

**THE EUROPEAN
COMMUNITY
TRADE MARK**

INTRODUCTION AND MAIN FEATURES

I – DEFINITION OF A COMMUNITY TRADE MARK

II – SIGNS THAT ARE NOT REGISTRABLE AS TRADE MARKS

- 1. Absolute grounds for refusal**
- 2. Relative grounds for refusal or for declaration of invalidity**

III – APPLICATION AND REGISTRATION PROCEDURE

- 1. Application**
 - 1.1 Who can be proprietors of a Community trade mark and, therefore, validly file a Community trade mark application?**
 - 1.2 Where can the application for a Community trade mark be filed?**
 - 1.3 Priority or seniority claim**
 - 1.4 Essential requirements for the application**
 - 1.5 Additional requirements**
 - 1.6 Request for national searches**
 - 1.7 Authorization**
 - 1.8 Language**
 - 1.9 National effects of the application**
- 2. Preliminary Examination and Accordance of a Date of Filing**
- 3. Main examination**
 - 3.1. Scope of the examination**
 - 3.2 Communication of possible objections to the applicant**
- 4. Searches**
 - 4.1 Community Search**
 - 4.2 National searches**
- 5. Forwarding of the Search Reports to the Applicant**
- 6. Publication**
 - 6.1 Contents of the publication**

- 6.2 Possible second publication
- 7. Notice to Proprietors of Community Trade Marks appearing in the Search Report
- 8. Oppositions and Observations by third parties
 - 8.1 Observations by third parties
 - 8.2 Opposition
 - 8.2.1 Grounds for an opposition
 - 8.2.2 Formal requirements of the opposition
 - 8.2.3. Handling and Examination of the opposition
 - 8.2.4 Proof of use
 - 8.2.5 Decision and appeals
- 9. Registration of the trade mark, Publication, Registration Certificate, Duration of Procedure
 - 9.1 Probable duration of the registration procedure.
- 10. Appeals

IV – DIVISION OF THE APPLICATION OR REGISTRATION

V. CONVERSION INTO A NATIONAL TRADE MARK

VI. TRANSFER AND LICENSING

- 1. Transfer
- 2. Licensing

VII. SURRENDER

VIII. OBLIGATION TO USE. REVOCATION

- 1. Obligation to Use
- 2. Other Grounds for Revocation

IX - GROUNDS FOR INVALIDITY

X. PROCEEDINGS IN RELATION TO REVOCATION OR INVALIDITY

XI. APPEAL PROCEEDINGS

XII. NOTIFICATIONS. DURATION, CALCULATION AND EXTENSION OF THE TERMS. RESTITUTIO IN INTEGRUM

- 1. Notifications, Duration, Calculation and Extension of Terms**
- 2. Restitutio In Integrum (article 78)**

XIII. JURISDICTION IN LEGAL ACTIONS RELATING TO COMMUNITY TRADE MARKS

- 1. Infringement Actions and Counterclaims**
- 2. Provisional and Protective Measures**
- 3. Actions concerning Property, Transfer, Rights In Rem, Levy of Execution and Licensing**
- 4. Appeals against the Decisions of the Community Trade Mark Court of First Instance**

INTRODUCTION AND MAIN FEATURES

First of all it is advisable to make a brief comment on the essential characteristics of the Community trade mark, since many of the peculiarities of its granting procedure are specifically governed by such characteristics.

The Regulation on the Community trade mark is a legal instrument created to solve one of the main obstacles faced by the effective development of a single European market, which is the division of the law that regulates the registration and use of trade marks into territorial compartments that coincide with national borders. Very often this prevents the use of the same trade mark in all the Member States of the Union.

Therefore, the main feature of a Community trade mark is its unitary character. This means that it is effective throughout the Union, and cannot be divided into national rights. It shall not be transferred, surrendered, waived, declared invalid or cancelled in respect of one specific country of the Union.

On the other hand, it was necessary to respect the national rights already acquired and to enable those who intend to limit their activities to a specific national market, to protect their trade mark exclusively on the relevant country without having to face the expenses and difficulties inherent to a Community trade mark application. Therefore, Community trade marks coexist with national trade marks and, for this purpose, it has been necessary to establish certain rules to prevent interferences between them.

This has given rise to a further essential characteristic of a Community trade mark, i.e. the possibility to reject its registration (upon opposition) or declare it invalid on the basis of an earlier national right in a Member State, arising either from a national or international trade mark registration or application, or from the use of a non-registered trade mark, to the extent that rights deriving from use are acknowledged in such Member State. Obviously and in turn, the Community trade marks shall constitute in each Member State prior rights susceptible of being opposed to a national trade mark or to the relevant part of an international trade mark.

Another characteristic of a Community trade mark, arising from its co-existence with the national rights, is the possibility of the so-called seniority of a national trade mark being claimed. This means that the proprietor of a trade mark in a Member State - either a national mark or an international trade mark having effect in this Member State - who

files a Community trade mark application to register an identical sign for the same goods or services shall be able to claim the seniority of said earlier trade mark in respect of the Member State in or for which it is registered.

Another essential characteristic is that proof of genuine use in a single Member State is sufficient to avoid revocation on the ground of non-use.

I – DEFINITION OF A COMMUNITY TRADE MARK

A Community trade mark may consist of any signs capable of being represented graphically, provided that they are capable of distinguishing in the market the goods or services of an undertaking from those of another undertaking; specially the following signs may become trade marks:

- a) Words or combinations of words, including those used to identify persons.
- b) Designs, symbols, devices or sounds.
- c) Letters, numerals or combinations thereof.
- d) Three-dimensional forms, including the shape of goods or of their packaging.
- e) Any combination of the signs mentioned as examples in a, b, c and d.

A Community trade mark shall be obtained by registration.

II – SIGNS THAT ARE NOT REGISTRABLE AS TRADE MARKS

1. Absolute grounds for refusal

The following signs shall not be registered as Community trade marks and, if ever registered, the registration shall be declared invalid on application to the Office:

- a) Signs not in compliance with the definition of trade mark.
- b) Signs devoid of any distinctive character or consisting exclusively of words or signs used in trade to designate the kind, the quality, the quantity, the value, the intended purpose, the geographical origin, the date of production or of rendering of the services, or other characteristics of the goods or services, as well as signs or indications which have become customary in the current language or in the bona fide and established practices of the trade.
- c) Signs which consist exclusively of the shape which is necessary to obtain a technical result or which results from the nature of the goods or which give substantial value to the goods.
- d) Marks contrary to the Law, public policy or morals.
- e) Marks liable to deceive the consumer as to the nature, the quality, the characteristics or the geographical origin of the goods and services.
- f) Marks for wines which contain or consist of a geographical indication identifying wines or for spirits which contain or consist of a geographical indication identifying spirits with respect to such wines or spirits not having that origin.
- g) Trade marks which include badges, emblems or escutcheons covered by article 6 ter of the Paris Convention or which are of particular public interest, unless the applicant has been duly authorized by the respective Authorities to use and register them as a trade mark.

Paragraph b) shall not apply if the trade mark has become distinctive in consequence of the use which has been made of it.

2. Relative grounds for refusal or for declaration of invalidity

Upon opposition or application for declaration of invalidity filed by the proprietor of an earlier right, a Community trade mark shall be refused or declared invalid on the following prior rights:

a) Rights arising from earlier Community or Member State trade marks (registrations and applications), including international trade marks effective in any Member State, if because of being identical with or similar to the contested trade mark and of covering identical or similar goods or services, there exists a likelihood of confusion on the part of the public in the territory in which the earlier trade mark is protected; the likelihood of confusion includes the likelihood of association with the earlier trade mark.

b) Rights arising from the use in the course of trade of a non-registered trade mark or of another sign (for example a trade name), provided that the scope of the use in a Member State is not merely local and to the extent that, pursuant to the Community legislation or to the law of such Member State, the opponent has acquired, before the date of filing or the date of priority of the Community trade mark, rights to that trade mark or sign that enable him to prohibit the use of a subsequent trade mark which might lead to confusion.

c) The trade mark is applied for as Community trade mark in the name of the agent or commercial representative of its proprietor, without the consent of same.

d) Rights arising from a Community trade mark or a national trade mark of a Member State identical with the contested trade mark or confusingly similar thereto, but registered for different goods or services, provided that it has a reputation in the European Union or in the Member State where it is registered, as well as rights arising from a trade mark well known in a Member State in the sense in which the words, "well known" are used in Article 6bis of the Paris Convention.

III – APPLICATION AND REGISTRATION PROCEDURE

In short, we can say that the procedure to grant the registration of a Community trade mark consists of the following ten stages:

1. Filing of the application
2. A preliminary examination as to the fulfilment of the essential requirements and the accordance of the date of filing.
3. A main examination regarding the fulfilment of the remaining formal requirements and the applicability of the absolute grounds for refusal.
4. The search of earlier Community trade marks (applications or registrations) and earlier national trade marks (applications or registrations). This latter search is optional and shall be the responsibility of the national offices of Member States which have opted for the possibility of carrying out such search.
5. The forwarding of the search reports to the applicant.
6. The publication of the application, which opens a period of three-months to submit oppositions based on prior rights. Observations stating grounds for "ex-officio" rejection may also be filed.
7. Informing the proprietors of all the Community trade marks included in the search report about the publication so that, they may file an opposition against the Community trade mark application, if they so wish.
8. Examination and handling of the oppositions.
9. Granting and registration in the Register of Community trade marks.
10. Appeals. After stages 2 and 3, the applicant may file appeals and after stage 8 the applicant and the opponent may also file appeals, all of them having suspensive effect.

A diagram of the registration procedure appears at the end of this brochure.

We shall now deal more in detail with each one of these stages.

1. Application

1.1 Who can be proprietors of a Community trade mark and, therefore, validly file a Community trade mark application?

According to article 5 of the Regulation any natural or legal person, including authorities established under public law, may be the proprietor of a Community trade mark.

1.2 Where can the application for a Community trade mark be filed?

According to article 25 of the Regulation, at the choice of the applicant:

- a) at the Office, in Alicante, or
- b) at the Central Industrial Property Office of any Member State of the Union, considering the Benelux Trade Mark Office as such.

In the latter case, the national Office or the Benelux Office shall issue a receipt and shall forward the application to Alicante within a term of two weeks.

The filing of applications with the Office by post, telex, fax or e-mail is allowed. If the application is sent by post, the filing date shall be the date of reception .

1.3 Priority or seniority claim

Applicants may claim the Paris Convention priority for the Community trade mark under the same conditions as those prevailing in the European Union countries, as well as the priority of the date on which goods or services have been first displayed under the trade mark at any international exhibition, provided that the application be filed within a term of six months after such date. Nationals of the States which are parties to the World Trade Organization Agreement may also claim the six-month priority right of the Paris Convention.

With regard to the Paris Convention priority, a subsequent application for a trade mark which was the subject of a previous first application in respect of the same goods or services, and which is filed in or in respect of the same State shall be considered as the first application for the purposes of determining priority, provided that, at the date of filing of the subsequent application, the previous application has been withdrawn, abandoned or refused, without being open to public inspection and without leaving any rights outstanding, and has not served as a basis for claiming a right of priority. The previous application may not thereafter serve as a basis for claiming a right of priority.

Furthermore, as we have mentioned before, the seniority of a trade mark can be claimed in respect of any European Union Member State and this is one of the characteristics of the Community trade mark.

Certificates proving the priority, the use at exhibitions or the seniority shall have to be filed within a period of three months of filing the application.

1.4 Essential requirements for the application

In order that a filing date be accorded, the application shall contain:

- a) a request for the registration,
- b) information identifying the applicant,
- c) a list of the goods or services,
- d) a representation of the trade mark,
- e) the payment of the application fee. This payment can be made within a period of one month of filing of the abovementioned documents.

1.5 Additional requirements

The Regulation specifies only the essential requirements for an application to be accorded a date of filing. The remaining requirements are established in the Implementing Regulations.

Many of the additional requirements foreseen in the Implementing Regulations

correspond to those established for national applications in the Member States and, therefore, we shall not make any comments on them. Now, we shall only refer to the requirements for claiming the seniority of one or more earlier national trade mark registrations, since this is a specific characteristic of the Community trade mark.

According to the Implementing Regulations, where the seniority of a trade mark is claimed, the application should include a statement to that effect indicating the Member State where the trade mark has been registered, the registration number, the date from which the relevant national registration was effective and the goods and/or services covered by such national trade mark. Within a period of three months of filing of the Community trade mark application, a certificate stating all the data mentioned above, issued by the relevant National Office or, if appropriate, the Benelux Trade Mark Office, shall have to be filed with the Alicante Office.

It shall be also possible to claim the seniority once the Community trade mark has been already registered and, in such a case, the three-month term established to file the relevant certificate shall start on the date on which the statement of such claim has been filed with the Community Office.

Seniority shall have the sole effect that, where the proprietor of the Community trade mark surrenders the earlier national trade mark or allows it to lapse, he shall be deemed to continue to have in the corresponding Member State the same rights as he would have had if the earlier national trade mark had continued to be registered. The possibility to claim the seniority of trade marks in several Member States will allow to obtain a sole Community trade mark in substitution for a number of national registrations.

The seniority claimed for the Community trade mark shall lapse if the earlier trade mark the seniority of which is claimed is declared to have been revoked or to be invalid or if it is surrendered prior to the registration of the Community trade mark.

1.6 Request for National Searches

The applicant may request that national searches be carried out by the national

Offices which have informed the Office of the decision to operate a search. A special fee must be paid.

1.7 Authorization

In those cases where the applicant has appointed a professional representative an Authorization must be attached to the application or filed later.

Any natural person entitled to act as a professional representative in trade mark matters before the national Office of the Member State where he has his place of business, shall be also entitled to act before the Community Office.

1.8 Language

The application shall be drafted in any of the official languages of the European Union. However, a second language shall have to be indicated the use of which the applicant shall accept as a possible language for opposition, revocation and invalidity proceedings and for communications from the Office. This second language shall necessarily have to be one of the five official languages of the Office (Spanish, English, French, German or Italian).

1.9 National effects of the application

A very important characteristic of the application for a Community trade mark is that - once a date of filing has been accorded - it shall be in the Member States of the EU equivalent to a regular national filing. Therefore, in those countries where the law permits it, it shall be a basis for oppositions or "ex officio" citations against subsequent national applications.

2. Preliminary Examination and Accordance of a Date of Filing

The first stage of the procedure once the application has been filed with the Community Trade Mark Office, consists in the examination as to the fulfilment of the essential requirements, which we shall call the preliminary examination and which leads to the accordance of the date of filing.

If any of the essential requirements (request for registration, applicant's identification, list

of goods or services, representation of the trade mark and application fee) is not fulfilled, the Office shall notify such default to the person who has filed the application, and request to file the missing information or documents or to pay the application fee within a term of two months.

If the deficiencies are remedied within such term of two months, the date of filing of the missing information or documents or the date of payment of the application fee shall be deemed to be the new date of filing of the application. However, if the only deficiency is the default of payment of the application fee and such payment is effected within the term of one month of the date of filing, then the initial date of filing of the application shall be respected. This way, the date of filing shall be accorded and the procedure shall continue.

If any deficiencies are not remedied within the term of two months, the application shall indeed be refused; an appeal can be filed against this resolution within a term of two months.

As soon as a Community trade mark application has been accorded a date of filing, the Office shall transmit a copy thereof to the central national Office of each Member State which has informed the Office of its decision to operate a search in its own register of trade marks in respect of Community trade mark applications. This will happen only if the applicant has requested for such national searches.

3.- Main examination

3.1. Scope of the examination

Once the date of filing has been accorded, the Office shall carry out the main examination which shall extend to two different groups of items:

A) Deficiencies in the essential requirements (not failure to satisfy such requirements since said possible failure has already been dealt with during the preliminary examination); failure to satisfy additional requirements or deficiencies in the compliance of such requirements, among them the payment of a fee for each class of the international Classification to which refer the goods and/or services covered by the application. According to the Implementing

Regulations, no surcharge shall have to be paid for the three first classes affected.

B) Examination as to the applicability of the absolute grounds for refusal (please refer to paragraph 1 of chapter II of this brochure).

For a trade mark to be deemed non-registrable it will be sufficient that any of the absolute grounds for refusal be applicable under the circumstances prevailing in only part of the European Union, for instance a mark will be refused if it is devoid of any distinctive character in Finland, Germany or Spain.

3.2 Communication of possible objections to the applicant

If in consequence of this examination, the examiner decides to raise any objections, he shall notify same to the applicant or its representative and shall prescribe a period, that according to the Implementing Regulations should range between 1 and 6 months (at least two months if the applicant is not domiciled in the European Union), to remedy the formal deficiencies, to file a disclaimer or to submit any appropriate observations.

The examiner shall refuse the application, wholly or partially, if the applicant's reply does not satisfy his criteria. If the outstanding class fees are not paid the application shall be deemed withdrawn unless the examiner can clearly establish which products and/or services the fees paid are intended to cover.

Within a term of two months of the reception of the notification of the examiner's decision, an appeal can be filed against the resolution.

4.- Searches

The Community trade mark application is submitted to searches as to earlier Community trade marks (applications or registrations) and on the applicant's request to searches as to earlier national trade marks (applications and registrations) in those Member States which have informed the Community Office that they are ready to operate such searches.

4.1 Community Search

Once the application has passed the examination, the Office shall proceed to the search stage. To this effect, the Office shall draw up a Community search report including all prior Community registrations and applications which refer to trade marks that are identical with or similar to the one applied for and cover identical or similar goods or services.

4.2 National searches

Simultaneously, on request made by the applicant at the time of filing the application the Offices of the Member States which have opted to operate a national search, shall prepare and send to the Community Office a search report including the prior national trade marks (registrations and applications) of such Member State and the international trade marks in force in such Member State, that are identical with or confusingly similar to that of the application under consideration and cover identical or similar goods or services.

5. Forwarding of the Search Reports to the Applicant

Once they have been drawn up, the Office shall transmit to the applicant without delay the community search report and the national search reports.

6. Publication

One month after the date on which the search reports have been transmitted to the applicant, the application shall be published in the Community Trade Marks Bulletin, in all the official languages of the EU.

6.1 Contents of the publication

The publication shall include the name and domicile of the applicant, the representation of the sign, the list of goods and/or services and furthermore, where appropriate, a statement that the trade mark has become distinctive in consequence of use, a declaration disclaiming any exclusive right to some non-distinctive element or an indication that the application refers to a collective trade

mark.

6.2 Possible second publication

There is the possibility of a second publication as a result of the fact that the applicant may at any time restrict the list of goods or services or rectify its name or address as well as obvious mistakes, provided that the trade mark is not substantially altered and that the list of goods or services is not extended, such amendments and rectifications calling for a new publication when they affect the representation of the mark or the list of goods or services. This new publication opens again the term to file oppositions.

7. Notice to Proprietors of Community Trade Marks appearing in the Search Report

A very important characteristic of the procedure is that upon publication of the application, the Office shall inform the proprietors of earlier Community trade marks (registrations or applications) cited in the Community search report of the publication so that, if they so wish, they may file oppositions.

8. Opposition and Observation by third parties

Following the publication of the application, third parties have the possibility to intervene in two ways:

8.1 Observations by third parties

There is the possibility of submitting written observations explaining on which grounds the registration of the trade mark should be refused "ex officio". The grounds that can be cited shall mainly be absolute grounds for refusal. Those who submit such observations shall not be parties to the proceedings. Neither the Regulation nor the draft Implementing Regulations set out the term to submit the observations although it is advisable to do it as soon as possible within the opposition term.

8.2 Opposition

The other possibility for the intervention of third parties and, of course, the most important, is the submission of oppositions within a term of three months following the publication.

8.2.1 Grounds for an opposition

Oppositions can only be based on the relative grounds for refusal (please refer to paragraph 2 of chapter II of this brochure).

Entitled to file oppositions shall be the proprietors of the earlier rights or the authorized licensees.

8.2.2 Formal requirements of the opposition

The opposition shall be filed in writing and must fulfil a series of formal requirements laid down in the Implementing Regulations.

Essential requirements for the admission of an opposition are the identification of the contested application, the identification of the prior rights on which the opposition is based, the mention of the invoked relative ground for refusal and the payment of the opposition fee. If any of these requirements is not fulfilled the opposition shall not be admitted.

If the opposition is based on national rights prove of the existence of such rights must be provided. If it is based on prior use of a non-registered trade mark or of another sign, evidence of such use must be provided.

The opposition shall be filed in one of the languages of the Office. If the language chosen is not the official language indicated in the application, the opposing party shall be required to produce at his own expense a translation into said language, which shall become the language of the proceedings.

8.2.3 Handling and Examination of the opposition

Where the essential requirements are fulfilled the opposition shall be admitted and communicated to the applicant. In the communication to the applicant his attention shall be drawn to the fact that a two months “cooling-off” period is

opened before the start of the adversarial part of the proceedings. During this period which may be extended at the request of both parties, the applicant may withdraw the application or, following an agreement, the opposition may be withdrawn. Where the application is withdrawn or the opposition is withdrawn following a restriction of the list of goods or services, the Office shall refund the opposition fee to the opponent.

During the “cooling-off” period and during the two months following the expiry of the last extension of same, the opponent may submit further facts, arguments and documents in support of the opposition or fulfil the non-essential formal requirements.

If the application is not withdrawn or restricted, or the opposition is maintained despite the restriction, the adversarial part of the opposition proceedings shall commence and the applicant shall file his observations in reply within six months of the communication or not later than four months after the expiry of the last extension of the “cooling-off” period. In the course of these proceedings the Office shall invite the parties, as many times as it is deemed necessary, to file, within a period set by the Opposition Division, any observations on communications from the other parties or issued by the Office. According to the Implementing Regulations, the applicant must be offered at least the opportunity to file a response and the opponent the opportunity to file comments upon said response .

The Office may, if it considers it advisable, invite the parties to make a friendly settlement or decide to use non-public oral proceedings, either "ex officio" or at the request of one of the parties, or to hear witnesses, as well as to request the opinion of experts.

If the examination of one or more oppositions reveals that the Community trade mark for which an application for registration has been filed is not eligible for registration in respect of some or all of the goods or services for which registration is sought, the office may suspend the other opposition proceedings, and shall inform the remaining opponents of any relevant decisions taken during those proceedings which are continued.

8.2.4 Proof of use

During the opposition proceedings, the applicant may request that the opponent be asked to furnish proofs that the trade mark on which the opposition is based has been used during the five years preceding the publication of the contested application, or to justify the reasons for non-use. If it is a Community trade mark the use in any country of the Community shall be sufficient. In the case of a national trade mark it shall be necessary to bring evidence of use in the specific Member State where it is registered. As a general rule, the submission of labels, packages, boxes, price lists, catalogues, invoices, etc., and affidavits shall suffice.

8.2.5 Decision and appeals

An Opposition Division consisting of three members, at least one of them legally qualified, shall be responsible for taking decisions. The opposition shall succeed if the opposition division decides that there exists a likelihood of confusion on the part of the public; the likelihood of confusion includes the likelihood of association between the confronted signs. This means that even where the goods or services are different or the signs themselves are not confusingly similar, the application will be rejected if by any reason there exists a likelihood of association leading the public to believe that the goods or services have the same origin.

Either the opponent, if his opposition has been dismissed, or the applicant, if his application has been refused as a consequence of the opposition, may appeal against the decision of the Opposition Division.

It should be taken into consideration that the losing party in the opposition proceedings shall bear the fees incurred by the other party, as well as all costs incurred by this party essential to the proceedings (including travel expenses and adviser's fees) within the limits set out by the Implementing Regulations. However a different apportionment of costs shall be possible in some cases.

9. Registration of the trade mark, Publication, Registration Certificate, Duration of Procedure

Where the application succeeds the examination and, should oppositions arise, such oppositions are rejected through a definitive decision, a granting decision shall be rendered and a term of two months shall be opened to pay the relevant fee. Once the registration fee has been paid, the trade mark shall be registered, the mention of such registration shall be published in the Community Trade Marks Bulletin and the relevant certificate shall be issued. The mark is registered for a period of ten years from the date of filing the application, and the registration may be renewed for further periods of ten years.

If the registration fee is not paid, the application shall be deemed to be withdrawn.

9.1 Probable duration of the registration procedure.

The registration procedure may last about 10/12 months if there are neither oppositions nor objections and all the documents have been filed with the application.

10. Appeals

The applicant shall be entitled to file appeals against the decisions rendered by the examiners or by the Opposition Division, and the opponents shall be also entitled to file appeals against the decisions of the Opposition Division, but the persons who have filed observations shall not be entitled to appeal against the decisions that do not take such observations into consideration. Information about the appeal proceedings is to be found in chapter XI.

IV – DIVISION OF THE APPLICATION OR REGISTRATION

The applicant or the proprietor may divide the application or the registration by declaring that some of the goods or services included in the original application or registration will be the subject of one or more divisional applications or registrations. The goods or services in the divisional application or registration shall not overlap with the goods or services which remain in the original application or registration or those which are included in other divisional applications or registrations.

Where an opposition or an action for revocation or invalidity has been brought against the original application, the declaration of division shall not be admitted until the proceeding are finally terminated if such a divisional declaration has the effect of introducing a division amongst the goods or services against which the opposition or the action for revocation or invalidity is directed.

The declaration of division shall be subject to a fee. The application shall be deemed not to have been made until the fee has been paid.

The divisional application or registration shall preserve the filing date and any priority date and seniority date of the original application or registration.

The division shall be necessary following a partial assignment and may be advisable in order to isolate in a separate application or registration the part of the original application or registration free of obstacles.

V. CONVERSION INTO A NATIONAL TRADE MARK

The applicant of a Community trade mark or the proprietor of a registered Community trade mark may request the conversion of same into national trade mark applications with the same priority as the Community trade mark, if the latter has been refused, withdrawn, deemed to be withdrawn, revoked or invalidated. To this effect, the applicant shall have a term of three months from the voluntary withdrawal of the application, from the date on which the registration has expired without renewal or from the date on which the decision refusing, revoking or invalidating the Community trademark has become final. Where the application has been deemed to be withdrawn, the term of three months shall start on the date on which the Office informs the applicant about the existence of such conversion possibility.

A Community trade mark application that has been refused or a Community trade mark registration that has been revoked or invalidated cannot be converted into a national application of the Member State which is the origin of the prior right which has been the ground for the refusal, revocation or invalidity.

The request for conversion shall be transmitted to the Industrial Property Offices of the Member States specified therein, after checking that all the conditions for the conversion have been fulfilled. The respective national Offices shall decide as to the admissibility of the conversion. If the conversion is admitted the national Office shall request the applicant to file the documents required to grant a national registration as conversion of Community trade mark.

VI. TRANSFER AND LICENSING

1. Transfer

A Community trade mark may be transferred in respect of some or all of the goods or services for which it is registered, separately from any transfer of the undertaking; however a transfer of the whole of the undertaking shall include the transfer of the Community trade marks owned by the undertaking. A Community trade mark may also, independently of the undertaken, be given as security or be the subject of rights in rem.

The assignment shall be made in writing and shall require the signature of the parties to the contract, except when it is the result of a judgment.

As long as the transfer has not been entered in the register the successor in title may not invoke the rights arising from the Community trade mark and the transfer shall not have effects vis-a-vis third parties, unless the new proprietor has acquired the rights by way of transfer of the whole of the undertaking or by any other universal succession.

Where it is clear from the transfer documents that because of the transfer the Community trade marks is likely to mislead the public concerning the nature, quality or geographical origin of the goods or services, the Office shall not register the transfer, unless the assigned agrees to limit the registration or the application to goods or services in respect of which the trade mark is not likely to mislead.

2. Licensing

A Community trade mark may be licensed for some or all of the goods or services for which it is registered and for the whole or part of the Community. A licence may be exclusive or non-exclusive.

Without prejudice to the provisions of the licensing contract, the licensee may bring proceedings for infringement of a Community trade mark only if its proprietor consents thereto. However, the holder of an exclusive licence may bring such proceedings if the proprietor of the trade mark, after formal notice, does not himself bring infringement proceedings within an appropriate period.

The grant or transfer of a licence in respect of a Community trade mark shall be entered in the register, otherwise it shall not have effects vis-a-vis third parties.

VII. SURRENDER

Surrender in respect of some or all of the goods or services is possible but shall not be entered without the written declaration of consent of the proprietor of a right entered in the Register. If the right is a licence surrender shall be registered three months after the date on which the proprietor of the mark satisfies the Office that he has informed the licensee of his intention to surrender, unless the licensee gives his express consent before expiry of that period.

VIII. OBLIGATION TO USE. REVOCATION

1. Obligation to Use

Using the Community trade mark is compulsory.

The registration shall be declared revoked if, within a period of five years of the registration date, the trade mark has not been put to genuine use in the Community by the proprietor or an authorized person in connection with the goods or services in respect of which it is registered, or if the use has been interrupted during a continuous period of five years, unless there are proper reasons for non-use or the use has been started or resumed at the time the petition for revocation is filed, even if the five-year period had already lapsed. However the commencement or resumption of use after expiry of the period of five years of non-use, but within a period of three months preceding the petition for revocation, shall be disregarded where preparations for use occur only after the proprietor becomes aware that said petition may be filed.

The trade mark shall not be subject to revocation if it is used in a form differing from the registration in elements which do not alter its distinctive character or if it is affixed to goods in the Community solely for export purposes.

Revocation shall be declared only in respect of the goods or services in connection with which use has not been proved.

In legal proceedings before the Office for revocation on the grounds of non-use the burden of proof is on the proprietor of the trade mark who shall be requested to bring evidence of genuine use.

2. Other Grounds for Revocation

The Community trade mark shall also be declared revoked if in respect of a product or a service

- a) the mark has become its common name in the trade, in consequence of acts or inactivity of the proprietor, or
- b) the mark has become liable to mislead the public, in consequence of the use made of it by its proprietor or with his consent.

IX - GROUNDS FOR INVALIDITY

A Community trade mark shall be declared invalid:

- a) Where it has been registered in breach of the absolute prohibitions (please refer to paragraph 1 of Chapter II of this brochure). However it may not be declared invalid on the ground of being non-distinctive if, in consequence of the use which has been made of the trade mark, it has acquired after registration a distinctive character in relation to the goods or services involved.
- b) Where the applicant was acting in bad faith when he filed the application.
- c) On the ground of an earlier right which could have been the basis of an opposition (please refer to paragraph 2 of Chapter II of this brochure - relative grounds for refusal)
- d) Where the use of such trade mark may be prohibited pursuant the Community legislation or to the national law of a Member State governing the protection of any other earlier right and in particular a right to a name, a right of personal portrayal, a copyright or any other industrial property right.

An invalidity action may be filed at any time where based on the grounds for invalidity referred to under a) and b)

Where the proprietor of an earlier Community trade mark or an earlier national right has acquiesced for a period of five successive years, in the use of a later Community trade mark while being aware of such use, he shall no longer be entitled on the basis of such prior right either to apply for the invalidity of the later Community trade mark or to oppose the use of same, unless registration of the later Community trade mark was applied for in bad faith.

X. PROCEEDINGS IN RELATION TO REVOCATION OR INVALIDITY

A Community trade mark shall be declared revoked or invalid on application to the Office or on the basis of a counterclaim filed within infringement proceedings brought in a Community trade mark Court (please refer also to Chapter XIII).

Where the application for revocation or invalidity is filed with the Office, a Cancellation Division consisting of three members (at least one of them legally qualified) shall be in charge of the proceedings and responsible for the decision.

The proceedings shall take place following the rules laid down for oppositions; however if oral proceedings are held they shall be public.

Where the revocation or invalidation is sought by way of a counterclaim in infringement proceedings brought before a Community trade mark Court, this Court shall apply the rules of procedure governing the same type of action relating to a national trade mark in the Member State where the Court has its seat, and shall inform the Office and the proprietor of the Community trade mark if he is not already a party in order that he may join as a party.

Where the Community or national trade mark being the ground for the invalidity proceedings is not less than five years old, the proprietor shall furnish proof that the obligation to genuine use as referred in paragraph 1 of Chapter VIII has been complied with within the Community, if it is a Community trade mark, or within the corresponding Member State, if it is a national trade mark.

If the trade mark being the basis for the invalidity proceedings were already five years old at the date the attacked Community trade mark was published, its proprietor shall furnish proof that in addition the conditions of genuine use were satisfied at that date.

XI. APPEAL PROCEEDINGS

An appeal may be filed against decisions of the examiners, Opposition Divisions and Cancellation Divisions (revocation and invalidity). Appeals have suspensive effect.

Notice of appeal must be filed in writing within a term of two months of the date of notification of the decision. However, the term to file a written statement setting out the grounds of the appeal shall be of four months after such date.

If the party which has lodged the appeal is the sole party to the procedure, and if the department whose decision is contested considers the appeal to be admissible and well founded, the department shall rectify its decision within one month after receipt of the statement of grounds, otherwise the appeal shall be remitted to the Board of Appeal without delay, and without comment as to its merit.

Where the appellant is opposed by another party the department may only rectify its decision if that party accepts it. Otherwise the appeal shall be remitted to the Board of Appeal without delay and without comment as to the merit.

The Board of Appeal consists of three members at least two of them legally qualified.

Following the examination as to the allowability of the appeal, the Board of Appeal shall decide on the appeal. The Board of Appeal shall render its decision after contradictory proceedings similar to those set out for oppositions, but if oral proceedings are held they shall be public in so far as it is not decided otherwise in cases where admission of the public could have serious and unjustified disadvantages, in particular for a party in the proceedings.

The Board of Appeal may either exercise any power within the competence of the department which was responsible for the decision appealed or remit the case to that department for further prosecution; in this case that department shall be bound by the ratio decidendi of the Board of Appeal, in so far as the facts are the same.

Appeals may also be won with reimbursement of costs.

Actions may be brought before the First Instance Court of the Court of Justice against the decisions of the Board of Appeal, within a period of two months of the date of

notification of the decision. The First Instance Court has jurisdiction to revoke or to alter the contested decision. From the decision of the First Instance Court it is possible to appeal before the Court of Justice within two months.

XII. NOTIFICATIONS. DURATION, CALCULATION AND EXTENSION OF THE TERMS. RESTITUTIO IN INTEGRUM

1. Notifications, Duration, Calculation and Extension of Terms

The rules set out in the Implementing Regulations regarding the notifications and the duration, calculation and extension of the terms, are the same as those set out in Rules 77 to 85 of the Implementing Regulations of the EPC, subject only to the two following differences:

- a) Notifications can also be effected by telex or telefax or by deposit in the post box the addressee might have in the Office, in which case the notification shall be deemed to have taken place on the third day following deposit.
- b) When there are third parties, the extension of the term shall be subject to their prior agreement.

2. Restitutio In Integrum (article 78)

The applicant for or proprietor of a Community trade mark or any other party to proceedings before the Office who, in spite of all due care required by the circumstances having been taken, was unable to observe a time limit vis-à-vis the Office shall, upon application, have his rights re-established if the non-observance in question has the direct consequence, by virtue of the provisions of this Regulation, of causing the loss of any right or means of redress.

The application must be filed in writing within two months from the removal of the cause of non-compliance with the time limit. The omitted act must be completed within this period. The application shall only be admissible within the year immediately following the expiry of the unobserved time limit.

The application must state the grounds on which it is based and must set out the facts on which it relies. It shall not be deemed to be filed until the fee for re-establishment of rights has been paid.

The department competent to decide on the omitted act shall decide upon the

application.

These provisions shall not be applicable to the time limits established for claiming the Paris Convention priority and for filing oppositions.

XIII. JURISDICTION IN LEGAL ACTIONS RELATING TO COMMUNITY TRADE MARKS

1. Infringement Actions and Counterclaims

The Member States shall designate in their territories as limited a number as possible of national courts and tribunals of first and second instance named "Community Trade Mark Courts" which shall have exclusive jurisdiction:

- a) for all infringement actions, including actions derived from provisional protection.
- b) for actions for declaration of non-infringement, if they are permitted under the corresponding national law, and
- c) for counterclaims for revocation or for declaration of invalidity of the Community trade mark involved in the infringement proceedings brought in the Community Trade Mark Court.

The Community Trade Mark Court shall have jurisdiction in respect of acts of infringement committed within the territory of any of the Member States.

The proceedings shall be brought in the Community Trade Mark Courts of the Member State

- a) in which the defendant is domiciled or has an establishment; or
- b) in which the plaintiff is domiciled or has an establishment where the defendant is neither domiciled nor has an establishment in the territory of the European Union.

The Community Trade Mark Courts of Spain shall have jurisdiction if neither the defendant nor the plaintiff is domiciled or has an establishment in the territory of the European Union.

The proceedings may also be brought in a Community Trade Mark Court of the Member State in which the acts have been committed, but in this case the Court shall

not have jurisdiction in respect of acts committed in other Member States.

2. Provisional and Protective Measures

Application for such measures may be made to a national or a Community Trade Mark Court of a Member State, as may be available under the law of that State in respect of a national trade mark, even if a Community Trade Mark Court of another Member State has jurisdiction as to the substance of the matter. However only the Community Trade Mark Court having jurisdiction as to the substance of the matter shall be entitled to grant provisional and protective measures which are applicable in the territory of any Member State.

3. Actions concerning Property, Transfer, Rights In Rem, Levy of Execution and Licensing

A Community trade Mark as an object of property shall be dealt with in its entirety, and for the whole area of the Community, as a national trade mark registration or a national trade mark application of the Member State in which the proprietor has his seat or domicile or in which he has an establishment.

The Community trade mark registration or application shall be dealt with as a Spanish trade mark registration or application where the proprietor or the applicant has neither seat (or domicile) nor establishment in the territory of the European Union.

Therefore recovery actions and actions concerning transfers, licences, rights in rem or levies of execution will be dealt with before Spanish Courts and according to the Spanish law, if the proprietor or applicant of the Community trade mark concerned has neither his seat (or domicile) or an establishment in the European Union.

4. Appeals against the Decisions of the Community Trade Mark Court of First Instance

The conditions under which an appeal may be lodged with a Community Trade Mark Court of second instance shall be determined by the national law of the Member State in which the Court of first instance is located.

The national rules concerning further appeal shall be applicable in respect of judgments

of Community Trade Mark Courts of second instance.

COMMUNITY TRADE MARK DIAGRAM OF THE REGISTRATION PROCEDURE

