# Proposals for the modernisation of the European trade mark system

In March 2013 the European Commission published proposals aimed at making trade mark registration in Europe cheaper, quicker and more reliable. In July 2013 the Legal Affairs Committee of the European Parliament (EP) published a draft report on the proposals.





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# Key changes for trade mark owners

### **Graphical representation**

In the proposals the graphical representation requirement is abolished. Instead, a sign must be capable of being represented in any appropriate form which enables the competent authorities and the public to determine the precise subject of the protection afforded to its proprietor. This offers more flexibility and legal certainty by allowing the use of modern representation techniques. This proposal may allow non-traditional trade marks such as smells and moving images to be registered more easily.

## Class headings

The proposals clarify that class headings may be used in trade mark applications if they are sufficiently clear and precise. Owners of trade marks already registered will have 4 months to declare that, at the date of filing, they wished to seek protection in respect of goods and services beyond the literal meaning of the class heading. This could allow owners of trade marks to broaden the scope of their trade marks retrospectively and also leads to the question of what happens when trade mark owners do not file the proposed declaration.

### Double identity cases

In infringement cases involving the use of an identical sign in relation to identical goods or services ("double identity" cases) infringement will only occur if the main function of the trade mark, to guarantee the origin of the relevant goods or services, is adversely affected. This requirement has caused debate among trade mark owners since they see it as a limitation of the scope of protection in double identity cases. The Legal Affairs Committee of the EP suggests not including this requirement as it would lead to legal uncertainty.

### Fee structure

At present, for the base trade mark registration fee, applicants can register in up to 3 classes of goods and services. Under the proposals, there would be a lower base fee for registration in one class, with additional fees for extra classes.









## Designations of origin, geographical indications

Designations of origin and geographical indications that are protected under other EU agreements are specifically included as absolute grounds for refusal of a national application.

## Counterfeit goods in transit

Trade mark owners will no longer have to prove that goods in transit will end up on the European market to be able to establish infringement.

### Bad faith

Bad faith will be introduced as a ground to oppose an application where the trade mark is liable to be confused with an earlier trade mark protected outside the EU, resulting in broader protection for marks registered outside the EU.

The proposals do not create a 'new' European trade mark system but introduce changes to the Trade Mark Directive and the Community Trade Mark Regulation which aim to streamline registration procedures throughout Europe and modernise existing provisions to create more legal certainty for trade mark owners.

The proposals are meant to be adopted by Spring 2014, after which Member States have two years to implement changes to the Trade Mark Directive into national law. The Community Trade Mark Regulation will have direct effect. To be continued!

