

30 March 2010

## Responses to the Allensbach questions

### **Question 6**

***If you compare the examination practices of the various European Union member states' national trade mark offices: How consistent, i.e. how similar are the results of examinations by the different national trade mark offices in the European Union at the moment?***

A rigorous comparison of the examination practices of the European Union national trade mark offices cannot be made as suggested above, to the extent that the criteria adopted by each of the national trade mark offices appear to be far from harmonized. There still is a need for further approximation and harmonization of national trade mark systems within the current scope of the Trade Mark Directive, in relation to the elements which according to the Trade Mark Directive are left optional to the member states, or beyond it, insofar as procedural aspects and practices are concerned.

As there are substantive differences in the trade mark practices of the European Union member states, MARQUES is of the view that at present the examination practices in the national systems are not aligned to each other, with a consequent lack of consistency and predictability of the outcome of the relevant procedures.

As OHIM stated in its Contribution to the Study, the CTM system was designed to coexist with both national and international trade marks. *“The coexistence principle was enshrined in the Community Trademark Regulation as the basis for relations between the different trade mark protection systems within the European Union”*. MARQUES supports free choice for applicants between the existing options for protection of trade marks in the European Union. The national, regional and international trade mark systems must continue to coexist and to represent equally efficient solutions that remain attractive for users both as individual solutions as well as solutions that can be combined depending on the needs and circumstances of the user who will make the choice very much on a case-by-case basis.

MARQUES fully shares OHIM's view that *“in the global economy, users expect not only to count on systems to protect their trade marks at different territorial level (national, regional, international) but also that those systems offer the same standards of service. Therefore, coexistence must be complemented by interoperability among systems”*.

In this sense, MARQUES believes that a joint revision of the national and the CTM systems must be envisaged, insofar as this can provide further harmonization, alignment and interoperability of the registration and protection systems and processes, so that the users can make their decisions on which system to choose, without being expected to have to conduct burdensome preliminary legal checks before opting for one or another system, in order to avoid dissimilar or even unpredictable outcomes.

MARQUES has the expectation that the Study will have a significant impact on the revision of the functioning of the current trade mark system in the European Union. The Study should be comprehensive and wide-ranging, in order also to cover the issues of coexistence and interoperability of the CTM, the national trade mark systems as well as the International Registration system, and to this effect, also to determine ways available for national trade mark offices to improve their regulatory frameworks and practices and strengthen their services, to ensure that users are satisfied in their legitimate expectations of improved consistency and predictability of trade mark protection as provided by the national systems on a pan-European level.

An approximation and harmonization of the national and CTM systems is therefore required, in terms of creating common patterns of procedures, forms and rules of examination of formalities and classification and of absolute grounds of refusal or of invalidity. To achieve consistency, the examination of earlier rights *ex officio* should be abolished and all national systems should implement the administrative opposition proceedings before registration rather than after registration. Likewise, the appeal, invalidity and cancellation actions should be made available as procedures before the national trade mark offices rather than being civil actions to be brought before the national courts.

Finally, we would like to highlight that there is a concerning inconsistency of practice between national offices and between national offices and OHIM. It is widely recognized that OHIM is more likely not to refuse on absolute grounds marks that are slogans than is, for example, the UK office. MARQUES welcomes what can be done to harmonise the interpretation of European Union law on these points – a slogan mark in English should receive the same treatment before OHIM and the UK office.

**Question 8:**

***Thinking about the Community trade mark system in general: Which of the following statements comes closest to your impression of how the CTM system is currently working?***

The Community trade mark system has now been in operation for 15 years. Over the years MARQUES has supported the Commission and OHIM in promoting and improving the system. Whilst there will always be room for improvement on specific workings, overall MARQUES is of the opinion that the system works very well and that there is no need to make any fundamental changes. Statistics on the extent of use of the system by the users provide absolute and clear evidence of the success of the system.

At the same time, the world of business and the economics of the European Union have changed dramatically in the last fifteen years; the two enlargements of the European Union as well as the ever-increasing globalization of markets have substantially affected the competitiveness of businesses. Lately, economic operators have been compelled to restrict their cost structures severely, with consequent revision of their marketing and trade mark protection strategies, in order to be able to compete effectively on the basis of appropriate value.

As stated by OHIM in its Contribution to the Study, the CTM Regulation has not undergone substantial reconsideration since its adoption. The Implementing Regulation was adopted in 1995 before OHIM had any experience of operations. The changes made to both instruments in 2004 have not provided fundamental review of the legislation.

In this sense, MARQUES agrees that the legislation needs to be revised in order to reflect the current needs of business and to allow economic operators to raise the level of innovation and competitiveness in the European Union. CTM practices must be likewise reviewed and improved, in order to make the clearance and protection of trade mark rights easier, more efficient and, last but not least, more transparent and consistent.

MARQUES appreciates that OHIM has now accumulated experience of administration of registration procedures, including renewals, and is therefore well placed to assess what is necessary to conduct an effective and efficient operation. However, the areas of intervention identified by OHIM in Annex III to its Contribution and the proposed amendments to CTM Regulations to improve the daily operations of OHIM must be attentively analyzed. It is essential that the users are fully and constantly involved in such an analysis and that their concerns and recommendations are seriously considered and implemented in any future revision of both the legislation and the practices of the CTM system.

***Question 9:***

***Please indicate how strongly you agree or disagree with the following statement:***

***The CTM system offers trade mark owners substantial simplifications and strongly expanded possibilities aside from national trade mark registrations.***

Please also see our response to Question 6.

In practice, it has proven to be substantively true that users have found the CTM system easier, more simplified in terms of bureaucracy and more beneficial in terms of convenience of the standard offer (a unique procedure allowing a unitary Community right which has equal effect in 27 countries simultaneously, one to three classes at the same cost, almost immediate formality and classification examination and generally reasonable examination on absolute grounds, etc.) *vis-à-vis* legal and economic requirements. It is obvious that the CTM offers substantial simplifications when the filing strategy is made for a good or secure trade mark that will be provided in all of the European Union, compared to filing through different procedures in 25 registers. However, not all trade marks will be used in all 27 member states: filing strategies will be determined based on the business's plans and ambitions. The national and International Registration systems will continue to be important to users.

As some other users' and users associations have already remarked, the costs for clearing, monitoring and enforcing trade mark rights in the whole European Union via CTMs may prove considerably higher than the costs for clearing, monitoring and enforcing national trade mark rights. Thus, the CTM system will not always result in the best or preferable option to choose. It will depend entirely on the particular case at hand, and the risk evaluation will be

made on a case-by-case basis and on the current – and some time short term - market realities of the applicant.

In this sense, MARQUES believes that the CTM system will continue to offer to trade mark owners substantial simplifications and strongly expanded possibilities for some trade marks while the national trade mark registration system and the International Registration system will continue to be more attractive for other trade marks.

***Question 11:***

***Please indicate whether you think OHIM's current examination for absolute grounds of refusal is too strict, too liberal or just about right.***

In general, OHIM's examination practice may be considered 'just about right', but still not fully consistent. MARQUES continues to support OHIM in its efforts to improve the consistency of its decisions, in order to meet users' legitimate expectations of legal certainty on the conformity of all decisions to the principle of impartiality.

OHIM is bound by the legal principles set out in the Regulations as interpreted by the Court of Justice. Users would like to see the acceptance for registration of a greater variety of non-traditional trade marks, particularly as technology develops, new ways of recording signs are made available, and consumers are educated to recognise non-traditional signs as indications of origin. However, because OHIM is clearly bound by the decisions of the Court of Justice, MARQUES believes that it will require legislative change or a decision of the Court of Justice to change OHIM's practice significantly.

MARQUES would like to see more attention paid by OHIM to absolute grounds observations by third parties. Whilst these sometimes impact on OHIM's decisions, users report that OHIM seems unnecessarily strict in ignoring third party observations.

***Question 12:***

***Please indicate whether you think that CTM oppositions are granted too easily by OHIM, or whether they are rejected too often, or whether the current practice is just about right.***

It seems to us that oppositions are in many cases decided applying rigid parameters and using criteria that are often quite theoretical. Examiners seem not to take a practical approach, and they do not seem always to have a good perception of market realities and consumer behaviour. We would say that at this moment it is impossible to predict the current practice of OHIM with regard to CTM opposition proceedings. There is not sufficient uniformity of interpretation.

The proposed database of similar goods will go some way to assisting OHIM with more consistent application of the Regulation. However, it is important that the database remains a living organism, with OHIM being ready to listen to requested corrections to the database on the provision of appropriate submissions - either in the abstract, or in the circumstance of a particular case. If the database is too strictly applied applicants and opponents will cease to argue

similarity of goods and will instead wait to raise those arguments on appeal. This would be of no benefit to users or the system. A “living” database is therefore essential.

**Question 13:**

***Please assess the quality of OHIM's decisions for the following proceedings:***

<i>Examination for absolute grounds of refusal:</i>	Average quality
<i>CTM oppositions:</i>	Low quality
<i>CTM cancellations:</i>	Average quality
<i>CTM appeals:</i>	Low quality

MARQUES is of the opinion that the guidelines related to absolute grounds and cancellations are better defined at OHIM than the guidelines related to relative grounds. This could be the reason why the quality of the decisions relating to ‘Examination for absolute grounds of refusal’ and ‘CTM cancellations’ seems to be higher. The lack of uniformity in the decisions made in ‘CTM oppositions’ appears to spill over to the ‘CTM appeals’ (particularly on the criteria for relative grounds). Again, it would be beneficial if members of the Boards of Appeal would have a better understanding of market realities and consumer behaviour. Overall it is very difficult to predict the chances for registration due to the lack of uniformity of decisions on relative grounds. We are aware of the fact that OHIM continues to work to improve quality and consistency, and we believe there is still room for improvement.

**Question 14:**

***Please assess the consistency of OHIM's decision-making for the various proceedings:***

<i>Examination of formalities and classifications:</i>	Fairly consistent
<i>Examination for absolute grounds of refusal:</i>	Fairly consistent
<i>CTM oppositions:</i>	Not at all consistent
<i>CTM cancellations:</i>	Fairly consistent
<i>CTM appeals:</i>	Not at all consistent

The responses above are based on the same grounds as in question no. 13.

Users have reported difficulties where a “batch” of similar marks is allocated to different examiners. For example, two trade mark applications (say, a word mark and a device mark) are filed on the same day. Users report that they may be allocated to different examiners, who then issue different reports on different days with different deadlines to respond to different issues relating to specifications or absolute grounds. Users can face significant difficulties having the applications consolidated with one examiner. These issues are magnified ten-fold in relation to contested proceedings, where multiple oppositions between the same two parties end up with different deadlines, considerably increasing the costs for the parties, the likelihood of error and the possibility of inconsistent decisions from OHIM.

**Question 15:**

***What do you think of the time it takes for OHIM to issue decisions?***

<i>Examination for absolute grounds of refusal:</i>	Fairly satisfactory
<i>CTM oppositions:</i>	Not at all satisfactory
<i>CTM cancellations:</i>	Fairly satisfactory
<i>CTM appeals:</i>	Fairly satisfactory

MARQUES is generally satisfied with the time that it takes for OHIM to issue decisions, however we are very much in favour of increased efforts to shorten the decision making time as a way to give a better service to users. We recognise that it is not an easy exercise, as the quality of the decisions must not be compromised. MARQUES considers quality to be more important than speed, especially since decisions may give rise to precedent.

With respect to opposition proceedings, we realise that it can sometimes be the parties who have caused proceedings to drag on, whether through requests for extensions of time, suspensions to allow settlement or additional rounds of evidence or submissions. Where extensions of time are requested, OHIM should be predictable and practical, and we believe that newly introduced procedures will assist in this regard. However, what would be of most assistance is a service guarantee that decisions will be issued within a certain period of the submission rounds concluding, strengthened by a mechanism for referring overdue decisions to the President or his or her nominee without identifying which party made the reference. This is often done in court proceedings where decisions are overdue.

MARQUES is of the opinion that some of the proceedings, especially opposition decision making, take a very long time. We believe that there is a lot of room for improvement.

**Question 16:**

***Which of the following two opinions do you share?***

- (1) In the meantime, there are too many CTMs in the register that are either not used at all or only for some of the goods or services listed, and this is a problem***
- (2) The current number of CTMs that are either not used at all or only for some of the goods or services listed is tolerable and is therefore not a problem***
- (3) No opinion, impossible to say***

The number of branded products and services has increased significantly in the last 40 years, and the size of the trade mark registers is merely a reflection of the increased need for businesses to communicate to their customers through brands, especially over the last 10-15 years. MARQUES believes that the number of protected trade marks should be viewed as a sign of a healthy economy. The current number of CTMs is not a problem for businesses.

**Question 17:**

**Currently, CTMs have to be put to genuine use within a period of 5 years following registration. Suppose this period were reduced to 3 years. What would you prefer?**

- (1) I would favour retaining the current period of 5 years**
- (2) I would welcome such a change (period of 3 years)**
- (3) No opinion, impossible to say**

MARQUES believes that the system works very well and would favour retaining the current period of 5 years.

Furthermore, one of the advantages of the CTM is precisely that the owner is given time to start sales of the product and then gradually spread the sales to a larger part of the European Union during the 5 years. This advantage is especially important for SMEs.

The 5 year grace period must, however, be tempered by a predictable cost-effective, speedy system for non-use revocation. The Court of Justice has laid down clear guidance on what constitutes genuine use (*Silberquelle*). This is being inconsistently applied.

MARQUES supports OHIM's position on the geographic requirement of use. In MARQUES's view, geography is irrelevant to the assessment of use. The proper question to be asked is "is the use that has been made a real attempt to build and maintain a market for the relevant goods/services in the European Union".

**Question 18:**

**Aside from filing directly with OHIM, it is also possible to file CTMs via the European Union member states' national trade mark offices. Would you yourself want to make use of this possibility in future, or is there essentially no need for that in your view?**

- Yes, I would want to make use of this possibility in future**
- No, there is no need for that**
- No opinion, impossible to say**

MARQUES understand that the use of this facility is quite small and we suspect that it is primarily used by SMEs. As long as there is a need for it, we would be in favour of retaining it.

**Question 19:**

**As part of the registration procedure, OHIM conducts a mandatory, automated search of its database to check whether there are any CTMs that may conflict with the application. Suppose this search were offered as an optional service instead. What would you prefer?**

- Mandatory search**
- Optional service**
- None of the above, such a search is not useful at all**
- No opinion, impossible to say**

Users are generally satisfied with this service. The main advantage appears to be for the holder of earlier rights who are informed of the new application and potential conflict, which

is a good service especially for SMEs who do not necessarily have their own watching service. To serve SMEs even better, national offices could provide a similar service, notifying applicants of national trade marks of prior national rights (the UK-IPO already does, for example).

MARQUES believes that the system works very well and would favour retaining it as is.

Alternatively, if there is a push towards making the system optional, we would suggest that applicants as well as owners of existing CTMs be given the opportunity to opt in. We suspect that this might be a rather significant administrative burden to keep track of who has opted in and who has not and ensuring that the alerts of new applications/potential conflicts go out to the owners who have opted in. But without giving the option to both sides, the optional system would not be useful.

**Question 20:**

*In 2008, the search of national registers, which was mandatory up to that time, was replaced with an optional search, which applicants can request when filing a CTM. This search currently comprises 11 national offices (Austria, Czech Republic, Denmark, Finland, Greece, Hungary, Lithuania, Poland, Romania, Slovakia, Spain). The fee for this optional search is EURO 132. What do you think of that?*

- (1) Even if the search does not include all EU Member States, it is still a useful service*
- (2) This service would only be useful if it included a lot more EU Member States*
- (3) This service is not at all useful, regardless of how many Member States are included*
- (4) No opinion, impossible to say*

The national searches are not perceived to be useful as they are conducted at a time when the product in many cases will already be sold on the market. The timing is wrong. Furthermore, the searches do not provide enough data, and are inconsistent. The searches are confusing for many users, who may consider that they provide a red or green light to further commercialisation, whereas they actually provide neither.

We do not consider it would be useful to include more European Union member states and the service should be discontinued completely or alternatively remain optional.

**Question 21:**

*Suppose applicants could request an accelerated CTM registration against payment of a higher fee, and third parties would not be able to file an opposition until after registration. What would you think of that?*

- (1) No such option should be introduced; the current procedure should not be changed*
- (2) Introducing this type of option would be a good idea*
- (3) No opinion, impossible to say*

MARQUES would prefer to see applicants receiving equal treatment, i.e. the current system, rather than creating a 2-tier system.



**Question 22:**

***Now a question on the classification of goods and services for CTM applications: OHIM allows the use of class headings and rather broad generic terms. Do you approve or disapprove of that?***

***Approve***

***Disapprove***

***No opinion, impossible to say***

MARQUES supports the use of the classification as set in the Nice Agreement.

We do not support OHIM's current practice of interpreting the class headings as a claim to all the goods or services falling within the particular class. In our opinion the goods or services must be included in the list in order for it to be included in the registration. Some terms will be broad and by themselves comprise a longer list of goods/services, however, we recommend to our members to include the specific goods/services of interest so as to be safe and to also consider limiting the list so as to avoid oppositions.

Businesses, who file broadly, will more often than not have a business need for taking this approach. Statistics actually show that an overwhelming majority of applications do not cover more than one or two classes.

We would support efforts to create consistency in practice across the European Union in this respect, and a common approach to similarity of goods and services would also be most helpful. Currently, many member states (we say rightly) do not accept OHIM's position, including office and court actions. This creates difficulties for users.

**Question 23:**

***Now a question on claiming priority (Article 29 CTMR), that is, taking advantage of the priority of an earlier national or IR registration by obtaining that earlier date for the CTM. How should OHIM handle priority claims?***

***(1) OHIM should simply record priority claims***

***(2) OHIM should carry out full examinations of the requirements before registration***

***(3) No opinion, impossible to say***

MARQUES supports the current practice of OHIM which is to simply record the claim. It would be most helpful if the CTM database were to include a link to the priority right in question – that is if the Register in question is available on-line. This would be a straightforward, quick and modern way for users to check the details of the claim.

**Question 25:**

***How should OHIM handle seniority claims in future?***

- (1) In future, OHIM should fully verify all seniority claims***
- (2) OHIM should retain the current practice of verification limited to checking if both marks are identical***
- (3) No opinion, impossible to say***

OHIM should retain the current practice of verification limited to checking if both marks are identical. Our main concern is to keep cost and delays to a minimum. There seems no objection to detailed verification unless a perceived problem arises, for example an opposition or dispute as to who has the prior right.

We would like to specify that it is important that details of the seniority claim is made available on the OHIM database. This could be done by including a link to the seniority right in question – that is if the Register in question is available on-line. This would be a straightforward, quick and modern way for users to check the details of the claim.

If the Register in question is not yet available on-line, the basic information must be available in the OHIM database. The basic information would include the full description of the goods. In this connection we beg to point out that as soon as all offices have become fully electronic through the projects run by the Cooperation Fund, this task would be eliminated, which only highlights the importance of all national offices signing up.

**Question 26:**

***How would you describe the current opposition process at OHIM?***

It is reasonably simple and inexpensive in terms of official fees although the majority of the cost is usually what rights owners pay to outside counsel. However, as mentioned, the system is perceived to be slow and there have been questions about consistency, not helped by some of the decisions on appeals to the General Court and the Court of Justice. New OHIM proposals on the submission of evidence should assist. We would like to see more realistic costs awards given. The current 850 Euros is derisory and there is no cost-effective mechanism for enforcing recovery of these costs.

**Question 27:**

***After publication of a CTM application, how much time should be allowed for filing a notice of opposition?***

***Please note: The question here is only how much time should be allowed for filing the notice of opposition. The substantiation of the opposition (that is, evidence and arguments supporting the opposition) does not have to be submitted at this point in time.***

- (1) The current deadline should be retained, i.e. notice of opposition within 3 months of publication***
- (2) The deadline for notice of opposition should be shortened to 2 months***
- (3) The deadline for notice of opposition should be prolonged, for example, to 4 months***
- (4) No opinion, impossible to say***

MARQUES supports maintaining the current term of 3 months.

The 3 months term is mainly needed for analyzing the trade mark situation and for the following decision making process. Experience shows that 3 months is often not much, in particular given the fact that filing an opposition against a CTM can be a complex strategic decision resulting in significant costs, e.g. to select the appropriate right(s) on which to base the opposition, to check which of the national rights are supported by use, to decide which market is (or are) most important and which may influence the selection of the basis for the opposition. In other situations where the opponent is a SME, time is needed for explaining the procedure and the necessity of actually taking the step of filing the opposition.

Also, the parties often try to negotiate before filing an opposition. If the 3-month opposition term were shortened, a number of oppositions would be filed "just to be safe". Thus, the effect of a reduced opposition term might well increase the number of oppositions filed, and we believe that no one would be interested in such a development.

**Question 28:**

*From the list below, please select the procedural approach that you think is best for checking if new CTM applications possibly conflict with earlier trade marks:*

- (1) The current approach is best, i.e. OHIM examines whether new CTM applications conflict with earlier trade marks only upon opposition*
- (2) An 'ex officio' approach would be best, i.e. OHIM should always check whether CTM applications conflict with earlier trade marks*
- (3) It makes no difference which approach is used*
- (4) No opinion, impossible to say*

MARQUES supports maintaining the current system which would be option 1.

The 2nd approach would increase expense and delay. Experience in national offices shows that it is sometimes difficult to find the owners of prior rights to discuss co-existence. Furthermore, owners of prior rights can hold applicants to ransom for large sums in order to give consent. It adds to cost and delay without necessarily adding any value.

**Question 29:**

*At what point of time in the procedure should it be possible to file an opposition?*

- (1) As has been the case so far, it should be possible to file an opposition before a new CTM is registered ("pre-registration opposition system")*
- (2) Oppositions should be filed only after a CTM has been registered ("post-registration opposition system")*
- (3) It makes no difference which approach is used*
- (4) No opinion, impossible to say*

MARQUES supports maintaining the current system of pre-registration opposition.

It is worth noting that only a minor percentage of trade marks are actually opposed, as a general rule. This might differ from member state to member state, but it can be assumed that the majority of trade marks are not opposed.

Nevertheless, it would be desirable if the timing of the procedure were harmonised across the European Union. It is also important to make sure that the time for the start of the five year grace period of use is the same throughout the European Union.

**Question 30:**

***One of the "relative grounds of opposition" is when a CTM conflicts with non-registered earlier trade marks or other signs, like company names, that are protected at a national level. Please select the procedural approach that you think is best.***

- (1) The current practice is best, that is, such examinations are made within the framework of opposition proceedings***
- (2) It would be best if such examinations were made at a different stage, i.e. within the framework of cancellation proceedings***
- (3) No opinion, impossible to say***

MARQUES favours the current practice, i.e. the conflict between a CTM with a non-registered earlier trade mark or other sign, like a company name, that is protected at a national level should be examined within the framework of opposition proceedings. We see a plurality of advantages with the current practice as compared to making such examinations at a different stage, i.e. within the framework of cancellation proceedings.

First, examining these conflicts along with other conflicts, such as a conflict with an earlier registered trade mark, will save time as compared to having two different proceedings. Notably, when OHIM is of the opinion that the examination of the conflict with a non-registered earlier trade mark or the like would not affect the decision to be taken, because the decision can be taken on the basis of e.g. a registered earlier trade mark, then OHIM is not required to decide on this specific conflict. Thus, the proceedings are not necessarily delayed by the current practice.

Second, examining all different kinds of possible conflicts in a single procedure, namely within the framework of opposition proceedings, reduces the danger that inconsistent decisions are taken by different divisions within the same office, such as by the opposition division on the one hand and the cancellation division on the other hand.

Third, conducting two different proceedings, e.g. one based on earlier registered trade marks and another one based on non-registered earlier trade marks or the like, substantially increases the costs both for the parties involved as well as for OHIM. This does not rule out that the opponent decides to raise non-registered earlier trade marks or the like in separate proceedings, such as cancellation proceedings, should this be considered appropriate.

MARQUES therefore favours the current practice.

**Question 35:**

***What do you think about the fees at OHIM?***

MARQUES has supported the work to keep OHIM's budget balanced. We agree with OHIM that the choice to make the CTM system a fee-funded financial operation must be maintained and carefully supervised. OHIM's financial autonomy, together with a balanced budget are mechanisms to ensure that this is the case.

We support the requirement that the Commission should carry out regular bi-annual reviews of OHIM's financial situation in order to make the necessary proposals for fee adjustments with a view to balancing the budget. We think that the bi-annual revision mechanism is absolutely necessary to prevent the surplus problem recurring. It seems clear to us that the bi-annual review of the fees needs to be implemented and written into law. At the same time, it will be necessary to look also at the formal procedural mechanisms for adopting OHIM fees.

Our main interest is to keep OHIM's budget in balance and to keep OHIM financially independent. Thus, we do not have a detailed view on the individual fees.

That being said, it does not seem logical to us that the renewal fees exceed the fees for filing the same application again. Consequently, we propose to lower the renewal fees.

In view of the fact that OHIM does not examine for prior rights (and we fully support keeping this as it is), it means that the burden is shifted to the owners of prior rights. Consequently, it is important that the opposition and cancellation fees are not discouraging and they must not be a decisive factor that would get in the way of defending an owner's rights. We believe that the opposition fee is 'just about right', but we recommend lowering the cancellation fee to the same level as the opposition fee.

Since we do not consider the consistency in decisions on relative grounds to be very high at this point in time, we recommend lowering the appeal fee.

**Question 36:**

***Focusing on the basic OHIM fees for filing and registering an individual CTM (currently EURO 1,050 for filings by mail or fax / EURO 900 when e-filing):***

***How much do the filing fees influence your company's decisions to apply for CTMs?***

- (1) The filing fees have practically no influence on our decisions to apply for CTMs. Other factors, such as business needs, are more decisive***
- (2) For us, the filing fees have some influence, but other factors also play a***
- (3) The filing fees have the greatest influence on our decisions to apply for CTMs***
- (4) None of the above***

As mentioned under questions 6 and 9, applicants base their filing strategies and decide between the different systems (national/regional/international) and/or a combination of the systems in view of their business priorities and needs. The CTM system, including costs, offers certain attractive features whilst also having some downsides. The same can be said about the

national and international systems. Businesses will decide according to their needs, to their immediate financial situation and to their level of ambition.

As mentioned, MARQUES believes that the CTM system will continue to offer to trade mark owners substantial simplifications and strongly expanded possibilities for some trade marks whilst the national trade mark registration system and the International Registration system will continue to be more attractive for other trade marks. In some cases the CTM filing fees will have no influence on the filing strategy whilst in other cases the filing fees will be one factor to have some influence.

***Question 37:***

***And what impact do the current filing fees have on the number or type of trade marks you apply for?***

- (1) Because of the filing fees, we tend to apply for national trade marks rather than CTMs***
- (2) Because of the filing fees, we have to limit the number of our CTM applications somewhat***
- (3) Because of the filing fees, we can only apply for a few absolutely essential CTMs and cannot apply for other CTMs that would be useful***
- (4) None of the above***

We refer to our responses under questions 6, 9 and 36. We would like to add that no business will file for more than one trade mark per product unless they are obliged to take this step for reasons completely unrelated to the size of the filing fees. It will be the particular market conditions for the individual business that will dictate the number of filings and the types of trade marks filed.

***Question 40:***

***Currently, the basic fee for a CTM application covers 3 classes of goods and services, and every additional class of goods and services costs the same additional fee. Suppose that in future, separate fees had to be paid for each single class starting with the very first class.***

***Would you favour or oppose this?***

***Favour***

***Oppose***

***No opinion, impossible to say***

MARQUES supports the current system as it is.

However, we would be willing to consider including only one class in the filing fee if the filing fee is lowered so that an application including 3 classes would be at the same fee as now.

***Question 41:***

***How much do the current OHIM renewal fees influence your company's decisions to renew CTMs (currently EURO 1,500 for renewals by mail or fax / EURO 1,300 for e-renewal)?***

- (1) The renewal fees have practically no influence on our decisions to renew CTMs. Other factors, such as business needs, are more decisive***

- (2) For us, the renewal fees have some influence, but other factors also play a role*
- (3) The renewal fees have the greatest influence on our decisions to renew CTMs*
- (4) None of the above*

Please refer to our responses under question 6, 9, 36 and 37.

A decision to renew a trade mark registration will be taken on the basis of the business priorities and needs.

As mentioned under question 35, we propose that the renewal fees are lowered so as not to exceed the corresponding filing fees.

**Question 43:**

***Please indicate how satisfied you are with each of the following e-business tools provided by OHIM:***

Initially, we would like to say that we are extremely satisfied with OHIM's continued drive to improve existing on-line services and to come up with new on-line services. MARQUES will continue to support these efforts.

MARQUES is **fairly satisfied** with **CTM Online**. The database itself is considered to be very satisfying. However, MARQUES members experience regular problems concerning access time, resulting in the database often not being properly accessible for some minutes. A further problem, which is not actually a problem of CTM Online only, is that the lists of goods and services of CTM applications are often only accessible in the first language of the application, not in one of the working languages of the office. This makes it hard to evaluate the significance of new applications, for example, when conducting a trade mark search.

MARQUES members are (just) **fairly satisfied** with **e-filing for CTMs**, as a number of problems are regularly noted. First, when filing an application for a figurative mark it is not possible to review the picture uploaded before the application is sent to the office. Furthermore, the quality of pictures seems to be scaled down during the uploading process resulting in a (at times considerable) loss of quality. Applicants are therefore in some cases forced to resend the pictorial representation of the mark via regular mail, thus undoing the advantages of an online application. Secondly, when filling in the list of goods and services, pop-up windows regularly appear when entering specific goods or services, urging the applicant to use more generic terms (class headings). We understand if OHIM is doing this to reduce problems with translations and in order to reduce the examination time, but we find that it is better for the applicant to file for the goods and services of actual interest. Finally, MARQUES members have experienced problems when applying for word marks consisting of non-Latin characters, e.g. Cyrillic characters. As these are not accepted in the e-filing process, OHIM often considers the application to be for a figurative mark.

With respect to **OAF** MARQUES is also **fairly satisfied**. Whilst the accessible data themselves are satisfying, MARQUES members regularly encounter problems with access time and documents not opening for no apparent reason.

As regards **e-opposition** MARQUES is **not at all satisfied**. MARQUES members have experienced that the process regularly takes more time than filing an opposition by fax. Furthermore, the need sometimes to attach large annexes can make the process cumbersome, as problems with uploading large attachments are often encountered. Finally, MARQUES members have complained about problems when trying to return to a previous step in the filing process.

MARQUES is **very satisfied** with **e-renewal**. MARQUES members have not reported any significant problems in this respect.

As regards **MYPAGE** MARQUES is **fairly satisfied** to **not very satisfied**. MARQUES members have reported that they consider MYPAGE to be less clearly arranged and sometimes more confusing than before the recent re-launch. Further, the access time is often not satisfying, and there have been complaints that the time between uploading an application and being able to access and review it via MYPAGE is too long.

Members are very satisfied with the option, located inside the Mailbox on **MYPAGE**, to communicate messages in respect of CTM applications, oppositions, cancellations, appeals and recordals. The tool allows users to type in messages and/or upload attachments. Once sent, users get immediate confirmation of receipt. The time taken by OHIM to respond is also significantly improved – for instance, recordal applications now take days rather than weeks to complete. We would very much like to see this tool made available for CD matters as well.

MARQUES has **no opinion** regarding **CTM Watch**, as only few of its members seem to use that tool.

With respect to **EUROACE/EURONICE** MARQUES' members are **very satisfied**. No significant problems have been reported.

**Question 44:**

***How should OHIM develop its e-business services in future?***

***(One response only)***

***(1) All communication between OHIM and CTM applicants should be conducted electronically in the near future***

***(2) OHIM should continue to develop its e-business tools and at the same time maintain traditional forms of communication, like mail and fax***

***(3) OHIM's e-business services are more than sufficient and currently do not need to be expanded further***

***(4) No opinion, impossible to say***





MARQUES believes that OHIM's e-business services should be further expanded and should enable CTM applicants and owners to conduct all communication electronically, including accepting e-mail communication. However, OHIM should also maintain the traditional forms of communication, like mail and fax, so as not to exclude companies that are either not able or not willing to use electronic means of communication.

As mentioned, we are extremely satisfied with OHIM's continued drive to improve existing on-line services and to come up with new on-line services.

Amongst the new services that we would like to see is an increased interoperability with systems that are offered by the bigger software providers on the market. Many in-house departments and private practice firms use systems that are provided and continuously updated by these external providers. If it were possible to upload data to, for instance, CTM online filing and download of data from CTM Online, it would bring down time spent on manual data entry and double-checking, i.e. increase time savings as well as reduce risk of mistakes.

DRAFT