

Proposals for a Review of the European Trademark System:

MARQUES' proposals on the European Parliament's Draft Reports (considering the Draft Reports of the Rapporteur of the Committee on Legal Affairs ("JURI Committee") of the European Parliament of July 31, 2013)

10 October 2013

MARQUES commented on the Draft Reports of the Rapporteur of the Committee on Legal Affairs of the European Parliament of July 31, 2013 (see attached MARQUES letter of September 17, 2013). MARQUES welcomes many of the amendments proposed by the Rapporteur of the JURI Committee, Mrs. Cecilia Wikström, and proposed a few relevant amendments. After various fruitful discussions with different European Parliament representatives, MARQUES hereby presents concrete proposals for implementing the amendments as earlier proposed by MARQUES into the proposed regulation amending Council Regulation (EC) No 207/2009 on the Community trade mark and the proposed Directive to approximate the laws of the Member States relating to trade marks. MARQUES' proposals relate to the following provisions (the numbering in brackets refers to the numbering in the MARQUES' letter of September 17, 2013):

- 1) unenforceability of non-distinctive trade marks (13)
- 2) absolute grounds of refusal (6)
- 3) goods in transit (8)
- 4) grouping of goods and services (15)
- 5) implementation of IP Translator (10)
- 6) five years term to provide evidence of use in infringement, opposition and invalidity proceedings (11)
- 7) application and filing date (14)
- 8) fee structure (5)



[1] "Unenforceability of Non-distinctive Trade Marks"		
Proposal for a Regulation / Article 12 (1) b Proposal for a Directive / Article 14 (1) b		
Text proposed by Commission	Amendment suggested by the JURI Committee	MARQUES proposed amendment
Article 12 [Regulation]	no amendments proposed	Article 12 [Regulation]
Limitation of the effects of a European trade mark		Limitation of the effects of a European trade mark
1. A European trade mark shall not entitle the proprietor to prohibit a third party from using in the course of trade:		1. A European trade mark shall not entitle the proprietor to prohibit a third party from using in the course of trade:
(a)		(a)
(b) signs or indications which are not distinctive or which concern the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of the service, or other characteristics of the goods or services; (c)		(b) signs or indications which are not distinctive used in a descriptive manner or which concern the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of the service, or other characteristics of the goods or services; (c)
Article 14 [Directive] Limitation of the effects of a European trade mark	no amendments proposed	Article 14 [Directive] Limitation of the effects of a European trade mark
1. The trade mark shall not entitle the proprietor to prohibit a third party from using, in the course of trade:		The trade mark shall not entitle the proprietor to prohibit a third party from using, in the course of trade:
(a)		(a)
(b) <u>signs or</u> indications concerning which are not		(b) signs or indications which are not distinctive used in a



distinctive or which concern	descriptive manner or which
the kind, quality, quantity,	concern the kind, quality,
intended purpose, value,	quantity, intended purpose,
geographical origin, the time	value, geographical origin, the
of production of goods or of	time of production of goods or
rendering of the service, or	of rendering of the service, or
other characteristics of goods	other characteristics of goods
or services;	or services;
(c)	(c)

Registered trade marks have already been subject to an examination on absolute grounds, including distinctiveness, and must therefore be considered distinctive. Third parties can file a cancellation request against the registration of a non-distinctive trade mark. The purpose of Article 12 is to prevent a trade mark proprietor from prohibiting the use of signs or indications which are used fairly and in accordance with honest practices. Therefore, the wording "signs or indications which are not distinctive" should be clarified as follows: "signs or indications which are used in a descriptive manner". This will avoid discussions as to whether the trade mark as such is distinctive, which should be left to the proceedings provided for this purpose, i.e. a trade mark that has been registered must be taken as a distinctive sign or indication.

[2] "Absolute Grounds for refusal" (JURI Committee Amendment/Directive no. [17]) Proposal for a Directive / Article 4 (2)		
2. Paragraph 1 shall apply notwithstanding that the	Deleted	Deleted
grounds of non-registrability obtain:	Justification: It would be disproportionate	but add sub-paragraph (k) to Article 4 – paragraph 1:
(a) in other Member States than those where the application for registration was filed;	and practically unworkable to require national offices to examine absolute grounds for refusal in all national	The following shall not be registered or, if registered, shall be liable to be declared invalid:
(b) only where a trade mark in a foreign language is translated or transcribed in any script or official language of the Member States.	jurisdictions and languages of the Union. It would further run contrary to the principle of territoriality of rights. For users there would be little or no	(k) trade marks which, when translated or transcribed in any official language or script



added value to have the	of any of the Member States,
application examined for	consist exclusively of signs or
obstacles to registration in	indications which may serve,
other territories than the one	in trade, to designate the
for which it would be valid for.	goods or services.

New paragraph 2 was proposed by the Commission in order to avoid the problems that arose with the ECJ's Matratzen judgment (which considered unproblematic the German term MATRATZEN having the meaning of mattresses to be registered in Spain for mattresses). The Commission's proposal is not only too broad to tackle this problem but puts also too much burden on the examination by national offices. However, if paragraph 2 is cancelled altogether as suggested in the JURI Committee Report, then the problems arising from the Matratzen judgment are not solved at all.

MARQUES proposal provides a compromise which solves the problem and puts lesser burden on the national offices. Should this still be considered unworkable, then one might think of adding the following provision according to Art. 3 (1)(a)(xiv) of the Trade Mark Law Treaty:

"The applicant shall state, at the time of filing, whether he is aware of any meaning of the trade mark or certain parts of the trade mark in any of the Member States' official languages."

Such a requirement is common practice in many countries, including the United States.

[3] "Goods in Transit"		
Proposal for a Regulation / Article 9 (5)(JURI Committee Amendment/Regulation no. [20]) Proposal for a Directive / Article 10 (4)(JURI Committee Amendment/Directive no. [25])		
Text proposed by Commission	Amendment suggested by theJURI Committee Report	MARQUES proposed amendment
The proprietor of a European Trade Mark shall also be entitled to prevent all third parties from bringing goods, in the context of commercial activity, into the customs territory of the Union without being released for free circulation there, where such goods, including packaging, come from third countries and	The proprietor of a European Trade Mark shall also be entitled to prevent all third parties from bringing goods, in the context of commercial activity, into the customs territory of the Union without being released for free circulation there, where such goods, including packaging, come from a third country	The proprietor of a European Trade Mark shall also be entitled to prevent all third parties from bringing goods, in the context of commercial activity, into the customs territory of the Union without being released for free circulation there, where such goods, including packaging,



bear without authorization a trade mark which is identical to the European trade mark registered in respect of such goods, or which cannot be distinguished in its essential aspects from that trade mark. and bear without authorisation a trade mark which is identical to the European trade mark validly registered in respect of such goods, or which cannot be distinguished in its essential aspects from that trade mark on condition that the proprietor proves that the trade mark is also validly registered in the country of destination.

Justification:

Although counterfeiting should be opposed the proposed provision goes to far as it also covers the importation by individual citizens of goods that have been legitimately placed on the market outside of the EU. The provision should be limited to counterfeit goods.

come from a third country and bear without authorisation a trade mark which is identical to the European trade mark validly registered in respect of such goods, or which cannot be distinguished in its essential aspects from that trade mark on condition that the proprietor proves that the trade mark is also validly registered in the country of destination unless the declarant or the holder of the goods furnishes proof that the final destination of the goods is either a member State where the goods would not be subject of an action infringing the trade mark under the law of the Member State or is a third country where the trade mark is not validly registered.

Justification

While the Commission's proposal as originally drafted is preferred by trade mark proprietors so that any counterfeit goods in transit can be prohibited regardless of their source or destination, some moderation of this strict position may be appropriate. If it is necessary for the trade mark to be validly registered in the country of destination, then it is essential that the declarant or owner of the goods – not the trade mark proprietor- is required to prove what is the final destination. In genuine cases there should be no difficulty in producing copies of sales invoices and shipping documents to establish the final destination. It is in those cases where such documentation cannot be produced that there is a real risk that the counterfeit goods will be diverted onto the market in the Union.

The additional words in italics may be necessary to deal with the circumstances that arose in the Diesel v Montex case.



[4] "Grouping of Goods and Services"

Proposal for a Regulation / Article 28 (6)(JURI Committee Amendment/Regulation no. [26])

Proposal for a Directive / Article 40 (6)(JURI Committee Amendment/Regulation no. [33])

6. Where the applicant
requests registration for more
than one class, the goods and
services shall be grouped
according to the classes of the
Nice Classification, each
group being preceded by the
number of the class to which
that group of goods or
services belongs, and
presented in the order of the
classes.

Text proposed by Commission

Amendment suggested by the JURI Committee Report

6. Where the applicant requests registration for more than one class, the applicant shall group the goods and services according to the classes of the Nice Classification, each group being preceded by the number of the class to which that group of goods or services belongs, and shall present them in the order of the classes.

Justification:

Clarification that it is up to the applicant and not the office to group the goods and services according to classes.

MARQUES proposed amendment

Maintain the Commission's proposals with a clarification:

6. Where the applicant requests registration for more than one class, the goods and services shall be grouped by the office in the register according to the classes of the Nice Classification, each group being preceded by the number of the class to which that group of goods or services belongs, and presented in the order of the classes. When, upon filing, the applicant presents the goods and services grouped according to classes, this must not be construed in any limiting way.

Justification

An applicant should be allowed to file a trade mark application by listing the goods and services without indicating any classes. Indeed, an applicant should not need to have any knowledge of the Nice classification or even of its existence. He should not have to be an expert. Even where an applicant identifies or is encouraged by the respective office to identify class numbers, this must not be construed limiting in any way, as it should remain the office's task to properly group



the goods and services by classes. This is important in relation to the SME's access to and legitimate expectations in the European Union's trade mark system.

[5] "Implementation of IP Translator"		
Proposal for a Regulation / Article 28 (8)(JURI Committee Amendment/Regulation no. [27]) Proposal for a Directive / Article 40 (8)		
Text proposed by Commission	Amendment suggested by Wikström Report	MARQUES proposed amendment
Article 28 [Regulation] 8. The declaration shall be filed at the Agency within 4	Article 28 [Regulation] 8. The declaration shall be filed at the Agency within six	Article 28 (8) [Regulation] Deleted
months from the entry into force of this Regulation, and shall indicate, in a clear,	months from the entry into force of this Regulation, and shall indicate, in a clear,	Add as a transitional rule:
precise and specific manner, the goods and services, other than those clearly covered by the literal meaning of the indications of the class heading, originally covered by the proprietor's intention. The Agency shall take appropriate measures to amend the Register accordingly. This possibility is without prejudice to the application of Articles 15, 42(2), 51(1)(a) and 57(2).	precise and specific manner, the goods and services, other than those clearly covered by the literal meaning of the indications of the class heading, originally covered by the proprietor's intention. The Agency shall take appropriate measures to amend the Register accordingly. This possibility is without prejudice to the application of Article 15, Article 42(2), point (a) of Article 51(1) and Article 57(2)	"The interpretation as defined in Art. 28(5) of this Regulation shall also be applied to trademarks that were filed or registered before the date of entering into force of this Regulation."
Article 40 [Directive] 8. Any Member State may provide that trade mark	no amendments proposed	Article 40 (8) [Directive] Deleted
registrations granted in respect of applications filed		Add as a transitional rule:
before the 19 June 2012 in		"The interpretation as
respect of the entire heading		defined in Art.40(5) of this
of a Nice class shall be		Directive shall also be
deemed to extend to all the		applied to trademarks that
goods or services in the		were filed or registered
alphabetical list for that class		before the date of
of the edition of the Nice		implementation of this



classification in force at the	Directive into national law."
date of filing, if the proprietor	
declares that his intention had	
been to seek protection in	
respect of all those goods or	
services within a period of []	
months from the date of entry	
into force of the provisions	
necessary to comply with this	
Directive. The office of that	
Member State shall take	
appropriate measures to	
reflect the proprietor's	
declaration in the register.	

Articles 28(8) [Regulation] and 40(8) [Directive] protect solely the interests of those users who relied on an office practice where the use of an entire class heading would cover all goods or services in that class, whereas all those users, who relied on the interpretation that the scope of protection conferred by the class heading terms is limited to their literal meaning, are discriminated. It should be noted that said office practices are not supported by the underlying laws and are also against the gist of the IP Translator decision of the ECJ ("clarity and precision"). This is particularly critical in respect of Community Trade Marks because the practice of the majority of the national offices was in line with the IP Translator decision and, thus, contrary to proposed Article 28(8) of the Regulation, so that the majority of users affected by Community Trade Marks would be discriminated by Article 28(8) of the Regulation.

Articles 28(8) [Regulation] and 40(8) [Directive] should therefore be deleted and it should be clarified in Transitional Rules that old trade marks and new trade marks are interpreted in the same manner, namely according to paragraph 5 of the same Article: "The use of general terms, including the general indications of the class headings of the Nice Classification, shall be interpreted as including all the goods or services clearly covered by the literal meaning of the indication or term. The use of such terms or indications shall not be interpreted as comprising a claim to goods or services which cannot be so understood."

Maintaining the current Commission's proposals for Articles 28(8) [Regulation] and 40(8) [Directive] would further require additional complicated provisions to safeguard also the interests of the users who relied on the interpretation confirmed by the ECJ. For instance, special



opposition and cancellation proceedings as well as provisions for intervening rights would additionally have to be provided in both the Regulation and the Directive.

[6] "Five Year Term to Provide Evidence of Use in Infringement, Opposition and Invalidity Proceedings"

Proposal for a Directive / Article17
Proposal for a Directive / Article 46 (1)
Proposal for a Directive / Article 48 (3) (new)

Proposarior a Directive / Artic	cie 40 (3) (liew)	
Text proposed by Commission	Amendment suggested by the JURI Committee Report	MARQUES proposed amendment
Article 17	no amendments proposed	Article 17
Non-use as defence to an infringement action		Non-use as defence to an infringement action
The proprietor of a trade mark shall be entitled to prohibit the use of a sign only to the extent that his rights are not liable to be revoked pursuant to Article 19 at the time the infringement action is brought.		The proprietor of a trade mark shall be entitled to prohibit the use of a sign only to the extent that his rights are not liable to be revoked pursuant to Article 19 at the time the infringement action is brought. Proof of genuine use of the trade mark cannot be requested from the proprietor where the five year period provided for in Article 19 ends after the time the infringement action is brought.
Article 46	no amendments proposed	Article 46
Non-use as a defense in opposition proceedings		Non-use as a defense in opposition proceedings
1. In administrative opposition proceedings, where at the filing date or date of priority of the later trade mark, the period of five years within which the earlier trade mark must have been put to genuine use as provided for in Article 16 had expired, upon		1. In administrative opposition proceedings, where at the filing date or date of priority of the later trade mark, the period of five years within which the earlier trade mark must have been put to



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request of the applicant the		genuine use as provided for in
proprietor of the earlier trade		Article 16 had expired, upon
mark who has given notice of		request of the applicant the
opposition shall furnish proof		proprietor of the earlier trade
that the trade mark had been		mark who has given notice of
put to genuine use as provided for in Article 16, or		opposition shall furnish proof
that proper reasons for non-		that the trade mark had been
use existed. In the absence of		put to genuine use as
proof to this effect the		provided for in Article 16, or
opposition shall be rejected.		· ·
		that proper reasons for non-
		use existed. In the absence of
		proof to this effect the
		opposition shall be rejected.
		Proof of genuine use of the
		earlier trade mark cannot be
		requested where the five
		<u>year period provided for in</u>
		Article 16 ends after the
		filing or priority date of the
		later trade mark.
Article 48	no amendments proposed	Article 48
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	The amendments proposed	Altiolo 40
Non-use as defence in	The differential proposed	Non-use as defence in
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Non-use as defence in proceedings seeking a	Tio amenanento proposca	Non-use as defence in
Non-use as defence in	Tio differialmento proposed	Non-use as defence in proceedings seeking a
Non-use as defence in proceedings seeking a declaration of invalidity	Tio differiumento proposed	Non-use as defence in proceedings seeking a
Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative	Tio differiumento proposed	Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative
Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative proceedings for a declaration	Tio differiumento proposed	Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative proceedings for a declaration
Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative proceedings for a declaration of invalidity based on a	Tio differiumento proposed	Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative proceedings for a declaration of invalidity based on a
Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative proceedings for a declaration of invalidity based on a registered trade mark with an	Tio difficiliation proposed	Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative proceedings for a declaration of invalidity based on a registered trade mark with an
Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative proceedings for a declaration of invalidity based on a registered trade mark with an earlier filing date or priority	Tio difficiliation proposed	Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative proceedings for a declaration of invalidity based on a registered trade mark with an earlier filing date or priority
Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative proceedings for a declaration of invalidity based on a registered trade mark with an earlier filing date or priority date, if the proprietor of the		Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative proceedings for a declaration of invalidity based on a registered trade mark with an earlier filing date or priority date, if the proprietor of the
Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative proceedings for a declaration of invalidity based on a registered trade mark with an earlier filing date or priority date, if the proprietor of the later trade mark so requests,		Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative proceedings for a declaration of invalidity based on a registered trade mark with an earlier filing date or priority date, if the proprietor of the later trade mark so requests,
Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative proceedings for a declaration of invalidity based on a registered trade mark with an earlier filing date or priority date, if the proprietor of the later trade mark so requests, the proprietor of the earlier		Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative proceedings for a declaration of invalidity based on a registered trade mark with an earlier filing date or priority date, if the proprietor of the later trade mark so requests, the proprietor of the earlier
Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative proceedings for a declaration of invalidity based on a registered trade mark with an earlier filing date or priority date, if the proprietor of the later trade mark so requests, the proprietor of the earlier trade mark shall furnish proof		Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative proceedings for a declaration of invalidity based on a registered trade mark with an earlier filing date or priority date, if the proprietor of the later trade mark so requests, the proprietor of the earlier trade mark shall furnish proof
Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative proceedings for a declaration of invalidity based on a registered trade mark with an earlier filing date or priority date, if the proprietor of the later trade mark so requests, the proprietor of the earlier trade mark shall furnish proof that, during the period of five		Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative proceedings for a declaration of invalidity based on a registered trade mark with an earlier filing date or priority date, if the proprietor of the later trade mark so requests, the proprietor of the earlier trade mark shall furnish proof that, during the period of five
Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative proceedings for a declaration of invalidity based on a registered trade mark with an earlier filing date or priority date, if the proprietor of the later trade mark so requests, the proprietor of the earlier trade mark shall furnish proof that, during the period of five years preceding the date of		Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative proceedings for a declaration of invalidity based on a registered trade mark with an earlier filing date or priority date, if the proprietor of the later trade mark so requests, the proprietor of the earlier trade mark shall furnish proof that, during the period of five years preceding the date of
Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative proceedings for a declaration of invalidity based on a registered trade mark with an earlier filing date or priority date, if the proprietor of the later trade mark so requests, the proprietor of the earlier trade mark shall furnish proof that, during the period of five years preceding the date of the application for a		Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative proceedings for a declaration of invalidity based on a registered trade mark with an earlier filing date or priority date, if the proprietor of the later trade mark so requests, the proprietor of the earlier trade mark shall furnish proof that, during the period of five years preceding the date of the application for a
Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative proceedings for a declaration of invalidity based on a registered trade mark with an earlier filing date or priority date, if the proprietor of the later trade mark so requests, the proprietor of the earlier trade mark shall furnish proof that, during the period of five years preceding the date of the application for a declaration of invalidity, the		Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative proceedings for a declaration of invalidity based on a registered trade mark with an earlier filing date or priority date, if the proprietor of the later trade mark so requests, the proprietor of the earlier trade mark shall furnish proof that, during the period of five years preceding the date of the application for a declaration of invalidity, the
Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative proceedings for a declaration of invalidity based on a registered trade mark with an earlier filing date or priority date, if the proprietor of the later trade mark so requests, the proprietor of the earlier trade mark shall furnish proof that, during the period of five years preceding the date of the application for a		Non-use as defence in proceedings seeking a declaration of invalidity 1. In administrative proceedings for a declaration of invalidity based on a registered trade mark with an earlier filing date or priority date, if the proprietor of the later trade mark so requests, the proprietor of the earlier trade mark shall furnish proof that, during the period of five years preceding the date of the application for a



provided for in Article 16 in connection with the goods or services in respect of which it is registered and which he cites as justification for his application, or that there are proper reasons for non-use, provided that the period of five years within which the earlier trade mark must have been put to genuine use has expired at the date of the application for the declaration of invalidity.

- 2. Where, at the filing date or date of priority of the later trade mark, the period of five years within which the earlier trade mark must have been put to genuine use as provided for in Article 16 had expired, the proprietor of the earlier trade mark shall, in addition to the proof required in paragraph 1, furnish proof that the trade mark had been put to genuine use during the period of five years preceding the filing date or date of priority, or that proper reasons for non-use existed.
- 3. In the absence of the proofs referred to in paragraphs 1 and 2, the application for a declaration of invalidity on the basis of an earlier trade mark shall be rejected.
- 4. If the earlier trade mark has

provided for in Article 16 in connection with the goods or services in respect of which it is registered and which he cites as justification for his application, or that there are proper reasons for non-use, provided that the period of five years within which the earlier trade mark must have been put to genuine use has expired at the date of the application for the declaration of invalidity.

- 2. Where, at the filing date or date of priority of the later trade mark, the period of five years within which the earlier trade mark must have been put to genuine use as provided for in Article 16 had expired, the proprietor of the earlier trade mark shall, in addition to the proof required in paragraph 1, furnish proof that the trade mark had been put to genuine use during the period of five years preceding the filing date or date of priority, or that proper reasons for non-use existed.
- 3. Proof of genuine use of the earlier trade mark cannot be requested where the five year period provided for in Article 16 ends after the filing or priority date of the later trade mark.



been used in accordance with Article 16 in relation to only part of the goods or services for which it is registered, it shall, for the purpose of the examination of the application for a declaration of invalidity, be deemed to be registered in respect only of that part of the goods or services.

5. Paragraphs 1 to 4 shall apply where the earlier trade mark is a European trade mark. In such a case, genuine use of the European trade mark shall be determined in accordance with Article 15 of Regulation (EC) No 207/2009.

- 34. In the absence of the proofs referred to in paragraphs 1 and 2, the application for a declaration of invalidity on the basis of an earlier trade mark shall be rejected.
- 4<u>5</u>. If the earlier trade mark has been used in accordance with Article 16 in relation to only part of the goods or services for which it is registered, it shall, for the purpose of the examination of the application for a declaration of invalidity, be deemed to be registered in respect only of that part of the goods or services.
- 56. Paragraphs 1 to 45 shall apply where the earlier trade mark is a European trade mark. In such a case, genuine use of the European trade mark shall be determined in accordance with Article 15 of Regulation (EC) No 207/2009.

Justification

In most Member States there is only one 5 year period within which the owner of the earlier trade mark has to prove the genuine use of the trade mark in infringement proceedings, opposition proceedings or invalidity proceedings, namely in infringement proceedings for the 5 year period preceding the date when the infringement action is brought and in opposition and invalidity proceedings for the 5 year period preceding the date of publication of the later trade mark application (the Commission proposes to change this period to a 5 year period preceding the filing or priority date of the later trade mark application). In invalidity proceedings there is another 5 year term to be considered, namely – similar to the infringement proceedings – the 5



year term preceding the application for declaration of invalidity. However, in some Member States, i.e. at least in Germany, genuine use – if requested – must also be proven for the 5 year term prior to the date of when a decision in the respective proceedings is taken (i.e. a "moving target"). This needs harmonization.

The German provision has the advantage for the defendant that, when a 5 year period of non-use ends at a time when the proceedings are already pending, he does not have to file a separate nullity action. Instead, the plaintiff/opponent/applicant has to prove genuine use of the earlier trade mark within the same proceedings. However, this is a very complicated and peculiar provision as it is not always clear when a decision will be taken, and there may be a second instance decision following the first instance decision. Also, such proceedings may often last over many years for different reasons, which would make it necessary for the plaintiff/opponent/applicant to provide evidence of use for at least two different 5 year periods, the last period being a moving target.

For the sake of harmonisation, it is proposed to clarify that proof of genuine use of the earlier trade mark cannot be requested where the 5 year period ends after the filing or priority date of the later trade mark in opposition or invalidity proceedings and where, in infringement proceedings, the 5 year period ends after the time the infringement action is brought.

[7] "Application and Filing Date"

[7] "Application and Filing Date"		
Proposal for a Regulation / Article 26 (2)(JURI Committee Amendment/Regulation no. [24]) Proposal for a Regulation/ Article 27 (JURI Committee Amendment/Regulation no. [25])		
Text proposed by Commission	Amendment suggested by the JURI Committee Report	MARQUES proposed amendment
Article 26, paragraph 2	Article 26, paragraph 2	Article 26, paragraph 2
The application for a European Community trade mark shall be subject to the payment of an application fee and, when appropriate, of one or more class fees.	(aa) paragraph 2 is replaced by the following: "The application for a European Union trade mark shall be subject to the payment of an application fee. The application fee shall consist of: (a) the basic fee; (b) the class fees for the classes exceeding one to	The application for a European <u>Union</u> trade mark shall be subject to the payment of an application fee and, when appropriate, of one or more class fees.



which the goods or services belong according to Article 28;

(c) where applicable, the search fee referred to in Article 38(2).

The applicant shall give the order for payment of the application fee at the latest on the date on which he files his application."

Justification:

The fees structure is an important element of the EU trade mark system and should therefore be directly regulated in the Regulation. Rule 4 of Regulation (EC) No 2868/95 is hence incorporated into Regulation (EC) No 207/2009.

Article 27

Date of filing

The date of filing of a European Community trade mark application shall be the date on which documents containing the information specified in Article 26(1) are filed with the Office Agency by the applicant, ... subject to payment of the application fee within a period of one month of filing of the abovementioned documents for which the order for payment shall have been given at the latest on that date.

Article 27

Date of filing

The date of filing of a
European <u>Union</u> trade mark
application shall be the date
on which documents
containing the information
specified in Article 26(1) are
filed with the Agency by the
applicant, subject to the order
for payment of the application
fee. In the case of a belated
order for payment, the date of
filing shall be deemed to be
the date on which the order
for payment is given.

Article 27

Date of filing

The date of filing of a European **Union** trade mark application shall be the date on which documents the information containing specified in Article 26(1) are filed with the Agency by the applicant, subject to payment of the application fee within a period of one month of above filing of the mentioned documents for which the order for payment shall have been given at the latest on that date.



The allocation of an effective filing date is important for creating a right from which priority can be claimed. It is against International agreements (Art.5 (2) <u>Trademark Law Treaty</u> - to which the EU is a party - and identically Art.5 (2) Singapore Treaty on Trademark Law) to make the creation of an effective filing date subject to the payment of any fees. Therefore, neither the Commission's proposal nor the Rapporteur's proposal on Article 27 of the Regulation can be adopted.

Furthermore, the current regime at OHIM where payment of the basic fee is possible within one month after the filing should be maintained. It should be left to the Office whether examination of an application is started before the basic fee has been paid.

[8] "Fee Structure" (Regulation (EC) No 2869/95)		
Text proposed by Commission	Amendment no [67] suggested by the JURI Committee Report	MARQUES proposed amendment
The table in Article 2 is amended as follows: (a) point 1 is replaced by the following: '1. Basic fee for the application for an individual mark (Artic le 26(2), Rule 4(a)) EUR 925 (b) point 1b is replaced by the following: '1b. Basic fee for the application for an individual mark by electronic means (Article 26(2), Rule 4(a)) EUR 775 (c) the following point 1c is	Deleted (and incorporated in Regulation (EC) No 207/2009 as new Art. 127a, paragraph 1) Justification: The fees structure is an important element of the EU trade mark system. The table contained in Regulation (EC) No 2869/95 (including the Commission's proposals for changes and updated references) is hence incorporated into Regulation (EC) No 207/2009. The decision whether the other	The table in Article 2 is amended as follows: (a) point 1 is replaced by the following: '1. Basic fee for the application for an individual mark (Artic le 26(2), Rule 4(a)) EUR 925 (b) Point 1a is deleted (c) Point 1b is replaced by the following: '1b. Basic fee for the application for an individual mark by electronic means (Article 26(2), Rule 4(a)) EUR 775
inserted:	provisions contained in Regulation (EC) No 2869/95	(c) the following point 1c is
'1c. Basic fee for the application for an individual mark by electronic means and using the online	should be incorporated into Regulation (EC) No 207/2009 or regulated by delegated acts	11. Basic fee for the application for an individual mark by electronic means
classification database (Article 26(2), Rule 4(a)) EUR 725	will be taken in the framework of the procedure in accordance with Rule 37a.	and using the online classification database (Article 26(2), Rule 4(a)) EUR 725



MARQUES supports the Commission's proposal to abolish national searches of a CTM application and assumes that the €12 search fee on page 52/Regulation is included in the list by mistake.

It is in the interest of all users to describe goods and services by the most appropriate terms even if the terms are not listed in any special database. An applicant should not have to pay a higher basic fee only because he has the need to describe the goods and services by terms other than those listed in the database. If any databases were provided to the applicant in a user friendly manner, such as in an e-filing tool, the applicant will reasonably make use thereof, whenever it is possible, even without a fee reduction, because this will reduce work.