European Commission - Press release



European Parliament and EU Council back European Commission trade mark reform package

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After two years of inter-institutional discussions, the Commission, the European Parliament and the Council have reached today in so-called "trilogue discussions" provisional political agreement on the trade mark reform package. The agreed measures will make trade mark registration systems all over the EU more accessible and efficient for businesses in terms of lower costs, increased speed, more predictability and greater legal certainty. The reform will improve conditions for businesses to innovate and to benefit from more effective trade mark protection against counterfeits, including non-authentic goods in transit through the EU's territory.

European Commissioner for Internal Market, Industry, Entrepreneurship and SMEs, Elżbieta Bieńkowska, said: "Trade mark intensive industries contribute enormously to economic performance and employment in the European Union. The agreement on the EU trade mark reform package will lead to a modernised and more efficient legal framework. This will promote entrepreneurship and competitiveness, which is good news for Europe. And we will be better equipped to stop the flow of counterfeit products effectively."

The cornerstones of the trade mark reform are:

- Significant reductions of the fees for European Union trade marks covering all 28 Member States. The agreed changes will lead to savings of up to 37%, in particular for businesses that seek protection of their registered European Union trade marks beyond an initial period of 10 years;
- Streamlined, more efficient and harmonised registration procedures across all trade mark offices in the EU. Faster and less burdensome procedures will be a great improvement for successfully growing companies, mainly SMEs, which roll out their business beyond one Member State and seek trade mark protection in front of multiple national administrations;
- Strengthened means to fight against counterfeits in particular of goods in transit through the EU's territory. This will prevent abuse of the EU as a distribution hub for illegal fake goods to world-wide destinations;
- Modernised rules and increased legal certainty by adapting trade mark rules to the modern business environment and clarifying trade mark rights and their limitations.

The political agreement on the Trade Mark reform package reached by the three institutions in the socalled "trilogue discussions" still requires to be formally confirmed by the European Parliament and the Council, which is expected in the coming weeks.

Background

As indicators of business origin, trade marks may consist of any signs, such as words, designs or symbols, which are capable of distinguishing the goods or services of one undertaking from those of another. It is the mark through which a business can attract and retain customer loyalty, and create value and growth. The mark works in this case as an engine of innovation: the necessity to keep it relevant promotes investments in R & D, which leads in turn to a continuous process of product improvement and development. This dynamic process also has a favourable impact on employment.

According to the findings of a joint study between the Office for Harmonisation in the Internal Market (OHIM) and the European Patent Office (EPO) published in September 2013, almost 21% of all jobs in the European Union (i.e. around 45.5 million Europeans) during the period 2008 to 2010 were created by trade mark-intensive industries. Over the same period, trade mark industries are shown to have generated almost 34% of total economic activity (GDP) in the European Union, worth $\[\in \]$ 4.16 trillion.

The trade mark package concerns two legal instruments:

- 1. The 1989 Directive (now codified as 2008/95/EC) approximating the laws of the Member States relating to trade marks;
- 2. The 1994 Regulation (now codified as <u>207/2009/EC</u>) on the Community trade mark See also <u>MEMO/15/4824</u> and <u>Trade Marks including Community Trade Mark</u>

Press contacts

<u>Lucia CAUDET</u> (+32 2 295 61 82) <u>Heli PIETILA</u> (+32 2 2964950)

General public inquiries:

Europe Direct by phone 00 800 67 89 10 11 or by email