a clear and robust fashion with a conclusion to each chapter which allows the author to vent his own frustrations at the inequities of Trade Mark law. In some instances, the reader may share these frustrations but the author's preference is for the reader not to treat the subject as a clinical exercise but to remember that a business nurtures its Trade Mark as it would a goose that may intermittently lay a golden egg. Indeed, by example, the author puts the egg before the goose and includes a Chapter on choosing a trade mark having regard to legal, cultural, business and psychological considerations.

The psychology of trade marks is, of course, a subject worthy of consideration in its own right and the author devotes separate Chapters to this and trade marks which transcend the status of a brand and become cultural icons with a forceful and influential personality of their own. This book has a niche and can be read easily and with reward by marketing personnel.

As a trade mark practitioner, one tends to engage in linguistic gymnastics. Reading the author's work may not change the habits of a lifetime but is likely to quench your appetite for an area of

law which the Rt. Hon. Sir Robin Jacob describes, in his foreword, as having a lot in common with quantum physics. The proof of the pudding is in the reading. If, as I suspect, your appetite will be satiated by the author's exposition, then you may not have to read Auntie Marjorie's recipe in chapter 18 made from protected designations of origin (PDO's) and protected geographical indications (PGI's) with the author's own seasonings. Indulge yourself.



MARQUES Needs You!

Several of the MARQUES Project Teams are seeking members (particularly from brand owners) to join their teams and take part in the formation of policies and engage in discussions and lobbying activities.

The teams include:

Anti-Counterfeiting & Parallel Trade Team: Investigations, regional issues, trade secrets, parallel imports/exhaustion.

Cyberspace Team: Domains, privacy, patents, business methods, file sharing, trade marks, unfair competition and satellites.

Geographical Indications Team: To monitor and influence legislative and any other developments in the area of Geographical Indications and Designations of Origin

Infringement Team: Regional issues, look-alikes, own labels, innovation, code of conduct, ethics, trade mark councils

IP Marketing Team:

Advertising, marketing plan erosion, brand extension, comparative advertising, confusing/unfair/gray advertising, trade dress, sponsoring and ambush, IP creation, searches, co-branding, negative PR pursuit.

IP Outer Borders Team:

Social responsibility of IP, how much IP do we need? negative points/abuses, managing the IP power, intellectual property or monopoly privilege, ethical responsibility of owners, managers and creators, creating and exploiting IP.

Trade Mark Team:

Protection, management, tax issues, filings, legal, renewals, affidavits and user requirements.

If you are willing and able to add your voice and expertise to any of these Teams please contact a Team member (contact details are shown in the "Teams" area of the MARQUES website (<http://www.marques.org/>) or alternatively contact:

Ingrid de Groot
MARQUES Development Executive,
840 Melton Road, Thurmaston,
Leicester, LE4 8BN. United Kingdom.

E-mail:
Developementexecutive@marques.org

MARQUES
THE ASSOCIATION OF EUROPEAN TRADE MARK OWNERS

OAMI (OHIM) User Group Meeting

A report from Alicante by Joanna Gray, Managing Associate, Linklaters, Alicante and member of the **MARQUES** Trade Mark Team.



MARQUES was represented at the 10th OAMI (OHIM) User Group Meeting (16th February 2004) by two members of the "Trade Mark Team", namely Joanna Gray (Linklaters, Alicante) and Rudolf Haugg (Syngenta). Their detailed Minutes can be consulted on the **MARQUES'** website. Among the various topics discussed, the following were of particular interest:

Amendment of the CTM Regulation:

- The Commission reported that new Articles would be introduced in the CTMR confirming specifically that geographical indications form part of the catalogue of absolute grounds for refusal and that they will also function as a possible basis for oppositions.
- The Commission confirmed that in 4 years' time searches in the National Registries would be optional. A separate fee will probably be set for the optional search.
- The Commission informed the NGOs that, to speed up opposition proceedings, there were plans to allow decisions in simple opposition cases to be taken by single members of the Opposition Division not necessarily qualified as a lawyer/jurist. As far as Board of Appeal are concerned, discussions are underway on provisions enabling decisions to be taken by one member of the Boards of Appeal only, but with the prerequisite that the deciding member will be a qualified lawyer/jurist.

Community Trade Mark Guidelines:

- Draft opposition guidelines are being revised, following comments from NGOs received by OHIM. They are now being translated into the five working languages to be presented to the Administrative Board in April 2004.

- Draft examination guidelines provide that pending applications as of 1st May 2004 for which proof of acquired distinctiveness is required to overcome objections raised on absolute grounds must provide evidence of distinctiveness in the enlarged EU (25 member states). OHIM is examining objections raised by some NGOs against this provision.

Community Design:

- Indication of product in design applications:** To speed up processing of design applications, OHIM informed the NGOs that the practice would now be for examiners to replace the product indication by the EuroLocarno equivalent (assuming there is one) *ex officio* and then to notify the applicant of the change, without giving applicants a chance to submit observations. There were substantial objections from the NGOs regarding this *ex officio* change of the product indication.

E-business strategy:

- OHIM is designing improved searching facilities for its website.
- OHIM is seeking comments from NGOs on its plans to allow public inspection of its files to be conducted on-line for free and without the need to file a specific request. This raised concerns amongst NGOs about confidentiality issues.



Call for Articles,

Rapporteurs and "Letters to the Editor"

The **MARQUES** Newsletter is an ideal vehicle for communicating your news, your ideas, your opinions or your vision of where trade mark law is or should be heading. It will be seen and read by in-house counsel, trade mark practitioners, IP lawyers, academics, government officials and other NGOs. We are also actively seeking volunteer "Rapporteurs" from every country to advise **MARQUES** members of recent or proposed changes to the laws of practice within their jurisdiction. We are conscious that English is not the first language of every member but the Editor will be pleased to

check any article for mistakes of grammar or spelling etc. Finally, if you disagree with or have any comment to make about any article in the Newsletter, please write to the Editor. This, after all is YOUR Newsletter and gives you an opportunity to communicate with all **MARQUES** members.

Please send any contribution to: editor@marques.org

The Editor **MARQUES** Newsletter, 840 Melton Road, Thurmaston, Leicester. LE4 8BN, United Kingdom,

The Council 2004

Full details of the Chairman and member of each active and formative **MARQUES** Project Team can be found at: www.marques.org/teams

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NOTE: Council is composed of up to 40 members with not more than six from any individual country, not more than six drawn from outside of Europe and not more than 14 Special Members.

One half of Special Members and one third of Ordinary Members retire, by rotation, each year but may offer themselves for re-election.

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