

# Trademarks

*Contributing editors*  
**Claus Eckhartt and Christine Fluhme**



2019

GETTING THE  
DEAL THROUGH

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# Trademarks 2019

*Contributing editors*

**Claus Eckhardt and Christine Fluhme**  
**Bardehle Pagenberg Partnerschaft mbB**

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# Preface

## Trademarks 2019

Fifteenth edition

**Getting the Deal Through** is delighted to publish the fifteenth edition of *Trademarks*, which is available in print, as an e-book, and online at [www.gettingthedealthrough.com](http://www.gettingthedealthrough.com).

**Getting the Deal Through** provides international expert analysis in key areas of law, practice and regulation for corporate counsel, cross-border legal practitioners, and company directors and officers.

Throughout this edition, and following the unique **Getting the Deal Through** format, the same key questions are answered by leading practitioners in each of the jurisdictions featured. Our coverage this year includes new chapters on the Bahamas, Greece, Saint Lucia and Ukraine.

**Getting the Deal Through** titles are published annually in print. Please ensure you are referring to the latest edition or to the online version at [www.gettingthedealthrough.com](http://www.gettingthedealthrough.com).

Every effort has been made to cover all matters of concern to readers. However, specific legal advice should always be sought from experienced local advisers.

**Getting the Deal Through** gratefully acknowledges the efforts of all the contributors to this volume, who were chosen for their recognised expertise. Getting the Deal Through would like to extend special thanks to the contributing editors Claus M Eckhartt and Christine Fluhme of Bardehle Pagenberg Partnerschaft mbd for their assistance with this edition.

GETTING THE   
DEAL THROUGH 

London  
September 2018

# Angola

Patrícia Rodrigues

RCF – Protecting Innovation SA

## 1 Ownership of marks

### Who may apply?

Any person (individual, firm or body corporate) that has a legitimate interest may apply for the registration of a mark. Foreign nationals may apply for registration provided that a proof of their activity in their home country is produced upon filing the application in Angola. This proof may consist of a certificate of incorporation of the applicant or extract from the Commercial Register.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

The law defines a trademark as any visible sign used to distinguish the products or services of one person from the products or services of another person. The following may be a mark: surname, geographical name, 'fancy words', monograms, emblems, figures, digits, labels, combinations of colours, drawings, photographs, stamps and in general, all material visible signs.

The following are not registrable:

- marks containing false indications or being likely to deceive the public with regard to the nature, characteristics, or utility of the products or services for which the mark is to be used;
- marks containing false indications as to the geographical, manufacturing plant, workshop, or business origin of the goods or services concerned;
- insignia, flags, coats of arms, or official seals adopted by the state, an international organisation, or any other public body whether national or foreign, without the consent of the competent authorities;
- firm names, business names, or insignia not owned by the applicant for registration or the use of which the applicant is not authorised;
- marks being an entire or partial reproduction or imitation of a mark previously registered in the name of another party for the same or similar goods or services, if this may lead to confusion or error in the market;
- expressions and designs that are contrary to good morals, law, or public policy; and
- the name or portrait of a person without such person's consent.

## 3 Common law trademarks

### Can trademark rights be established without registration?

A provisional protection is given to the trademark application. The total protection is given as from the grant of the trademark registration. Thus, the trademark rights are not established without registration.

Only registration confers proprietary rights. The effect of registration therefore is attributive of ownership.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

It usually takes from four to six months to obtain the publication of the trademark application. Owing to the lack of human and technical resources, the administrative procedure of the Angolan National Institute of Industrial Property (PTMO) takes more time than usual. Hence, if no opposition is filed against the trademark application, it currently takes a few years to obtain registration of a trademark.

The requirements and related documents for the filing of a trademark application in Angola are as follows:

- applicant's full name, nationality, occupation, address or place of business;
- copy of the mark (in the case of a device mark);
- certified copy of the home application, if a priority is claimed;
- list of products and services;
- power of attorney signed by the applicant, notarised by notary and legalised by an Angolan consulate; and
- an extract from the commercial registry of the applicant to demonstrate the activity of the company, duly legalised by an Angolan consulate.

All documents must be translated into Portuguese and the related translation must also be legalised by the Angolan consulate located in the country of the applicant.

## 5 Classification system

### What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?

The applicable classification is the 11th edition of the International Classification of Goods and Services under the Nice Agreement.

In Angola there is no multi-class registration system. Therefore an application should be filed for each class of products and services.

## 6 Examination procedure

### What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?

Applications are examined only as to compliance with the formal requirements. There is no examination for potential conflicts with other trademarks.

Letters of consent are accepted. It is possible to file an appeal against a decision granted by the Angolan PTMO.

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

Only registered trademarks are obliged to be used. The Angolan IP law does not foresee that before the registration there is obligation to use the trademarks.

The registration of a mark may be cancelled if the mark is not used and there are no legitimate reasons for the non-use. At present, the law does not specify the period of time of non-use of the mark that may lead to cancellation.

## 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

There is a judicial appeal for the decision of the PTMO that determines the refusal of a trademark. The IP Code does not specify the deadline for this judicial proceeding.

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

When a trademark application is published in the Industrial Property Official Bulletin, a third party may file an opposition against said trademark application.

The opposition or the cancellation of a trademark can be requested in the following circumstances:

- marks containing false indications or being apt to deceive the public with regard to the nature, characteristics, or utility of the products or services for which the mark is to be used;
- marks containing false indications as to the geographical, manufacturing plant, workshop, or business origin of the goods or services concerned;
- insignia, flags, coats of arms, or official seals adopted by the state, an international organisation, or any other public body whether national or foreign, without the consent of the competent authorities;
- firm names, business names, or insignia not owned by the applicant for registration or the use of which the applicant is not authorised;
- marks being an entire or partial reproduction or imitation of a mark previously registered in the name of another party for the same or similar goods or services, if this may lead to confusion or error in the market;
- expressions and designs that are contrary to good morals, law, or public policy; and
- the name or portrait of a person without such person's consent.

A brand owner that does not yet have its trademark protected in Angola cannot oppose a bad-faith application.

Costs associated with a third-party opposition or cancellation proceeding are given upon request.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

The duration of registration of a trademark is 10 years from the application date and is indefinitely renewable for further 10-year periods.

The registration of a mark may be cancelled if the mark is not used and there are no legitimate excuses for the non-use. At present, the law does not specify the period of time of non-use of the mark that may lead to cancellation.

The evidence of use can be, for example, original or certified copies of invoices proving the use of the products of said trademarks in Angola, booklets and pamphlets distributed in this country or local publicity.

## 11 The benefits of registration

**What are the benefits of registration?**

Only registration confers exclusive rights to a mark.

Only registration confers proprietary rights. The effect of registration therefore is attributive of ownership.

The following acts done without the consent of the owner of a registered mark are deemed infringement:

- use in the course of trade in Angola of any sign that is identical or confusingly similar to the registered mark for goods or services being identical or similar to those for which the mark is registered; and
- use in the course of trade in Angola of any sign that, due to the identity or similarity of that sign and the mark or the affinity between the goods or services, creates in the consumer's mind a risk of confusion, including the risk of association of the sign with the mark.

The exclusive right to a mark does not include the right for the owner to prevent a third party from using in the course of trade his or her own name or address, or any indication concerning the kind, quality, quantity, intended purpose, value, geographical origin, time of production of the goods or of rendering of the services, or any other characteristics of goods or services, or even the mark itself if this is necessary to indicate the intended purpose of a product or service, in particular as an accessory or spare part, provided that in any such cases the use is in accordance with honest practices and good customs in industrial and commercial matters.

Not considered as infringement is use of a protected mark for goods that have been brought into trade under the mark by the owner or with his or her consent in Angola, unless there are legitimate grounds that justify that the owner of the mark opposes the further commercialisation of the goods, in particular if the condition of the goods has been altered or deteriorated after they were brought into trade.

The following acts done by a person with the intention to cause damages or to obtain illegal benefit shall be deemed a criminal offence punishable by imprisonment of up to three months or a fine:

- entirely or partially counterfeiting or in any way reproducing a registered mark without the consent of its owner;
- imitating a registered mark, either entirely or in any of its characteristic elements;
- using counterfeit or imitated marks;
- using, infringing or imitating a well-known mark or a highly renowned mark whose registration has been applied for in Angola;
- displaying on his or her products a registered mark belonging to another party; and
- using his or her own registered mark on products belonging to other parties in such way as to deceive the customer with regard to the origin of the products.

## 12 Licences

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

The holder of the written registration agreement can grant a partial or total licence to operate in parts of or throughout the country.

All the licence agreement should provide for is effective control by the licensor of the quality of products or services of the licensee in respect of which the mark is used, under penalty of nullity.

The licensee, unless otherwise stated in the licence agreement, enjoys all the powers assigned to the holder of the trademark registration.

The right arising from the operating licence cannot be alienated without the express written permission of the owner of the trademark registration, unless otherwise established in the licence agreement.



Recordation is a prerequisite at the time that licensees exercise their rights against third parties.

Notarisation and legalisation at the Angolan consulate of the country of origin of the applicant is also required.

### 13 Assignment

#### What can be assigned?

A registered mark may be assigned with or without the goodwill of the business. An assignment must be registered to be effective against third parties.

### 14 Assignment documentation

#### What documents are required for assignment and what form must they take?

The requirements for registration of an assignment are the following:

- deed of assignment in Portuguese, signed by the assignor and the assignee, and notarised and legalised by the consul of Angola; and
- power of attorney in Portuguese, signed by the assignee and notarised and legalised by the consul of Angola.

### 15 Validity of assignment

#### Must the assignment be recorded for purposes of its validity?

The recordal of the assignment is required in order to be valid.

### 16 Security interests

#### Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?

The IP Law of Angola does not establish the procedures of the recordal of the security interests. However, the PTMO recognises them and they must be legalised by the Angolan consulate. They must be recorded for purposes of its validity in Angola.

### 17 Markings

#### What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?

Marking is not compulsory. Possible markings are 'Marca Registada' or ®.

### 18 Trademark enforcement proceedings

#### What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?

There is no legislation on enforcement proceedings for IP rights in Angola.

### 19 Procedural format and timing

#### What is the format of the infringement proceeding?

Only registration confers exclusive rights to a mark.

The following acts done without the consent of the owner of a registered mark are deemed infringement:

- use in the course of trade in Angola of any sign that is identical or confusingly similar to the registered mark for goods or services being identical or similar to those for which the mark is registered; and
- use in the course of trade in Angola of any sign that, due to the identity or similarity of that sign and the mark or the affinity between the goods or services, creates in the consumer's mind a risk of confusion, including the risk of association of the sign with the mark.

The exclusive right to a mark does not include the right for the owner to prevent a third party from using in the course of trade his or her own name or address, or any indication concerning the kind, quality, quantity, intended purpose, value, geographical origin, time of production of the goods or of rendering of the services, or any other characteristics of goods or services, or even the mark itself if this is necessary to indicate the intended purpose of a product or service, in particular as an accessory or spare part, provided that in any such case such use is in accordance with honest practices and good customs in industrial and commercial matters.

Not considered as infringement is use of a protected mark for goods that have been brought into the trade under the mark by the owner or with his or her consent in Angola, unless there are legitimate grounds that justify that the owner of the mark opposes the further commercialisation of the goods, in particular if the condition of the goods has been altered or deteriorated after they were brought into the trade.

Only registration confers proprietary rights. The effect of registration therefore is attributive of ownership.

The Angolan IP Law does not establish the infringement proceeding.

### 20 Burden of proof

#### What is the burden of proof to establish infringement or dilution?

The burden of proof lies with the plaintiff, who must prove that its mark has been infringed.

### 21 Standing

#### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

Both the trademark owner and the licensee may seek remedies. The trademark owner must have the mark registered before the Angolan Trademarks Office and the licensee can only intervene if the registered user agreement (licence to use) is recorded before the office.

### 22 Foreign activities

#### Can activities that take place outside the country of registration support a charge of infringement or dilution?

Only activities that take place in Angolan territory may be taken into account. However, this is not applicable to goods made outside the country from the moment that they are imported into Angola.

### 23 Discovery

#### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

Adverse or third parties (including state entities) may be required to submit documents or exhibit goods. If they resist, a court order may be sought.

### 24 Timing

#### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

Unfortunately, there is no typical time frame for infringement or dilution actions. They are lengthy and can last for years.

### 25 Litigation costs

#### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

There is no schedule of official fees published for infringement or dilution actions in Angola.



**26 Appeals****What avenues of appeal are available?**

Decisions regarding an infringement or dilution action can be appealed against to the competent court.

**27 Defences****What defences are available to a charge of infringement or dilution, or any related action?**

The defendant or alleged infringer has the legal right to participate in the proceeding by responding to the complaint and submitting evidence.

**28 Remedies****What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?**

The IP Law contains provisions regarding the penalties imposed on an infringer, but is silent regarding the apportionment of monetary relief. Injunctive relief is available permanently if there is an immediate danger to the complainant.

**29 ADR****Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?**

ADR techniques are not available in Angola.

**30 Famous foreign trademarks****Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

This matter is applicable as per the Paris Convention.

The owner of a mark that is well known in Angola, even if it is not registered, may oppose the registration of an identical or similar mark for the same or similar goods or services, provided that he or she applies for registration of the mark. Marks having a reputation in Angola are further protected by this, since the owners of such mark may oppose the registration of an identical or similar mark even if registration is applied for in respect of different goods or services, if use of the mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the renowned mark.

The evidence that required is, for example, market studies that reveal the reputation of the mark to the relevant public, costs with marketing companies and sales volume, and other factors relevant to the reputation of the mark.



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# Australia

Marie Wong

Wrays

## 1 Ownership of marks

### Who may apply?

Any person (whether an individual, company, incorporated or unincorporated association, or other legal entity) who claims to be the owner of the trademark may apply for registration of a trademark in Australia as long as they:

- are using or intend to use the trademark in relation to the goods or services being claimed;
- have authorised or intend to authorise another person to use the trademark in relation to the goods or services being claimed; or
- intend to assign the trademark to a body corporate that is about to be constituted, with a view to the use by the body corporate of the trademark in relation to the goods or services being claimed.

No statement of use is required at the time of application and the act of applying for registration will generally be taken to indicate use or intended use sufficient for entitlement to registration.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

A 'sign' used, or intended to be used, to distinguish the goods or services of one trader from another may be protected and registered as a trademark; and 'sign' is defined without limitation under the Australian Trade Marks Act to include the following, or any combination of the following: any letter, word, name, signature, numeral, device, brand, heading, label, ticket, aspect of packaging, shape, colour, sound or scent. Given the expansive definition, 'signs' such as movements, textures and tastes have also been the subject of trademark applications in Australia.

As a trademark must be distinguishable, major geographical names, common surnames and highly laudatory or descriptive words that may be required by other traders to describe their goods or services will generally not be protectable as a trademark without evidence of acquired distinctiveness (often requiring at least five years of evidence of extensive use in Australia). Similarly, shapes or designs that are common to the trade or serve a functional purpose may not be easily accepted for registration without substantial evidence of use.

Despite the above, non-traditional marks, such as shapes, sounds, smells and designs are registrable as trademarks in Australia, provided that they are capable of being distinguished and of being described and recorded in the Australian Register of Trade Marks (Register). Examples of non-traditional trademarks that are recorded on the Register include:

- Australian trademark number 745,164: a device shape mark for a tap applied to the roof of a car, as shown in representations accompanying the application, registered in class 37 for plumbing services. The endorsement is:

*[t]he trade mark consists of a three-dimensional shape of a tap applied to the roof of a vehicle. The trademark is shown in the representations accompanying the application, wherein the shape of the vehicle as shown in phantom is to be disregarded;*

- Australian trademark number 899,848: a composite colour mark for black and gold diagonal striping applied to a vehicle, registered in classes 37 and 39 for motor vehicle maintenance and breakdown services and towing services. The endorsement is:

*[t]he trade mark consists of the distinctive marking of a vehicle as depicted in the accompanying representations; a GOLD coloured upper and lower portion divided by a BLACK and GOLD diagonal striping section, and the RAC WA shield logo;*

- Australian trademark number 1,241,420: a scent mark for the scent of a native Australian tree species with a distinctive scent, registered in class 28 for golf tees. The endorsement is 'the mark consists of a Eucalyptus Radiata scent for the goods'; and
- Australian trademark number 759,707: a sound mark for what is described as the words 'Ah McCain' followed by a 'ping' sound, being a high-pitched ping sound of short duration, followed by the words 'You've Done It Again', registered in classes 29 and 30 for fresh and frozen foodstuffs.

Trademarks that contain or consist of scandalous matter or certain signs (such as 'Patent', 'Copyright' or 'Registered Design', among others) or the arms or emblem of an Australian city, town, authority or public institution are generally not registrable.

## 3 Common law trademarks

### Can trademark rights be established without registration?

Yes. Trademark rights can be established through use, whether the owner of the trademark seeks registration or not. Enforceable trademark rights will be established where the trademark owner can establish use of a trademark to such an extent that the mark has come to be exclusively associated with the owner's goods or services. Such rights are typically enforced through common law actions for passing off, or statutory actions for misleading and deceptive conduct and misrepresentation under Australian consumer protection legislation.

Provided that the trademark owner has used the mark to a sufficient extent and developed sufficient reputation in the mark, it will have equivalent rights to the owner of a registered trademark, namely, to use the mark exclusively in relation to the goods or services for which the trademark is being used and to exclude others from using a deceptively similar trademark. However, given the evidentiary burden, time, expense and cost often involved in establishing common law trademark rights, as well as additional statutory remedies available for infringement of a registered trademark, trademark registration is preferable.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

The earliest that a trademark application can be registered in Australia is approximately seven months from the date of filing in order to meet

Australia's international obligations to recognise priority claims from Paris Convention countries. However, the typical time for a trademark application to progress to registration, assuming no substantive objections or oppositions to registration are raised, is approximately 10 to 12 months from the date of filing.

The government body that administers the examination and registration of trademarks in Australia is known as IP Australia. A trademark application will usually be subjected to examination by IP Australia approximately two to four months after filing. However, it is possible to reduce this time to four weeks by requesting expedited examination of the application. A request for expedited examination must be accompanied by a declaration setting out the circumstances that necessitate early examination of the trademark, such as an impending product launch or risk of infringement.

Another alternative to expediting examination is to file a trademark application via the 'TM Headstart' process. This service allows a trademark applicant to obtain a quick, preliminary assessment from IP Australia (within five days) as to registrability of a proposed trademark by paying an initial proportion of the usual application fee. Depending on the results of the assessment, a trademark applicant may then take steps to either: pay the remaining fee and convert the application into a standard application, in which case it will undergo substantive examination again within approximately two to three weeks (although this is a fresh examination, new issues are rarely raised) and proceed in the ordinary course; abandon the application if insurmountable obstacles to registration are identified; or amend the application in an attempt to overcome the issues raised on assessment.

The cost to file and register one trademark in one class would typically be around A\$1,400 (including official government fees), assuming that the application proceeds to registration without objections or opposition. Multi-class applications can be filed in Australia and each additional class will add approximately A\$900 to the cost.

Further costs will be incurred if IP Australia issues an adverse examination report that requires a response. The extent of further costs (and time) incurred will be dependent upon the nature of the objections raised, but could range from A\$200, if a simple administrative issue is raised, to several thousands of dollars if multiple submissions or evidence of use is required.

The application is then open to opposition from third parties for a period of two months. If an application is accepted and a third party files an opposition to the trademark registration, this will also increase the time and cost associated with prosecuting the application. The increased time and cost will be that associated with defending the opposition proceedings.

To file a trademark application in Australia, a power of attorney is not required. All that is required are name and address details of the trademark applicant, details of the mark and a description of the goods and services claimed.

## 5 Classification system

**What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?**

The Nice classification system is followed in Australia, which is the International Classification of Goods and Services published by the World Intellectual Property Organisation. In addition, IP Australia maintains a database of IP Australia's determinations relating to classification of goods and services not covered by the Nice classification to assist examiners and trademark owners to search for and classify goods and services.

As mentioned above, it is possible to file multi-class applications in Australia. While the official fees incurred for filing are the same (and there is no longer a separate official fee per class upon registration) and will be charged at the same rate per class regardless of whether an application claims one or multiple classes, cost savings are generally derived from multi-class applications due to a reduction in the professional fees associated with filing and reporting on multi-class applications for the same mark.

## 6 Examination procedure

**What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?**

If objections to registration are raised by IP Australia upon examination of an application, applicants will be given 15 months from the date of issue of an adverse examination report to overcome all objections raised.

In addition to examination for compliance with formalities (eg, classification and owner identity issues), the primary substantive grounds upon which trademark applications are typically examined (and objections raised) are:

- for potential conflicts with prior, similar applications or registered trademarks; and
- whether they are capable of distinguishing the relevant goods or services.

Other grounds upon which trademark applications are assessed include whether the trademark:

- is scandalous or contrary to law, including whether its use would infringe copyright or contravene another legislative provision; or
- is likely to deceive or cause confusion, including whether it connotes a false geographical origin or approbation, endorsement or licence inherent in the mark.

If IP Australia raises obstacles to registration on the basis of one or more of the above-listed grounds, an adverse examination report will be issued with a deadline of 15 months from the date of issue of the report to finalise the application. This 15-month period can be extended for up to six months upon payment of fees to IP Australia, and for further periods of time upon payment of fees and sufficient circumstances warranting further extensions. It is also possible to defer the examination process in some instances.

If IP Australia raises obstacles to registration of a trademark on the basis of prior, similar trademarks (cited marks), the applicant can typically respond in one or more of the following ways, depending on the extent of the obstacle raised:

- file submissions seeking to distinguish the trademark from the cited marks, either in terms of overall impression of the marks or the goods or services claimed;
- file evidence of prior or honest concurrent use of their trademark;
- amend the specification to exclude conflicting goods or services;
- seek consent from the owner of the cited marks and file a signed letter from the owner confirming consent to use and registration of the trademark; or
- seek to remove the cited marks from the register for non-use.

If IP Australia raises obstacles to registration of a trademark due to lack of distinctiveness, the applicant can endeavour to respond with written submissions setting out the reasons why the trademark distinguishes the relevant goods or services or by filing evidence of use of the trademark to demonstrate acquired distinctiveness.

If IP Australia raises no obstacles to registration or all obstacles are addressed, the trademark will be advertised as accepted and open to opposition from third parties for a period of two months. Assuming no opposition, the certificate of registration will be issued upon payment of registration fees.

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

It is not necessary for a trademark to have been used in order to obtain or maintain an Australian trademark registration, and the act of applying for registration will generally be taken to indicate use or intended

use providing entitlement to registration. However, evidence of use of a trademark might be required to be submitted to obtain registration in certain circumstances; for example, when objections to registration have been raised on the basis of distinctiveness or a prior similar mark and evidence is required in order to prosecute a trademark application to acceptance.

Australia is party to the Paris Convention and grants priority to applications filed in other Convention countries within a period of six months.

Although use is not required to maintain an Australian trademark registration, a trademark must be used within five years after the effective date of registration to avoid being vulnerable to removal from the register for non-use. After five years, the trademark will be vulnerable to removal if it has not been used at any time within a continuous period of three years ending one month before the removal application for non-use is filed. However, use is not monitored by IP Australia and any removal for non-use is generally only at the instigation of a third party. A removal application can be defeated by demonstrating use within the relevant three-year period or if other certain special circumstances of non-use are established.

In addition, a trademark registration may be vulnerable to removal at any time if it can be established that, on the day on which the application for registration was filed, the applicant had no intention to use the mark in good faith in Australia.

## 8 Appealing a denied application

### Is there an appeal process if the application is denied?

If IP Australia intends to reject a trademark application, it must first give the applicant an opportunity of a hearing before issuing the final rejection of the application. Attendance at a hearing can be in person, by telephone or videoconference link. The hearing officer exercises an administrative rather than judicial role and proceedings are less formal than in a court. If the hearing officer maintains the rejection, a final decision rejecting the application is made.

A decision rejecting the application can be appealed to the Federal Court or the Federal Circuit Court of Australia within 21 days of receiving the decision (extensions of time are available in some circumstances). However, such an appeal is, in fact, heard on a *de novo* basis, meaning that it is considered from new: the previous decision of IP Australia is not taken into account and new evidence and submissions can be relied upon. Thus, an appeal to the court provides the trademark applicant with a second opportunity to argue in full the basis upon which its trademark application should be registered.

A decision of the Federal Court or the Federal Circuit Court of Australia to reject a trademark application can be appealed to the full Federal Court (comprising a panel of three Federal Court judges) or in some instances a single judge in the case of appeals from the Federal Circuit Court, but only with leave of the Federal Court. An application for leave to appeal must be made within 14 days after the date on which the judgment was pronounced or the order was made.

It may also be possible to apply to the Federal Court or the Federal Circuit Court of Australia (within 28 days of receiving a decision rejecting the application) for a review of the manner in which IP Australia's decision to reject the application was made (eg, on grounds of a breach of natural justice or a decision induced by fraud) under the provisions of the Administrative Decisions (Judicial Review) Act 1977 (Cth). However, the effect of a successful review is that the original decision will be set aside and the making of the decision simply remitted back to IP Australia for further consideration in accordance with the law.

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

Trademark applications are published for opposition by being advertised as accepted in the Australian Official Journal of Trade Marks.

All trademark applications are open to opposition by third parties for a period of two months following advertisement of acceptance. The grounds on which a third party may oppose a trademark application are the same as the grounds on which IP Australia can raise objections to registration (bar one), together with some additional grounds.

The grounds for rejecting registration are on the basis that the trademark:

- does not distinguish the applicant's goods or services;
- is substantially identical or deceptively similar to a prior registered or pending trademark for the same or similar goods or services;
- contains certain signs (such as 'Patent', 'Copyright' or 'Registered Design', among others) or the arms or emblem of an Australian city, town, authority or public institution;
- is scandalous or contrary to law; or
- is likely to deceive or cause confusion.

A trademark can also be opposed on the basis that:

- the applicant is not the owner of the trademark (eg, because the third-party opponent asserts earlier use and therefore proprietorship in Australia);
- the opponent used its similar registered mark earlier than the trademark applicant (in circumstances where a trademark applicant was able to overcome this similar registered mark during the examination process by submitting evidence of prior use);
- the applicant is not intending to use the trademark;
- the trademark is similar to a trademark that has acquired a reputation in Australia (whether registered or not);
- the trademark contains or consists of a false geographical indication;
- the application was defective or accepted for registration on the basis of false information; or
- the application was made in bad faith.

Notice of opposition is a two-stage process consisting of the filing of a notice of intention to oppose by the opponent within two months of advertised acceptance of a trademark application, followed by a statement of grounds and particulars a month thereafter. The trademark applicant must file a notice of intention to defend the opposition within a further month, following which the opposition process commences and there is a process of evidence exchange and submissions leading up to the opposition hearing and determination. As with a decision to reject a trademark application, any opposition decision can be appealed to the Federal Court or the Federal Circuit Court as a *de novo* hearing.

A third party may file an application to remove a trademark for non-use if it has been registered for a minimum of five years and has not been used at any time within a continuous period of three years ending one month before the filing of the removal application.

If a third party claims that the trademark application was filed with no intention in good faith to use the trademark in Australia, a removal application can be filed in respect of the trademark at any time (whether prior to or after registration).

Provided that a trademark has not been registered for more than 12 months, a third party may also apply to IP Australia to have a trademark removed (or revoked) from the Register on the basis that it should never have been registered, taking account of any circumstances that existed when the trademark became registered. (It is also possible to seek revocation of acceptance of a trademark application that has not yet been registered, on the basis that it should not have been accepted taking into account all of the circumstances that existed when the application was accepted.) However, the act of revocation is entirely within the discretion of IP Australia, and there is no duty for it to consider whether to revoke registration on these grounds, whether or not it has been requested to do so.

The ability to file an opposition or removal application on the basis that the trademark application was filed in bad faith extends to a brand owner that does not yet have trademark protection within the jurisdiction, provided that it can otherwise establish the grounds for such opposition or removal.

A third party can also seek to cancel a trademark registration if the trademark is no longer capable of distinguishing (eg, because it has become generic) or if the third party can establish any of the grounds on which registration of the trademark could have been opposed. However, such a request for cancellation must be made before the court and is not administered by IP Australia.



The costs of applying to IP Australia to either oppose registration of a trademark or have a trademark application or registration removed for non-use, or no intention to use in good faith, can be relatively cost effective where the trademark owner does not challenge the application. In this instance, costs can be limited to the cost of filing the initial application (and any statement of grounds and particulars for an opposition) – around A\$400 for a simple removal application to A\$3,000 for an opposition (including any official government fees payable). However, if an opposition or removal application is challenged, and evidence and a hearing required, costs can be in the range of A\$40,000 to A\$80,000 and higher for a fully contested hearing.

The costs of applying to cancel a trademark registration before the court can be significantly higher and in the range of A\$50,000 to A\$200,000 and higher, depending on whether any cross-claims are involved.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

Trademark registration remains in effect for 10 years from the effective date of registration, and can be renewed indefinitely for successive 10-year periods by payment of a renewal fee. No proof of use is required to renew a trademark. However, as mentioned above, a trademark will be vulnerable to removal from the Register if it has not been used within a continuous period of three years following five years of registration.

## 11 The benefits of registration

**What are the benefits of registration?**

The benefit of trademark registration is the presumption of proprietorship and exclusivity to use the mark in connection with the registered goods and services, arising from registration. Provided that there is no challenge to the registration itself, the use by a third party of a similar mark for similar goods or services will, prima facie, constitute trademark infringement. In contrast, common law rights (in an action for passing off) are typically more difficult to establish and costly to enforce due to the evidentiary burden, time, expense and cost involved in establishing reputation.

Additional benefits conferred by trademark registration include:

- notice to the public of the owner's interest in a trademark through recording on the Register;
- entitlement to additional (statutory) damages for flagrant infringement, recently made available under the Commonwealth Trade Marks Act 1995 (Australian Trade Marks Act); and
- as discussed further below, the ability for a trademark owner to provide a notice to the customs CEO requesting that customs seize at the Australian border and deal with goods that appear to infringe a registered trademark.

## 12 Licences

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

A licence may be recorded against a registered trademark; however, the recordal of the licence is voluntary only and is not proof of the licence being claimed. The benefit of recording the licence on the Register (for a licensee) is that it puts others (in particular, prospective assignees) on notice of the licence and the applicant for recordal will be notified by IP Australia if the trademark is assigned.

## 13 Assignment

**What can be assigned?**

A trademark can be assigned together with its goodwill or without goodwill. Further, a trademark assignment can be made in respect of all goods and services to which the trademark registration relates or only in respect of some goods and services. Where assignment is made only in respect of some goods or services, a new trademark number will be allocated for the assigned goods or services.

A trademark assignment does not need to be made as part of a wider transaction, although it often is. A trademark can be assigned as a discrete transaction. However, an assignee of a trademark in a discrete transaction and without goodwill should be aware that acquiring rights in relation to a registration only could be redundant if the assignor otherwise retains and uses rights in relation to very similar marks that could render use of the assigned mark misleading or ineffective by its new owner.

## 14 Assignment documentation

**What documents are required for assignment and what form must they take?**

In order to record the assignment of a trademark on the Australian Register of Trade Marks, it is necessary to file an application to record the assignment or transmission, together with proof of title. Proof of title may consist of one of the following documents:

- deed of assignment;
- merger document;
- sale and purchase agreement;
- letter of assignment; or
- declaration.

The proof of title document must include the following information:

- the name and address of the assignee;
- the name, signature and position of the assignor;
- the trademark number of the mark being assigned;
- whether the assignment is full or partial; and
- if partial, the goods and services that are being assigned.

## 15 Validity of assignment

**Must the assignment be recorded for purposes of its validity?**

The Australian Trade Marks Act provides that an assignment of a trademark must be recorded on the Australian Register of Trade Marks. However, there is no time limit set for doing so and no direct consequences flow from failing to do so.

In practice, however, it is in the assignee's interests to record its rights in respect of the trademark as soon as practicable to ensure that it receives notices from IP Australia and can immediately enforce its rights against third-party infringement. In addition, failing to record an assignment on the Register leaves the trademark vulnerable to an application for removal or cancellation on the basis that it is not being used by its recorded owner or is not being used to distinguish the goods or services of its recorded owner.

## 16 Security interests

**Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?**

Security interests may be recorded on the Australian Register of Trade Marks, but recordals are simply such and do not confer priority or proof of the interest claimed. In order to ensure that security interests in trademarks are afforded priority in Australia, they must be recorded on the Australian Personal Property Securities Register.

## 17 Markings

**What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?**

Marking to signify trademark ownership is not mandatory, but is highly recommended. The <sup>TM</sup> symbol may be used against unregistered trademarks (even where registration is not being sought). However, it is an offence to use the ® symbol until the trademark is registered in Australia.

The benefits of using these symbols is that it makes a party's registered or unregistered rights in the trademark clear, acting as a potential deterrent to infringement by other parties.

## 18 Trademark enforcement proceedings

**What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?**

Enforcement of trademark rights is through legal proceedings. Proceedings are typically commenced in the Federal Court of Australia (as the Australian Trade Marks Act is a federally based statute), either in the regular list or in the fast-track list. Proceedings may also be commenced in the Federal Circuit Court.

The fast-track list of the Federal Court is well suited to straightforward intellectual property disputes with an estimated trial duration of less than five days and for which large volumes of evidence will not be required. In addition, while not a dedicated intellectual property court, many of the judges in the fast-track list are well versed in matters of intellectual property and trademarks.

Proceedings in the fast-track list are generally finalised more quickly and are less expensive (although not always) to run than cases in the regular list because of the simplified pretrial process, including restricted access to discovery.

In parallel with trademark infringement claims, it is common practice to assert claims in passing off and misleading and deceptive conduct (under Australian consumer law) and these claims form the basis for enforcement of unregistered trademark rights.

Remedies available to a successful party include:

- injunctive and declaratory relief;
- delivery or destruction of infringing goods and materials;
- damages or an account of profits at the trademark owner's election; and
- additional damages for flagrant infringement.

In addition to enforcement through legal proceedings, it is also possible for a registered trademark owner to provide a notice to the customs CEO requesting that customs seize alleged infringing goods at the Australian border. If a trademark owner or authorised user provides such a notice to the customs CEO, it will remain in force for a period of four years unless it is revoked by the party that originally provided the notice.

If customs seizes relevant goods, a seizure notice will be provided to the trademark owner and importer. Previously, the onus was on the trademark owner to commence proceedings against the importer of alleged infringing goods upon receipt of a seizure notice, failing which the goods would be released. The onus is now first on the importer to seek release of the goods by providing the customs CEO with sufficient information to allow the trademark owner to identify the true owner of the goods. Failure to provide these details will result in the goods being forfeited and destroyed.

Although a trademark owner must still commence proceedings for infringement to prevent the goods being released into Australia if an importer does seek their release, there are increased opportunities for the trademark owner to obtain important information prior to bringing an infringement claim and it is likely that the requirement for the importer to provide detailed contact information to obtain release of goods may act as a deterrent to more flagrant infringers of counterfeit goods.

There are also criminal offences relating to trademark infringement, however, these are enforced publicly through government agencies. Criminal offences under the Australian Trade Marks Act include:

- falsifying or removing a registered trademark;
- falsely applying a registered trademark;
- making a die, block, machine or instrument that is likely to be used for, or in the course of, committing a trademark offence;
- drawing or programming a computer or other device to draw a registered trademark or part thereof that is likely to be used for an offence;
- possessing or disposing of things for use in trademarks offences;
- selling, exposing, possessing or importing goods with false trademarks; and
- aiding, abetting, counselling or procuring any of the above offences.

## 19 Procedural format and timing

**What is the format of the infringement proceeding?**

As mentioned above, proceedings are typically commenced in the Federal Court of Australia, either in the regular list or the fast-track list, or in the Federal Circuit Court.

Proceedings commence with the filing of a statement of claim and originating motion setting out the elements of the trademark infringement claim (and any other claims) and relief sought. In the fast-track list, this is called the fast-track statement and originating application.

Within a set period of time, a defence and any counterclaim must be filed. Often, an alleged infringer may counterclaim by seeking to attack the validity of the trademark registration, on one or more of the grounds on which a trademark registration can be cancelled, or on the ground of non-use.

Discovery may or may not be ordered. In the fast-track list, discovery is typically not ordered (and if ordered will be limited to documents on which a party intends to rely and have a significant probative value adverse to a party's case) owing to the expedited nature of that list.

In trademark infringement proceedings, evidence in chief is typically presented by way of affidavits or witness statements exchanged by the parties before the trial, with witnesses then cross-examined on their evidence before the judge at hearing.

Expert evidence will typically only be appropriate where the court does not have the requisite capacity to assess a matter (eg, where deceptive similarity of two trademarks is to be assessed from the point of view of a very specialised audience) or at the quantum stage in assessing damages.

Hearings on intellectual property matters (including trademark infringement) are often split in order to assess liability before quantum. This is to avoid what can often be a complex and protracted hearing on issues confined to assessing damages, in circumstances where liability is ultimately not established. There are no juries for trademark infringement proceedings in Australia.

In the fast-track list, which is usually considered the most suitable forum for straightforward trademark proceedings, the matter could be heard in as little as four to six months, although this can be shorter or longer depending on the nature of the matter and what pretrial steps and processes are ultimately ordered. The Federal Circuit Court similarly adopts simpler pretrial steps and streamlined processes conducive to quicker and more cost-effective hearings.

In proceedings commenced in the regular list of the Federal Court of Australia, a matter could typically be heard within 12 to 24 months from commencement, depending on pretrial steps and what further interlocutory motions are made, the extent of any counterclaims and cross-claims, whether discovery is ordered, whether expert evidence is called upon and the complexity of the matter.

Decisions made in the Federal Court can be appealed to a full court of the Federal Court in certain circumstances (where there has been an error of law or a finding of fact on an important issue that could not be supported by the evidence), and to the High Court of Australia in very limited circumstances (requiring the court's special leave, and demonstration of a matter of public interest to be determined), adding further time to conclusion of a matter.

## 20 Burden of proof

**What is the burden of proof to establish infringement or dilution?**

The trademark owner must make out its claim of trademark infringement by establishing the elements of its claim on the balance of probabilities.

In general, the trademark owner will bear the onus of establishing that the alleged infringer has used a mark:

- as a trademark;
- that is substantially identical with, or deceptively similar to, the owner's registered trademark; and
- in relation to the goods or services in respect of which the trademark is registered, or goods or services that are of the same description or closely related to the goods or services in respect of which the trademark is registered.

The test of substantial identity requires an assessment of the respective marks compared side by side, their similarities and differences noted and the importance of their similarities and differences assessed having regard to the essential features of the prior registered mark and the total impression of resemblance or dissimilarity that emerges from the comparison.

In contrast, the test of deceptive similarity is an assessment of the respective marks having regard to the impression based on recollection of the prior registered mark that persons of ordinary intelligence and memory would have of the marks, such that there is a real tangible danger of deception or confusion.

In considering whether there is a likelihood of deception or confusion, all surrounding circumstances will be taken into consideration, including the circumstances in which the marks will be used, the circumstances in which the goods or services will be bought and sold and the character of the probable acquirers of the goods and services.

Where a trademark infringement claim is made based on use of a mark in relation to goods or services that are not exactly the same as the goods and services in respect of which the trademark is registered, but in respect of goods or services that are of the same description or are closely related, it will be an additional defence to infringement (to be established by the alleged infringer on the balance of probabilities) that using the sign as the person did is not likely to deceive or cause confusion.

There is no anti-dilution provision in the Australian Trade Marks Act, per se, although there is an infringement provision that protects well-known trademarks where use of a substantially identical or deceptively similar mark in relation to goods or services that are unrelated to the registered goods or services would nevertheless likely indicate a connection between the well-known mark and the alleged infringer, such that the interests of the registered trademark owner are likely to be adversely affected. The trademark owner bears the onus of establishing that its registered trademark is well known, as well as how its interests would be adversely affected (whether economically through lost opportunity or licensing fees, or through a 'dilution' effect).

Some of the trademark criminal offences attract strict liability, while others have a fault element of knowledge, negligence or recklessness.

## 21 Standing

### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

A trademark owner or authorised user of a registered trademark may commence civil infringement proceedings against an alleged infringer. In the case of unregistered trademarks, both the owner and authorised users may also have standing to bring actions for unregistered trademark infringement through common law actions for passing off, or statutory actions for misleading and deceptive conduct and misrepresentation under Australian consumer protection legislation.

In relation to registered trademarks, the authorised user of a trademark may only commence infringement proceedings against another party, subject to certain limitations. The authorised user may commence infringement proceedings with the consent of the registered trademark owner at any time. If the authorised user has asked the registered owner to bring an action for infringement of the trademark, and the registered owner has refused or fails to bring such an action within a period of two months, the authorised user may commence infringement proceedings, but must join the registered owner as a defendant to the proceedings. However, in such circumstances, the registered owner is not liable for any costs if he or she does not participate in the proceedings.

Typically, a rights holder without an established presence or assets within the Australian jurisdiction will be requested (or ordered by the court) to provide security for costs as a condition of proceeding with an infringement claim.

Although the Australian Trade Marks Act does not expressly limit the persons who may prosecute an offence, criminal proceedings are generally brought by the Department of Public Prosecutions, upon referral by the Australian Federal Police.

## 22 Foreign activities

### Can activities that take place outside the country of registration support a charge of infringement or dilution?

Activities outside of Australia cannot support a charge of infringement unless the conduct is shown to have been specifically directed to trade within Australia. Thus, an offer of goods and services on a website to the world at large will typically not constitute infringement in Australia unless there is evidence that a transaction between an Australian consumer and the website owner has been made through the website or there are objective factors that demonstrate that sales under the trademark are being specifically directed to Australia such as prices on the website stated in Australian dollars or promotion that the website owner delivers to Australia.

As above, a request may be issued to the customs CEO to seize and deal with goods sought to be imported into Australia and if the importation infringes or appears to infringe a registered trademark, assist to prevent infringing goods from entering the jurisdiction.

## 23 Discovery

### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

As set out above, discovery or disclosure may or may not be ordered during the trial process, depending on the nature of the case and issues and value involved. The Federal Court of Australia, in which most actions for trademark infringement are commenced, is typically leaning away from the ordering of broad documentary discovery given the excessive costs and burden typically involved.

In the Federal Court of Australia, the court will not order documentary discovery as a matter of course (even where the parties consent to discovery), unless it is necessary for the determination of issues in the proceeding.

In determining whether to order discovery, the court will have regard to the issues in the case and the order in which they are likely to be resolved, the resources and circumstances of the parties, the likely benefit and cost of discovery and whether the cost is proportionate to the nature and complexity of the proceeding. In cases where documentary discovery is warranted, it may be ordered to be provided in specific categories only. In particular, in the fast-track list, if discovery is ordered, it will be confined to documents on which a party intends to rely and that have significant probative value adverse to a party's case.

Additional discovery or disclosure procedures utilised in Australian court proceedings, which assist in elucidating key facts, documents and admissions, as well as limiting issues in dispute, include:

- notices to admit (facts and documents);
- notices to produce (documents referred to in pleadings and other court documents); and
- interrogatories (to answer written questions), although these do not often tend to be used in trademark infringement proceedings.

It is also possible to subpoena a third party to attend court, requiring them to give evidence or produce a document, or both. A third party may also be the subject of an order for discovery from outside the country, following procedures under the Hague Convention.

## 24 Timing

### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

The length of time from the commencement of an infringement claim to trial and judgment is dependent upon the nature and elements of the dispute, but generally in the range of one to two years for proceedings commenced in the regular list of the Federal Court of Australia, and potentially as little as four to six months for proceedings commenced in the fast-track list or Federal Circuit Court.

Urgent preliminary injunctions of an interlocutory nature can be sought prior to commencement of proceedings (either ex parte where a search order to preserve evidence is sought, or inter parties), but the party applying for the preliminary injunction must typically provide an undertaking to the court that it will commence the main proceeding in



relation to the subject matter of the injunction within 14 days after the injunction application has been determined. Proceedings then continue in the ordinary course, although often the determination of an injunction successfully in one party's favour over another may be sufficient impetus for the parties to proceed to resolve a matter out of court. Where an injunction is granted in the rights holder's favour, it is typically a condition of the granting of the injunction that the rights holder provide an undertaking as to damages (for any loss incurred as a result of the granting of the injunction) in the event that the main proceedings are determined in the other party's favour and it is found that the preliminary injunction ought not to have been granted.

Appeals to the Full Federal Court must be commenced within 21 days after the date of a decision in the lower court, and appeals will typically be held within six to 12 months of filing a notice of appeal, depending on whether there is any cross-appeal and contention filed, the extent of any further preparation involved and the availability and dates on which the Full Federal Court is sitting on a particular circuit.

## 25 Litigation costs

### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

For a matter that proceeds to conclusion of trial, the costs of a typical trademark infringement claim in the Federal Court of Australia could generally be in the region of A\$120,000 to A\$200,000, and more (potentially in the range of up to A\$300,000 to A\$400,000) if extensive cross-claims are filed, there are many parties to the dispute and various interlocutory motions are filed and determined.

Costs may be lower when commencing proceedings in the fast-track list owing to the expedited pretrial process involved (in particular, the less onerous discovery obligations), the shorter time period to trial and the necessarily shorter duration of hearing (the fast-track list is only suitable for matters with an estimated trial duration of no more than five days).

Similarly, costs may be (or are intended to be) lower in the Federal Circuit Court due to simpler and speedier pretrial processes and lower court fees, although the costs recoverable for a successful party will also generally be lower.

The costs of appealing to the Full Federal Court of Australia could generally be in the region of A\$40,000 to A\$80,000, depending on the extent of the appeal (include the number and nature of the grounds of appeal) and any cross-appeal and contention claims filed.

In Australia a successful party to litigation will usually be awarded costs, calculated on a court scale. In practice, this means that the unsuccessful party will typically be required to pay approximately 30 per cent to 70 per cent of the successful party's costs (on what is referred to as a 'party-party' basis). The court is also able to award costs on an indemnity basis (a higher level of costs recovery) in certain circumstances, such as where a party made a settlement offer to the other party prior to trial that was better than the outcome ultimately achieved by that other party. In these circumstances, the party that rejected the better offer may be ordered to pay the successful party's costs from the time of the rejected offer on an indemnity basis.

## 26 Appeals

### What avenues of appeal are available?

As mentioned above, appeals from decisions of the Registrar of Trade Marks lie to the Federal Court of Australia or the Federal Circuit Court to be determined as a *de novo* hearing.

Appeals from decisions of the Federal Court of Australia or Federal Circuit Court for enforcement proceedings can be appealed to a Full Court of the Federal Court of Australia where there has been an error of law or a finding of fact on an important issue that could not be supported by the evidence.

In exceptional circumstances, a decision of the Full Court of the Federal Court of Australia can be appealed to the High Court of Australia, Australia's highest court. However, appeals can only be taken to the High Court with special leave of that court, where it can be demonstrated that the matter to be appealed involves an unsettled question of law that is of public importance to be determined by the highest court in the jurisdiction.

## 27 Defences

### What defences are available to a charge of infringement or dilution, or any related action?

A person defending a claim of trademark infringement may seek to argue that the elements of the claim have not been established because the person is not using a mark:

- as a trademark;
- that is substantially identical with, or deceptively similar to, the owner's registered trademark; or
- in relation to the goods or services in respect of which the trademark is registered, or goods or services that are of the same description or closely related to the goods or services in respect of which the trademark is registered.

In addition, where the goods or services are only of the same description or closely related to the goods or services in respect of which the trademark is registered, a defence may be established if using the sign as the person did is not likely to deceive or cause confusion.

The Australian Trade Marks Act provides further specific defences to infringement, including where the person:

- used a person's name or place of business in good faith;
- used a sign in good faith to indicate the kind, quality, quantity, intended purpose, value, geographical origin, time of production of goods or rendering of services;
- used the trademark in good faith to indicate the intended purpose of goods;
- used the trademark for the purpose of comparative advertising; and
- exercised a right to use the trademark given under Australian trademarks legislation.

Further, a person does not infringe a registered trademark where the person can demonstrate that it would obtain registration of the trademark (or a substantially identical or deceptively similar mark) if applied for in that person's name, due to being a prior or honest concurrent user of the mark.

Defences to infringement can also include defences based on consent or licence (either contractual or otherwise), acquiescence, laches and estoppel.

Typical counterclaims to an allegation of trademark infringement include that the trademark has lost its distinctiveness or is liable for cancellation for some other reason or is vulnerable to removal for non-use (eg, if the registered owner has not been using its trademark in Australia during the requisite period in the form appearing on the Register).

## 28 Remedies

### What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?

The primary relief sought by a successful party to an action for infringement is typically injunctive, that is, an order permanently preventing the other party from engaging in the infringement. Declarations of infringement can also be made.

Other remedies available to a successful party are:

- an order for delivery or destruction of infringing goods and materials;
- damages or an account of profits; and
- additional damages for flagrant infringements.

In addition, as above, the successful party will typically be awarded its costs (on a party-party basis).

In order to obtain an interlocutory injunction (that is, injunctive relief before the primary proceeding is heard in full and determined), the rights owner must establish that the following requirements for an urgent interlocutory injunction are satisfied:

- there must be a serious question to be tried (ie, the applicant has made out a *prima facie* case, such that there is a reasonable probability of the rights holder succeeding at trial); and
- the balance of convenience favours the granting of the injunction.

When assessing the balance of convenience in favour of granting or not granting an interlocutory injunction, the court will have regard to the following factors:

- hardship to either party or a third party;
- risk of irreparable damage to the applicant;
- any delay by the applicant;
- the adequacy of the applicant's undertakings as to damages (the applicant's undertaking that it will compensate the respondent for any injury or loss sustained by the respondent if the injunction is later found to be wrongly granted);
- the need to protect the applicant's business goodwill;
- harm to the respondent's business goodwill; and
- whether damages would be an adequate remedy. For example, where the applicant would otherwise suffer irreparable harm (eg, the collapse of a business, or the benefit of a status quo that cannot be adequately regained or compensated through damages) an injunction will more readily be granted. In addition, it will be relevant to consider the respondent's ability to pay damages in the event that infringement is established.

As mentioned above, it is typically a condition of the granting of the interlocutory injunction that the rights holder provide an undertaking as to damages (for any loss incurred as a result of the granting of the injunction) in the event that the main proceedings are determined in the other party's favour and it is found that the preliminary injunction ought not have been granted. The applicant may then apply for the injunction to be made permanent following a successful outcome in the primary proceeding or may be called upon to undertake to pay damages if unsuccessful.

## 29 ADR

### Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?

ADR techniques are available and encouraged in the Australian legal system. Such forms of ADR are mediation, arbitration and conciliation.

Mediation, either before a registrar of the court or before a private mediator, is typically ordered as part of the pretrial process in the Federal Court of Australia. The benefit of mediation is that the parties have control over the terms on which an outcome is reached and the parties are not compelled to accept a resolution that they do not agree with (in comparison to an arbitration or a decision imposed by a court).

The settlement reached between the parties at mediation is typically recorded in a deed of settlement, which can be kept confidential and enforced as a contract in instances of breach. However, sometimes the parties will seek that the court make certain consent orders or declarations as to infringement as part of a mediated outcome.

## 30 Famous foreign trademarks

### Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?

A famous foreign trademark can be afforded protection in Australia, even if not used domestically, provided that it is sufficiently well known among members of the Australian public. It is now well established in Australia that 'spillover reputation' through trading activities in other jurisdictions, such as advertisements from overseas and the knowledge of returning travellers, is sufficient reputation to give rise to a claim against another party using the mark in Australia for passing off or misleading and deceptive conduct in contravention of Australia consumer protection legislation. The protection afforded by these claims will be to the extent necessary to ensure passing off and confusion does not occur among Australian consumers.

As there is no requirement of use in order to obtain trademark registration in Australia, a foreign trademark can also be protected through registration, although it will be vulnerable to attack and removal from the Register for non-use if not used in Australia within five years of the initial registration date.

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# Austria

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## 1 Ownership of marks

### Who may apply?

Any physical or legal person, alone or in combination, may apply for a trademark, irrespective of running a related business. Collective marks and guarantee marks may be applied for by associations having legal personality as well as by corporate bodies.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

Trademarks may consist of any signs that can be represented graphically, in particular words, including personal names, designs, letters, numerals and the shape or style of the goods, provided that such signs are capable of distinguishing the goods or services of one enterprise from those of other enterprises.

Three-dimensional marks and sound marks are protectable when fulfilling the above-mentioned criteria.

Haptic or olfactory trademarks are still not registrable.

Signs that exclusively consist of state coats of arms, national flags or other national emblems or of the coats of arms of Austrian provincial or local authorities, official test or guarantee signs and signs of international organisations to which a member country of the Paris Convention belongs are excluded from registration.

Further excluded are signs:

- lacking distinctiveness;
- that are descriptive;
- that have become customary in the current language;
- that consist exclusively of the shape of the goods resulting from their nature or necessary to obtain a technical result or giving them a substantial value;
- violating public policy or accepted principles of morality;
- that are deceptive; and
- containing or consisting of improper geographical indications identifying wines or spirits.

## 3 Common law trademarks

### Can trademark rights be established without registration?

Non-registered trademarks are termed in Austria as (mere) 'signs' and may have protection according to article 9 of the Austrian Law Against Unfair Competition under the following conditions:

Names of establishments or premises, outlets etc, as well as domain names (ie, sub-level domains) are considered as 'special designations' provided they do not correspond with the name or firm name itself. They therefore enjoy protection if misused by a third party in the course of business. However, direct protection is only accepted in the case of distinctiveness per se. Otherwise, acquired distinctiveness has to be proven. Special designations are considered (eg, names of establishments or premises, outlets) as well as domain names (ie, sub-level domains) as long as they do not correspond with the name or firm name itself. Business symbols and other devices used to distinguish one enterprise from another, particularly the shape of goods, their packaging or wrapping and business papers (eg, letters showing the letterhead, the firm's logo or name, firm stamps on letters) that

are recognised as being representative of the enterprise by the trade involved are also deemed to constitute special designations of an enterprise. However, they enjoy protection only with proof of acquired distinctiveness among the business circles involved, which depends on the specific case and may sometimes encompass the whole population of Austria, or, on the contrary, only a limited circle of specialists.

The injured party may sue the infringing party at the Vienna Commercial Court to refrain from misuse, whereby the usual remedies (see question 28) are available. The claim for injunctive relief and elimination lapses, however, after six months from the end of the infringement. For all other claims there is a limitation period of three years. The claim for injunctive relief lapses after five years of knowledge of the infringement of the sign, provided that the infringer has not acted in bad faith.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

Without complications, a registration can be obtained in a few months (two to six); otherwise it can take several years. No additional documentation, referring to the applicant, is needed. An appointed domestic professional representative requires a power of attorney. Costs for up to three classes (official and attorney's fees) are in total about €1,100 to €1,200. Extra costs may arise for further classes (multi-class applications are possible) or in the case of complications (eg, adaptation of lists of goods, professional efforts in the case of objections, complaints about rejection decisions).

## 5 Classification system

### What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?

Goods and services are classified according to the Nice Classification. Class headings as well as items from the published list of goods and services (10th edition) may be used. Terms not contained in the list often encounter objections. Multi-class applications are available and might save, depending on the number of classes, up to about 50 per cent of the total costs in comparison with an equivalent number of theoretical single-class applications.

## 6 Examination procedure

**What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?**

Applications are not examined for conflicts with other trademarks. Thus, parties cannot interfere in the application procedure. There is only an examination as to formalities (eg, the correct classification) and absolute bars. Objections raised by the Patent Office may be responded to by the applicant. An official similarity report is released upon request by the applicant.

Senior (trademark) rights are no bar to registration, but may give rise to opposition or cancellation action after registration of the new trademark.

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

Pre-use of a trademark is not required for registration. Therefore, no proof of use has to be submitted. Based on a foreign application one can claim within six months priority for a domestic application, irrespective of whether the foreign application leads to registration. Mere use in a foreign country does not give rise to priority.

Starting from registration the trademark owner has a five-year grace period within which the trademark cannot be contested on the grounds of non-use. After that period anyone may file a cancellation action based on non-use. In such a case, maintenance of the trademark will depend on proof of use or justification of non-use.

## 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

The rejection of an application can be resorted to at the Vienna Upper Provincial Court. Against a negative resolution, revisional recourse can be lodged at the Supreme Court of Austria, provided that all prerequisites are fulfilled.

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

An opposition may be filed within three months starting from the publication date of a registered Austrian trademark, or within three months starting with the first day of the next month after the publication of a registered international trademark covering Austria, respectively. Opposition may only be based on a senior trademark application or registered trademark (ie, Austrian trademark, international trademark valid in Austria, European Union (EU) trademark).

The opposition procedure is generally conducted in written form. At the request of one of the parties an oral hearing must be held. An oral hearing may also be held *ex officio*. A plea of lack of use of the trademark on which the opposition was based may be brought forward. In that case the opposer need not furnish full proof of use but must only show *prima facie* evidence of use. In the case of an action (eg, based on non-use) against the trademark on which the opposition is based the opposition proceedings shall be suspended. If there are several oppositions against the same trademark the most promising opposition may

be continued, whereas the other oppositions will be suspended. The decision on an opposition is rendered by a single member of the Legal Department of the Austrian Patent Office. If an opposition is partly or fully granted the opposed trademark is quashed (not cancelled) from the beginning of its duration of protection. An opposition decision may be resorted to at the Vienna Upper Provincial Court. In opposition proceedings each party must bear its own costs, which may be about €1,100 if no proof of use or oral hearing is requested.

After registration a third party may file a cancellation action with the Nullity Department of the Austrian Patent Office.

Any third party may base its action on:

- absolute grounds (lack of distinctiveness, descriptiveness, deceptiveness, generic name etc) at the time of application;
- bad faith in the course of the application (in the foregoing two cases, the trademark will be deleted retroactively from the date of registration);
- development of the trademark to become deceptive or generic after registration (in these cases the cancellation will be effective from the proven date of the finalised development);
- non-use (in this case the cancellation will have effect from five years before the date of filing the cancellation action, but not earlier than five years after registration); or
- bad faith, for example, purported by a foreign brand owner whose brand, either identical or similar, is registered in Austria by someone else with the intention to hinder the foreign brand owner from entering the Austrian market.

The holder of a prior right (registered or unregistered trademark, trade name etc) may base a cancellation action on relative grounds, namely, confusing similarity between the senior sign and junior trademark in respect of the registered goods and services. In the case of a well-known senior right, cancellation may also be demanded for dissimilar goods and services. In these cases the cancellation has retroactive effect from the date of registration. However, the right to file a cancellation action by a prior right holder based on relative grounds is forfeited after five years from the date of knowledge of the use of the younger trademark.

In cancellation proceedings an oral hearing is scheduled after prior exchange of the applicant's writ and trademark owner's counter-writ. The final decision of the Nullity Department of the Patent Office may be appealed at the Vienna Upper Provincial Court. Costs for a cancellation action in each instance may be about €5,000.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

The trademark right is effective from the date of registration in the trademark register.

The period of protection of trademarks registered from 1 September 2018 hence lasts 10 years from the day of application and may be extended repeatedly for 10-year periods by paying a renewal fee.

The period of protection of trademarks registered before 1 September 2018 ends 10 years after the end of the month in which the trademark was registered. Whenever the period of such trademarks ends, the next period will be calculated from the respective application date and the renewal fee will be reduced in relation to the reduction of the next following period.

Besides the renewal fee no other requirements, such as proof of use, are necessary. The Austrian Patent Office does not release a renewal certificate, so the payment receipt is the only proof of renewal besides an extract from the trademark register. The payment can be effected during the last year of the 10-year period or, with an excess fee, within six months after the expiry thereof.

## 11 The benefits of registration

**What are the benefits of registration?**

A registered trademark confers on its owner the exclusive right to prevent third parties that do not have his or her consent from using, in the course of trade:



- a sign that is identical to the trademark in relation to goods or services that are identical to those for which the trademark is registered;
- a sign that is identical or similar to the trademark in relation to goods or services that are identical or similar to those for which the trademark is registered, if there exists a likelihood of confusion on the part of the public, including the likelihood of association between the sign and the trademark; or
- a sign that is identical or similar to the trademark in relation to goods or services that are not similar to those for which the trademark is registered, where the latter is well known in Austria and where use of that sign, without due cause, takes unfair advantage of, or is detrimental to, the distinctive character or reputation of the trademark.

A registered trademark is prima facie evidence of an existing right before any administrative authority or court. However, in a trial, a court may examine the validity of a registered trademark in suit as a pre-question.

On the basis of a registered trademark, one may apply for border seizures of counterfeit goods.

## 12 Licences

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

A trademark may be the subject of an exclusive or non-exclusive licence covering the whole territory of Austria, or part of it, in respect of the complete list of goods or services, or part of it. The licence may be recorded in the trademark register. However, the registration only has declaratory character (ie, only serves to inform the public) and is not decisive for the legal validity or effect of the licence (eg, whether the licensee has a right of action against an infringing third party depends only on the content of the licence agreement and not on the registration of the licence in the trademark register).

The benefit of a recorded licence lies in the fact that a trademark infringer cannot successfully argue, if decisive, that they did not know about the licence.

## 13 Assignment

**What can be assigned?**

A trademark may be assigned with or without goodwill or the business concerned for all or part of the registered goods and services. Where the assignment would deceive the public, the assignee must consent to any restrictions to remedy the deception.

## 14 Assignment documentation

**What documents are required for assignment and what form must they take?**

There exist two options:

- a deed of assignment or a document referring to the assignment is needed as the original or a copy. The signature of the assignor must be notarised, whereby the notary public must state that the person signing the document is entitled to sign on behalf of the assignor on the date of signing in a legally binding manner. Depending on the countries involved, the notarisation needs to be super-legalised diplomatically or by a Hague Apostille. The signature of the assignee does not need any legalisation; or
- instead of an assignment document, as mentioned above, a unanimous assignment declaration by the parties or their representatives, which does not require any legalisation, may be submitted to the Patent Office. The Patent Office still reserves, however, the right to request any originals, certified copies or further documents. In both cases representatives require just an unlegalised power of attorney. Professional representatives may simply rely on their power of attorney without filing it with the Patent Office.

## 15 Validity of assignment

**Must the assignment be recorded for purposes of its validity?**

Recording an assignment is not mandatory. However, until such time as the transfer of the mark has been recorded, the right to the mark may not be asserted before the Patent Office and all communications concerning the mark served on the registered owner of the mark shall have effect with regard to the acquirer of the mark.

## 16 Security interests

**Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?**

Licences, liens and other security interests may be recorded in the trademark register. However, that register is only declaratory (serves to inform the public). This means that the entry of such interests etc in the trademark register is not identical to the acquisition of the right and is not binding on third parties.

The signature of the licensor, pledgor etc, must be notarised, whereby the notary public must state that the person signing the document is entitled to sign on behalf of the licensor, pledgor etc on the date of signing in a legally binding manner. Depending on the countries involved, the notarisation needs to be super-legalised diplomatically or by a Hague Apostille. The signature of the licensee, pledgee etc does not need any legalisation.

The application for registration may be filed either by the licensor, pledgor etc or by the licensee, pledgee etc on the basis of an original document or a copy thereof. Any representative needs a respective power of attorney.

It is not necessary to file the complete licence contract, lien document etc. From registration, a simple licence declaration or lien declaration from which the essential conditions can be gathered is sufficient.

## 17 Markings

**What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?**

The indication of a trademark is not compulsory and therefore has no legal effect whatsoever. Analogous to foreign regulations, some trademark owners use an ® or the letters ™ in a circle to indicate that the trademark is registered. However, such indication has no benefit.

On the other hand, it might, however, be deceptive if, for example, the symbol ® appears after the word of a registered combined word-design mark, when the word per se does not enjoy protection. It also might be regarded as deceptive if the symbol ® is used in combination with a trademark not yet registered (pending application).

## 18 Trademark enforcement proceedings

**What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?**

Infringers (dilutive users are also regarded as infringers) of Austrian trademarks or of international trademarks covering Austria may be sued in the first instance at the Vienna Commercial Court or at the Vienna Provincial Court for Criminal Matters, or both, on the basis of Austrian Trademark Act, which contains civil and criminal claims against trademark infringements. The second instance is the Vienna Upper Provincial Court. If admissible, for example, if questions of general importance are touched on, then the third instance is the Supreme Court of Austria.

Infringements of EU trademarks may be sued in the first instance at the Vienna Commercial Court or the Vienna Provincial Court for Criminal Matters.

Seizures of counterfeit goods may be effected upon request by the Austrian Customs Authorities according to EU regulations and the Austrian Product Piracy Act. The withheld goods shall be destroyed if

## Update and trends

### Austrian Patent Attorney's Act

An amendment of Austrian Patent Attorneys Act, which involves slight adjustments in several IP Acts, is under consideration. Its main focus lies on freedom to provide services of patent attorneys within the EU.

### Judgments of the Austrian Supreme Court

#### *Dissenting decisions of recourse court*

On the basis of a senior word and word-design mark, ITIKAT opposition was raised against word-design mark ÖZITIMAT, all trademarks for goods of classes 29 and 30. The Nullity Department of the Austrian Patent Office as well as the Vienna Upper Provincial Court rejected the opposition for lacking risk of confusion. In a parallel infringement proceedings another board of the VUPC has, however, confirmed the risk of confusion, wherefore an extraordinary revisional recourse was brought before the Supreme Court of Austria. It was, however, rejected on the following grounds: a legal question of considerable importance does not exist, even if the recourse court differs on the merit in an opposition proceedings from a decision in a parallel infringement proceedings under civil law as long as it stays within its given scope of decisional margin (Supreme Court of 24 May 2016, 4 Ob 116/16m – *Austrian Patent Gazette* 2017, 19).

#### *Bad faith*

The Vienna Upper Provincial Court has ordered the cancellation of a defendant's trademark with respect to one class because the trademark was extended to that class, although prior use by the plaintiff was known. The knowledge of the prior use in connection with the purpose of the application (gaining of a protection right) was regarded as a motive against morality creating bad faith (VUPC of 8 September 2016, 34 R 83/16z, *Austrian IP and Copyright Magazine* 2017, 146). A revisional recourse against this resolution was rejected by the Austrian Supreme Court, which, among other grounds, held that bad faith can be confirmed in case of obstruction of competition contrary to morality. Prior use per se is enough. The basis for the judgment of worthlessness is the intention of the applicant to obtain a weapon in order to disturb a system created by a competitor. This intention must not necessarily

be the only motive of the applicant, for it suffices that it is an essential motive. Under this aspect, bad faith of a trademark application can be assumed even if the applicant has its own intent to use, but also wants at least to disturb the distribution of goods and services of a competitor having senior priority (Supreme Court of 24 January 2017, 4Ob 261/16k – *Austrian Patent Gazette* 2017, 67; GRUR Int 2017, 335).

#### *Acquisition of trademark right against order public*

The Austrian Supreme Court decided in the course of an admitted extraordinary revisional recourse that the acquisition of a trademark right that occurred in violation of public order does not itself (automatically) create for competitors a claim for discontinuance of the use of the trademark. It diverges thereby from former decisions and held that the claim for discontinuance requires a specific basis in the respective laws (Trademark Act, Law against Unfair Competition). The question of acquisition contrary to public policy may be at best relevant if the acquirer defends its use by relying on an own right (Supreme Court of 24 January 2017, 4 Ob 252/16m – GRUR Int 2017, 507).

#### *Genuine use of a trademark*

A genuine use of a trademark is present when, in the course of business, a sign is used for the designation of goods or services or is used with reference to them in such a manner that an ordinarily informed, alert and sensible average consumer assumes or may assume that the sign serves for differentiation of the goods or services from identical or similar goods or services of another origin. The sign must therefore be understood as a designation of origin. For that purpose it is not, however, enough to use the trademark, for instance, in catalogues, on despatch bags, shopping baskets, shelf or price stickers in shop windows and in business premises, as well as in promotion or the like, for example, on invoices, order forms or adhesive tapes, if the trade perceives the sign just as a reference to the enterprise but not also as a reference to the origin of the goods or services (VUPC of 5 December 2016, 34R-109/16y – *Austrian Patent Gazette* 2017, 31; *Austrian IP and Copyright Magazine* 2017, 133).

the importer does not oppose the seizure. If it does oppose, however, it is up to the trademark owner to launch, within a given term, a civil or criminal proceedings; otherwise the counterfeit goods are released.

Criminal complaints may be raised by the injured physical or legal person within six weeks of the knowledge of the action and the offender.

## 19 Procedural format and timing

### What is the format of the infringement proceeding?

In civil matters a single judge decides in the first instance. In the second or third instance, the decision is released by a board or senate. Any type of suitable evidence is permitted, including live testimony. There is no discovery procedure. Each party may rely on private experts and their opinions. The court may appoint an official expert, for example when acquired distinctiveness is questionable.

In each instance a decision in the regular proceedings may be expected after about one year. In preliminary injunction proceedings, the periods may be shorter.

Criminal trademark matters are also heard in the first instance by a single judge.

## 20 Burden of proof

### What is the burden of proof to establish infringement or dilution?

The full burden of proof lies with the plaintiff, that is, the trademark owner or (if empowered) its, his or her licensee. Any type of evidence that is deemed to be appropriate may be brought forward.

## 21 Standing

### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

Remedy may be claimed by anybody whose rights to a trademark are infringed, namely, by the trademark owner or a derivative thereof (the licensee, etc). The original or derived trademark right is to be proved to the court.

## 22 Foreign activities

### Can activities that take place outside the country of registration support a charge of infringement or dilution?

In general, foreign activities cannot support a charge of infringement or dilution. However, for example, if a company has a prior foreign (registered or unregistered) trademark and a competitor files in Austria a similar or identical junior trademark (in order to hinder the first company from entering into the Austrian market), then the first company may successfully sue the competitor for having registered its trademark in bad faith so that the junior trademark will be cancelled ex tunc.

## 23 Discovery

### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

In accordance with the Directive on the Enforcement of Intellectual Property Rights (2004/48/EC), which was introduced into domestic law, the Vienna Commercial Court may order that the infringing party should submit well-defined evidence that it holds. Preliminary injunctions may not only be released for securing of the claim itself but also for preservation of evidence. Such preliminary injunctions may even be released without hearing the defendant if the injured party may probably suffer a non-repairable damage or if there is a risk that evidence will be destroyed. Searching of premises under civil law (as well as under criminal law) may be ordered.

**24 Timing**

**What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?**

In provisional proceedings claiming a temporary injunction, a decision in the first instance may be expected within a couple of months. For each instance of appeal, the time frame is, at most, one year. In main proceedings, each instance might last about one year.

**25 Litigation costs**

**What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?**

Costs depend on the value of the litigation. In the first instance, the overall costs range from about €7,000 to about €14,000. In the instances of appeal, one should calculate at least €10,000 per instance. A successful plaintiff can recover part of the costs from the infringer. It is generally regulated by law that the losing party must refund the costs of the procedure and representation to the winning party on basis of the value of litigation. However, these costs are usually lower than the overall costs of the proceedings.

**26 Appeals**

**What avenues of appeal are available?**

Resolutions and judgments at first instance (Vienna Commercial Court) may be referred or recurred to the Vienna Upper Provincial Court. If admitted, another appeal (revision or revisional recourse) to the Supreme Court of Austria may be launched. If not admitted, an extraordinary appeal to the Supreme Court may be filed.

**27 Defences**

**What defences are available to a charge of infringement or dilution, or any related action?**

Substantive defence arguments may be:

- the trademark in suit is not valid;
- the allegedly infringing sign is not used as a trademark;
- lack of confusion (no similarity between the trademark in suit and the alleged infringing sign, no similarity of goods and services);
- the trademark in suit is not well known;
- fair use of the allegedly infringing sign with due cause;
- prior rights in respect of the trademark in suit on the basis of qualified pre-use;
- exhaustion of the trademark right;
- bad faith of the plaintiff; or
- limitation or forfeiture of the right to sue.

**28 Remedies**

**What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?**

The civil remedies available include:

- ceasing of the infringement (preliminary or permanent injunction);
- claim for elimination of the circumstances constituting the violation of the law (eg, destruction of the infringing goods);
- rendering of account;
- publication of the judgment; and
- monetary relief, namely:
  - adequate remuneration (licence analogy);
  - twice that remuneration in the event of gross negligence or intention; and
  - damages, in the event of wilful infringement, including the profits of which the plaintiff has been deprived, or surrender of the profits realised by the infringer through the trademark infringement.

If the trademark in suit has been registered for more than five years, a preliminary injunction is only granted if it is substantiated that the trademark is not vulnerable to cancellation due to non-use.

The criminal remedies available are:

- a monetary fine of up to 360 times the per diem rate for calculating fines; and
- imprisonment for up to two years in the case of professional infringement.

**29 ADR**

**Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?**

Alternative dispute resolution techniques are commonly used and an attempt is first made to settle the pending dispute by negotiations. Sometimes mediation is accepted by the parties or they agree to contact a local or international arbitration board. The benefits of such techniques lie in saving time and money. The risks are that all these measures do not exclude eventually going to court.

**30 Famous foreign trademarks**

**Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

A foreign trademark, irrespective of its publicity, is generally not granted any protection in Austria. If it is in use domestically without registration it may enjoy protection against infringements based on the Law Against Unfair Competition. Based on the Trademark Act cancellation of a similar or identical registered trademark for similar or identical goods and services may be requested, if the latter is junior to

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the non-registered trademark. A senior foreign trademark owner may, however, for example, be successful against a similar or identical junior Austrian trademark if the latter was filed in bad faith in order to prevent the foreign national to enter the Austrian market.

On the basis of the degree of publicity the following ranking may be considered:

- known trademarks;
- well-known trademarks;
- notorious known trademarks; and
- famous trademarks.

It depends on the circumstances of each case which degree of publicity is to be taken into account. Trademark rights, enhanced by any degree of publicity, can only be claimed for registered Austrian trademarks. It is crucial that domestic publicity is given. Such publicity of a registered Austrian trademark might be achieved even if the trademark is not used in Austria but only abroad.

A senior Austrian trademark having gained publicity provides protection against registration of a junior Austrian trademark, validity of a junior international trademark covering Austria and registration of a junior EU trademark and use of such a trademark or sign in Austria if the junior trademark or sign is identical or similar, even if the goods or

services for which the junior trademark or sign is registered or used, respectively, are dissimilar. In the latter case it is, however, crucial that the use of the junior trademark or sign takes, without due cause, unfair advantage of, or is detrimental to, the distinctive character or the repute of the known trademark. In order to be granted this protection, the publicity of the senior trademark must have been existent at the latest on the filing date of the junior trademark or the commencement of use of the junior sign, respectively.

Thus, a trademark having gained publicity enjoys extended protection against exploitation of reputation (parasitic exploitation), impairment of repute (damage to reputation), utilisation of distinctiveness (exploitation of attention) and impairment of distinctiveness (dilution). The degree of protection depends in any case on the degree of publicity.

Proof of publicity may be brought by any evidence, namely, documents, private expert opinions, opinions by certified or sworn court experts, or both, public opinion polls, market studies, inquiries and (confirmation) letters of licensees, producers, importers and wholesalers, sales figures, promotion figures, examination of parties and witnesses, etc. However, there are no fixed percentages for the different degrees of publicity, although one might assume that a trademark is well known if it has an accepted view in the related field of about 50 per cent.

# Bahamas

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## 1 Ownership of marks

### Who may apply?

Section 10(1) of the Trade Mark Act 1906 of the Statute Laws of The Bahamas, Chapter 322 (the 1906 Act), provides that 'Any person claiming to be the proprietor of a trademark who is desirous of registering the same must apply in writing to the Registrar'. Therefore, any person claiming to be the owner of a trademark can apply for trademark registration.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

The 1906 Act permits a 'distinctive' trademark, which is a mark adapted to distinguish the goods of the proprietor of the trademark from those of other persons, to be registered in any of the following essential particulars:

- (i) the name of a company, individual or firm represented in a particular manner;
- (ii) the signature of the applicant for registration or some predecessor in his business;
- (iii) an invented word or invented words;
- (iv) a word or words having no direct reference to the character or quality of the goods, and not being according to its ordinary signification a geographical name or surname;
- (v) any other distinctive mark other than such as fall within the descriptions in (i)-(iv).

Therefore, any mark meeting the above criteria may be registered as a trademark. Trademarks that are contrary to public decency, that offend morality and that are deceptive may not be registered for trademark protection.

Under the current legislation, the registration of sounds and smells is not permitted. See 'Update and trends' for an update on the registration of service marks.

## 3 Common law trademarks

### Can trademark rights be established without registration?

Although trademark rights can be established without registration, those rights are limited only for the purposes of establishing the date of first use in trade and relate to an action brought by an unregistered trademark owner in an action for passing off. To establish a successful action for passing off, the owner will need to prove that:

- they own goodwill in the goods in question;
- a misrepresentation has been made by another party; and
- damage or potential damage to their goodwill has or could occur.

An owner of an unregistered trademark is prohibited from bringing an action for trademark infringement or an action to prevent the use of the unregistered trademark under the 1906 Act and cannot sue for acts that infringe the unregistered trademark. Trademark rights, protections and remedies available under the 1906 Act to registered trademark owners will not extend to trademarks that have not been registered with the Intellectual Properties Office of the Registrar General.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

Trademark registrations typically take up to a year to process, although they can take significantly longer if the application is opposed or in the event that a significant backlog of applications exists at the Intellectual Properties Office. Typically, an authorisation form signed by the trademark owner or their appointed representative, authorising the local agent to act is required prior to filing the trademark application. A power of attorney may also be required where a foreign agent is instructing a local agent to act.

## 5 Classification system

### What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?

The Bahamas has its own National Classification systems for goods. The Bahamian Classification system covers approximately 50 classifications of goods. A series of applications can be made in their respective classifications, typically resulting in a minimum of 20 per cent cost reduction on the legal services for filings along with applicable reduced cost of government filing fees.

## 6 Examination procedure

### What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?

The examination procedure is lengthy and includes a consideration of the following:

- whether the mark applied for is in conflict with any other registered mark;
- whether it contains the words 'Patent', 'Patented', 'By Royal Letters of Patent', 'Registered', 'Registered Design', 'Copyright' etc or any words to the like effect, which may result in a refusal by the Registrar;
- whether the application is presented in accordance with the required manner of presentation;
- whether there is on record any marks for the same goods or descriptions of goods identical with the mark applied for or so nearly resembling it that it could be calculated to deceive; and
- whether there are any conditions, amendments, modifications or disclaimers to the application that should be made prior to the acceptance by the Registrar. Any additional modifications required

to be made to the application, by the Registrar will be made in writing.

Key to the examination procedure is the examiner's consideration of the proposed mark as being a 'distinctive' mark that is capable of distinguishing one good from that of another and the likeliness of confusion in light of the marks that are already registered on the Trade Mark Register and those that are currently under review and in the application process.

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

There is no requirement under the 1906 Act that the use of a trademark be claimed before registration and no proof of use is currently required upon application to the Registrar. However, where a trademark owner has a bona fide intention to use the registered trademark, he or she should do so within five years of the date of application, as section 34 of the 1906 Act permits an application to be made to remove a registered mark from the Trade Mark Register:

*on the ground that it was registered by the proprietor or a predecessor in title without any bona fide intention to use the same in connection with such goods, and there has in fact been no bona fide user of the same in connection therewith, or on the ground that there has been no bona fide user of such trademark in connection with such goods during the five years immediately preceding the application, unless in either case such non-user is shown to be due to special circumstances in the trade, and not to any intention not to use or to abandon such trademark in respect of such goods.*

Foreign registrations are granted a right of priority where the application has been made within six months from the date of protection applied for in a convention country. Section 63(1) of the Industrial Property Act, 1965 of the Statute Laws of The Bahamas, Chapter 324 (hereinafter the 1965 Act), states that:

*(1) Any person who has applied for protection for any design or trade mark in a convention country or his legal representative or assignee shall enjoy for the purposes of the deposit of a claim for the purposes of an application for registration of his trade mark under the Trade Marks Act, a right of priority and his deposit or application shall accordingly have the same date as the date of application for protection in the convention country.*

## 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

If an application is denied by virtue of the fact that it was incorrectly submitted or falls foul of the application requirements, there is typically no appeal and the application will have to be resubmitted to conform with the trademark requirements.

However, if a trademark application is denied because of an opposition that was made in a timely fashion, the applicant may send a timely counter-statement to the Registrar stating its grounds for reconsideration of the application. A copy of the applicant's counter-statement is typically served on the persons giving notice of opposition. After hearing the parties, if so required, and considering the evidence, the Registrar will decide whether, and subject to what conditions, the registration is to be permitted. The decision of the Registrar shall be subject to appeal to the court.

An appeal of the Registrar's decision will be heard by the court and may require a hearing of the parties and the Registrar, and the court shall make an order determining whether, and subject to what conditions, if any, registration is to be permitted. In these proceedings, no further grounds of objection to the registration of a trademark are allowed to be taken by the opponent or the Registrar other than those stated by the opponent, except by leave of the court.

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

Trademark applications are published for opposition in the Trade Mark Gazette. A third party may oppose an application provided the opposition is made by Notice of Opposition and within 30 days of the date of publication of the trademark application. The cost associated with a third-party opposition or cancellation proceeding will vary depending on the complexity of the matter and the time spent on it. Simplistic third-party oppositions requiring a minimum amount of time spent will typically start at US\$5,000.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

Under the current legislation, the registration of a trademark shall be for a period of 14 years, but may be renewed from time to time in accordance with the provisions of the 1906 Act.

## 11 The benefits of registration

**What are the benefits of registration?**

Generally, the benefits of trademark registration include the registration itself serving as constructive notice to a potential infringer that the mark has been registered for trademark protections, and that remedies are available to the registered trademark owner who has exclusive use of that trademark. Trademark registration eliminates a defence to claims of infringement or dilution. Trademark registration can also be relied upon to prevent the import of infringing goods and can prevent the registration of applications that may be confusingly similar to the trademark.

The owner of a registered trademark has the power to assign, licence and deal with any equities in respect of a trademark, which may be enforced in like manner as in respect of any other personal property. Further, the owner of a registered trademark is entitled to give to such a person the exclusive right to the use of the trademark upon or in connection with the goods in respect of which it is registered. Provided that where two or more persons are registered proprietors of the same (or substantially the same) trademark in respect of the same goods, no rights of exclusive use of such trademark will be acquired by any one of such persons as against any other by the registration, but each of those persons shall have the same rights as if he or she were the sole registered proprietor of the trademark. Therefore, a registered user of a trademark may institute proceedings for trademark infringement on their own after informing the trademark owner of their intention to do so.

Further, in all legal proceedings relating to a registered trademark, the fact that a person is registered as the proprietor of the trademark shall be prima facie evidence of the validity of the original registration of the trademark and of all subsequent assignments and transmissions of the same.

## 12 Licences

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

A licence may be recorded against a mark in the jurisdiction. The licensee will typically want to have their licence recorded as it establishes, in the case of an honest concurrent user or of other special circumstances which make it proper so to do, the registration of the same trademark, or of nearly identical trademarks, for the same goods or description of goods by more than one proprietor subject to such conditions and

limitations, if any, as to the mode or place of user, or otherwise, as it may think it right to impose.

**13 Assignment**

**What can be assigned?**

A trademark can be assigned with goodwill. Section 20 of the 1906 Act states that:

*A trade mark when registered shall be assigned and transmitted only in connection with the goodwill of the business concerned in the goods for which it has been registered, and shall be determinable with that goodwill. But nothing in this section contained shall be deemed to affect the right of the proprietor of a registered trade mark to assign the right to use the same in any country of the Commonwealth or foreign country in connection with any goods for which it is registered together with the goodwill of the business therein in such goods.*

Further, associated trademarks may be assignable or transmissible only as a whole and not separately, but they shall for all other purposes be deemed to have been registered as separate trademarks.

**14 Assignment documentation**

**What documents are required for assignment and what form must they take?**

Assignments of trademarks are typically made by written agreement between the parties and will typically exhibit a schedule detailing the full particulars of the trademarks to be assigned. That assignment should also show the manner in which the person to whom the trademark has been assigned or transmitted has become entitled to the assignment. Notarisation of the signatories to the agreement is helpful but not required.

**15 Validity of assignment**

**Must the assignment be recorded for purposes of its validity?**

A trademark assignment must be recorded for the purposes of its validity.

**16 Security interests**

**Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?**

Security interest are made in written form and should be notarised to be validly recorded and enforceable.

**17 Markings**

**What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?**

The words ‘Trade Mark’ and ‘Registered Trade Mark’, may be placed on the good as placed in trade. The symbol ® may also be placed to the bottom right of the trademark and affixed to the good. There is no requirement that these markings be made; however, there are obvious benefits to putting persons on notice of the trademark’s registration.

The mark ™ is typically used to signify an unregistered trademark.

**18 Trademark enforcement proceedings**

**What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?**

There are several proceedings, both legal or administrative, that can be commenced to enforce the rights of trademark owners against alleged infringers or dilutive use of a mark. Typically, notice is given to the

**Update and trends**

In September 2015, members of the Senate of The Commonwealth of The Bahamas passed six Bills which were enacted by parliament on 10 October 2015, and although not yet fully brought in force, the Copyright (Amendment) Act 2015, the False Trade Descriptions Act 2015, the Geographic Indications Act 2015, the Integrated Circuits Act 2015, the Patents Act 2015 and the Trade Marks Act 2015 represent a significantly improved legislative framework spanning the protection of intellectual property rights and enforcement mechanisms in the Bahamas, thus enabling local and international rights holders to conduct international trade with ease and confidence in the future.

As part of its accession process to the World Trade Organization (WTO), The Commonwealth of The Bahamas was required to update and modernise existing legislation. Most notably, the Trade Marks Act 2015 will repeal the existing Trade Marks Act (Chapter 322), which afforded registered trademark holders statutory protection for goods only and will modernise the trademark law registration process in the Bahamas. Under the Trade Marks Act 2015, an added protection not previously recognised in the Bahamas is that of protection for service marks as well as the adoption of an International Class system.

These legislative reforms represent the nation’s commitment to international best practices, which in turn result in domestic benefits as well as the legislative framework significantly increasing protections for Bahamian innovation and exports. They should also increase foreign investors’ likelihood of considering investment opportunities in the Bahamas.

potential infringer or unauthorised user of the mark to cease and desist from the unauthorised activity.

In any proceeding before the Registrar the evidence shall be given by notarial declaration in the absence of directions to the contrary, but in any case, the Registrar may take evidence viva voce in lieu of or in addition to evidence by declaration. There are no specialised courts for the hearing of trademark matters in The Commonwealth of The Bahamas. The Court may, however, be comprised of local and foreign specialists to hear the matter.

**19 Procedural format and timing**

**What is the format of the infringement proceeding?**

The format for infringement proceedings will follow that of civil litigation, with specific pleadings, discovery, evidentiary review and disclosure and a hearing of the matter. In an action for the infringement of a trademark the court trying the question of infringement will admit evidence of the usages of the trade in respect of the get-up of the goods for which the trademark is registered, and of any trademarks or get-up legitimately used in connection with such goods by other persons.

In any proceedings before the Registrar evidence will be given by notarial declaration in the absence of directions to the contrary, the Registrar may take evidence viva voce in lieu of or in addition to evidence by declaration. Any such notarial declaration may in the case of appeal be used before the court in lieu of evidence by affidavit, but if so used shall have all the incidents and consequences of evidence by affidavit. If any part of the evidence is taken viva voce, the Registrar shall in respect of requiring the attendance of witnesses and taking evidence on oath be in the same position in all respects as the court.

**20 Burden of proof**

**What is the burden of proof to establish infringement or dilution?**

The burden of proof to establish infringement or dilution on a trademark is that of the civil standard and is on the balance of probabilities.

**21 Standing**

**Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?**

A trademark owner who is on the register or a licensee of a registered trademark may commence an action, bring a suit and seek remedies for

trademark violations. Where a licensee commences the action, he or she should ensure that he or she is acting within the scope of the licence, which may require notifying the trademark owner prior to commencing such action.

## 22 Foreign activities

### Can activities that take place outside the country of registration support a charge of infringement or dilution?

Under the 1906 Act, infringing acts include affixing the mark to goods or packaging, offering or supplying goods for sale under the mark, using the mark in promotional material or importing or exporting goods under the registered trademark. Therefore, if these acts are committed outside the country of registration and are brought into the jurisdiction, enforcement mechanisms such as the seizure, confiscation and destruction of the unauthorised goods can be employed to prohibit the movement of unauthorised goods.

## 23 Discovery

### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

The 1906 Act requires that evidence be produced in support of each party's allegations. Where discovery is made in a timely fashion, the methods of obtaining evidence are constrained only by the parties' cost limitations.

## 24 Timing

### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

Actions for infringement or dilution actions may take as little as a year for completion and can continue for up to three years. Preliminary injunctions can take up to a month from the date of application to the date of granting the injunction. There are varying factors, including delay, cost and availability of evidence, that may contribute to a prolonged determination of a related action or appeal.

## 25 Litigation costs

### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

Litigation costs will vary significantly, depending on several factors, such as the complexity of the matter and the nature, time and extent of resources allocated to the matter.

## 26 Appeals

### What avenues of appeal are available?

See question 8.

## 27 Defences

### What defences are available to a charge of infringement or dilution, or any related action?

The defences available to a charge of trademark infringement include the use of:

- another registered trademark. This may occur where another person has registered another trademark in the same class of goods of an existing trademark;
- use of the company's (or individual's) own name. This may occur in the case where a company is using its own name or address, which is ordinarily known as a trademark; and
- use of a mark where it is necessary to indicate the intended purpose of the goods of a registered trademark.

## 28 Remedies

### What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?

Civil remedies that are available for trademark infringement include injunctions, damages, accounting of profits and delivery up and disposal of offending products.

## 29 ADR

### Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?

ADR techniques are commonly used and enforceable to resolve trademark disputes. The benefits of ADR are numerous, the most common being the reduced costs of settling matters outside of litigation proceedings and within a private setting in which the parties can achieve resolution to the dispute.

## 30 Famous foreign trademarks

### Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?

Provided that a famous trademark meets the 1906 Act's requirements for registration, it can be registered in The Commonwealth of The Bahamas and afforded the prescribed protections available under the statute without the need to prove domestic use of that trademark.



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# Brazil

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## 1 Ownership of marks

### Who may apply?

The Brazilian Industrial Property Law (BIPL) (Law No. 9,279 of 14 May 1996) states that natural or legal persons who are subject either to public law or private law may apply for the registration of a mark.

Business entities subject to private law may only apply for the registration of a mark covering activities that such persons effectively and lawfully exercise either directly or through companies that they directly or indirectly control. The products or services covered in the filing petition must fall within the scope of such activities.

Likewise, natural persons may only apply for registration of a mark covering their professional activities.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

The BIPL establishes that any distinctive, visually perceptible sign may be registered as a trademark, provided it does not fall within the prohibitions arising under Brazilian law.

The requisite of a visual representation excludes from the scope of protection non-traditional trademarks, such as olfactory, sound and gustatory marks. On the other hand, the protection of three-dimensional signs – which are considered non-traditional trademarks – has been admitted in Brazil since the enactment of the BIPL in 1996.

The BIPL sets out, in article 124, a list of signs that are not registrable as trademarks. The list includes:

- signs of a generic, necessary, common, usual or merely descriptive character, when related to the product or service to be distinguished, or those commonly used to designate a characteristic of the product or service with respect to its nature, nationality, weight, value, quality and moment of production of a product or provision of a service, except when the sign is presented in a sufficiently distinctive manner;
- signs or expressions used only as a means of advertising;
- colours and their names, except when arranged or combined in an unusual and distinctive manner; and
- names, prizes or symbols of sporting, artistic, cultural, social, political, economic or technical official or officially recognised events, as well as imitations likely to cause confusion, except when authorised by the competent authority or entity promoting the event.

## 3 Common law trademarks

### Can trademark rights be established without registration?

The BIPL states that the ownership of a mark is acquired by means of a validly granted registration, following which the titleholder has an established right to exclusive use of the trademark throughout the national territory.

However, the BIPL also provides protection for the owners of trademarks that have not yet been registered with the Brazilian Patent and Trademark Office (BPTO).

An example is the right of preference, which establishes that any person who, in good faith, at the date of priority or the filing date of the application, has been using an identical or similar mark for at least

six months in the country, to distinguish or certify a product or service that is identical, similar or akin to, is entitled to the right of preference to registration.

Another example is trademarks that are well-known in their field of activity, as per article 6-bis (1) of the Paris Convention. Well-known trademarks are given special protection, independently of whether they have been previously filed or registered in Brazil. The BPTO has powers to reject ex officio a trademark application that wholly or partially reproduces or imitates a well-known trademark. On the other hand, in the event of the owner of a well-known trademark filing an opposition or an administrative nullity action based on its well-known trademark, it has a period of 60 days commencing with the filing of the opposition or administrative nullity action in which to file an application for the registration in Brazil of its well-known mark.

The BIPL also establishes that signs that imitate or reproduce, wholly or in part, a third-party mark of which the applicant could not be unaware due to the commercial activity in which he or she engages, are not registrable as trademarks, if the sign is intended to distinguish a product or service that is identical, similar or akin to that covered by the existing mark and is likely to cause confusion or association with such a third-party mark. As a consequence, the BIPL enables the owner of a trademark that has not yet been filed or registered in Brazil to challenge third parties who attempt to register similar or identical trademarks. Similarly to the situation mentioned in the above paragraph, the owner of the trademark has a 60-day term in which to file an application for registration of his or her mark in Brazil, with said period commencing upon the date he or she filed the opposition or administrative nullity action.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration?

#### What additional documentation is needed to file a trademark application?

Two-and-a-half years is the estimated time frame from the filing until the grant of registration of a trademark, in the case of 'smooth' prosecution (free of obstacles such as official actions, opposition and rejection).

Usually, the legal fees for obtaining a trademark registration are charged on a fixed-fee basis. Some attorneys, however, charge for prosecuting a trademark application on an hourly rate rather than a fixed-fee basis.

The following circumstances may cause deviations from the average time for final registration and, therefore, increase the estimated time and cost of a trademark prosecution:

- opposition filed by third parties;
- official actions by the BPTO in which an applicant is required to present clarification or supplementary documentation;
- rejection of the trademark application; and
- the abeyance of an application pending a decision on a prior application by a third party.

The required documents for the purpose of filing trademark applications are:

- power of attorney duly executed and signed by the authorised officer of the applicant (no notarisation or legalisation is required), including a clear print of the name and title of the signor below the signature. A simple signed copy sent via email or fax to the applicant's attorney in Brazil is acceptable to the BPTO. Moreover, the power of attorney can be submitted to the BPTO – if not at the filing – within a 60-day term from the filing date in Brazil through a supplementary petition and additional late filing costs;
- in the case of a priority claim, a copy of the priority application, comprising all of the goods and services to be filed in Brazil. The priority documents can be submitted to the BPTO – if not at the filing – within a four-month period from the filing date in Brazil through a supplementary petition and additional late filing costs; and
- in the case of composite or device marks, a clear sample of the mark (usually a high-definition file in jpeg format) and information regarding any colour claim is also required.

## 5 Classification system

**What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?**

Brazil began to apply the International Classification of Goods and Services in 2000. At that time, the seventh edition of the Nice Classification came into force in Brazil – pursuant to Normative Act No. 150 of 9 September 1999. The 11th edition of the Nice Classification has been in force in Brazil since 1 January 2017.

Given that, until 2000, Brazil followed a national classification system, trademark applications filed prior to that year had to be reclassified in accordance with the international classification as and when renewals were sought.

On 6 January 2006, the BPTO issued Resolution No. 123/06, which suspended the force and applicability of the International Classification System to trademark applications filed up until 31 December 1999, as well as to trademark registrations granted up until 31 December 1999, and which had been classified in accordance with the former Brazilian classification system.

As a consequence, applications or registrations filed or granted up until 31 December 1999 were deemed to have been granted or renewed in accordance with the former Brazilian classification system. The Resolution is still in force, and for this reason there are still registrations in Brazil classified under the national classification system.

Brazilian law does not allow multi-class applications.

## 6 Examination procedure

**What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?**

As per the BIPL, after an application is filed, it will be published in the Official Gazette in order to give any interested parties an opportunity to present an opposition, within a period of 60 days. If an opposition is filed, the applicant will be notified to respond within 60 days. After the terms for opposition and counter-arguments have expired, the examination will be conducted. Potential conflicts with senior trademarks will then be considered.

During the period of examination, official actions or requests may be issued and must be responded to within a period of 60 days. If an applicant fails to respond to an official requirement, the application will be definitively shelved. If, however, a response is filed, the examination will continue, even if the requirement has not in fact been satisfied or if the applicant's response was to lodge a formal challenge to the official action or request.

In the absence of oppositions, the examiner will consider the results of the availability search. If potential conflicts with prior registrations are verified, then the examiner will, ex officio, reject the application. If a possible conflicting registration, which might be cited as grounds for

rejection, is under forfeiture or subject to court proceedings or orders, then the examiner will stay the junior application in abeyance pending a final decision in the respective case. The same applies to possible conflicting senior applications that are still under examination.

Although accepted, the Brazilian PTO does not consider letters of consent binding on the decision for the registrability of a trademark (ie, even though the BPTO considers the existence of consent by the owner of the senior trademark, this fact per se does not guarantee the allowance of the junior mark).

Once the examination has been concluded, a decision will be issued, either allowing or rejecting the application for registration. In the event of rejection, the applicant will have 60 days to file an appeal to the president of the BPTO.

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

When applying for registration in Brazil, there is no need to claim prior use or to submit proof of use of the trademark.

Priority rights are guaranteed for an application for the registration of a mark, when an application has been filed in a country that has an agreement with Brazil, or filed before an international organisation of which Brazil is a member. The application in Brazil must be filed within the time limits established in the agreement, without the occurrence during said time limits of any fact that invalidates or prejudices the application.

The registrant must initiate the use of its trademark within five years from grant. Failing to do so may result, upon the request of any person with a legitimate interest, in the declaration of forfeiture and consequent cancellation of the registration. Likewise, if use of the mark has been interrupted for more than five consecutive years or if, within that time, the mark has been used in a modified form that implies alteration of its original distinctive character as found on the certificate of registration, the registration may, upon third-party request, be deemed forfeited and cancelled.

The use of the mark must include all the products or services mentioned on the certificate, under penalty of partial forfeiture of the registration with respect to those products or services not similar or akin to those for which use of the mark has been proved.

Forfeiture requests will not be admitted if use of the mark has been proved (or if its lack of use has been justified) in earlier proceedings in the past five years.

## 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

The applicant may file an appeal against a rejection decision within 60 days. Third parties with a legitimate interest may challenge the appeal within 60 days of the date of publication of notice of appeal.

In the event of the BPTO allowing an application, but subject to limitations or reservations (eg, without the right of exclusive use of a certain word element), the applicant may file an appeal against the limitation.

The appeal and any challenges to it are analysed by the president of the BPTO. A decision to uphold the rejection ends proceedings in the administrative sphere. Thereafter, it is possible for the applicant to file a judicial nullity action against the administrative act that upheld the rejection of the application.

In the event of the rejection being overturned on appeal, the allowance of the application will be automatically published, with the start of the period of time within which the applicant is to pay the final fees for registration.



## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

As mentioned in question 6, once an application is filed, it will be published in the Official Gazette for opposition purposes. Any interested party will have a 60-day term, counted from the date of the publication, to submit an opposition to the application. After the opposition is filed, the applicant is notified to submit a reply within 60 days. Once the opposition and reply terms have expired, the examination of the application is conducted. The BIPL establishes a pre-registration opposition system. As a consequence, oppositions may be filed only against trademark applications. In this regard, see question 6.

Once the registration is granted and published in the Official Gazette, a 180-day term commences in which any person with a legitimate interest may file an administrative nullity action. It is important to highlight that the administrative nullity action may be also commenced ex officio by the BPTO. The registrant will be notified to respond within a period of 60 days. After the term for counter-arguments has expired and even if no response has been presented, the issue will be decided by the President of the BPTO. This decision brings the administrative stage to a close.

A registration is subject to a declaration of administrative nullity if the registration was granted in conflict with the provisions of the BIPL. To be successful in an administrative nullity action a third party must demonstrate, inter alia:

- a lack of compliance with one of the legal formalities of the BPTO, essential for the proper processing of the application;
- that the trademark registration infringes one of the provisions of article 124 (signs not registrable as marks) of the BIPL;
- that the sign does not meet the essential requirements to characterise it as a trademark; or
- that the registrant's commercial or professional activities are not consistent with the products or services claimed in the filing petition.

A brand owner who does not yet have trademark protection in Brazil can oppose a bad-faith application for its mark based on the provisions of article 124, XXIII of the BIPL. Said provision specifically establishes that signs that imitate or reproduce, wholly or in part, a third-party mark, of which the applicant could not be unaware due to the commercial activity in which he or she engages, are not registrable as trademarks, if the sign is intended to distinguish a product or service that is identical, similar or akin to that covered by the existing mark and is likely to cause confusion or association with such third-party mark.

Further, in the event that the bad-faith application matures into registration, the brand owner will have the possibility to file an administrative nullity action against the bad-faith registration based on the same provision. At this stage, it is also possible to file a judicial nullity action against the decision of the BPTO in order to have the grant decision reviewed by a federal court.

Any person with a legitimate interest, or the BPTO itself, may file a judicial nullity action against the trademark registration. The registrant or the BPTO itself may also file a judicial nullity action against the administrative act that annulled a trademark registration. A declaration of nullity will take retroactive effect as from the date the trademark application was filed at the BPTO. A judicial nullity action is statute barred following the expiry of five years from the date of publication of the granting decision.

Of note is that in Brazil nullity actions are statute barred following the expiry of five years from the date of publication of the granting decision. Notwithstanding, under the Paris Convention, the five-year rule does not apply for judicial nullity actions based on bad faith. Therefore, an action based on this particular argument is imprescriptible.

Official fees for the preparation and filing of an opposition or a reply to an opposition are US\$150 and US\$50, respectively. On the other hand, the official fees for preparing and filing an administrative nullity

action or a reply to an administrative nullity action are US\$200 and US\$50, respectively. The dollar equivalent of official fees (which are fixed in local currency) fluctuates in line with exchange rate variations.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

The trademark registration remains in effect for 10 years commencing with the date of its grant, and may be renewed for equal and successive periods. The renewal request must be filed during the last year of the term of the registration and must be accompanied by proof of payment of the respective fee. If a renewal request has not been made by the end of the registration term, the registrant may make such request within the following six months on payment of an additional fee.

According to the BIPL, it is not necessary to submit proof of use of the trademark when applying for registration or when requesting its renewal. The use of the mark needs to be proved only in the event of a forfeiture request being filed by a third party with a legitimate interest.

As mentioned in question 7, a registrant must initiate the use of its trademark within five years from its grant or the registration may become forfeit and, therefore, extinct. In the event of the use of the mark being interrupted for more than five consecutive years or if, within that time, the mark has been used in a modified form that implies alteration to its original distinctive character, as per the certificate of registration, the registration may also become forfeit and extinct.

If a forfeiture request is filed, the registrant will be notified to reply within a period of 60 days, the onus being on him or her to prove the use of the mark or to justify lack of use for legitimate reasons. An appeal may be lodged against the decision that either declares or rejects forfeiture of the registration. Forfeiture requests will not be admitted if use of the mark has been proved (or if its lack of use has been justified) in earlier proceedings in the past five years.

The BIPL does not set out specific provisions regarding proof of use. When analysing the effective use of trademarks, the BPTO will take into consideration all means of proof admitted by law, such as commercial invoices referring to the registered trademark and its owner, advertising materials and catalogues and documents that prove the import or the nationalisation of the products in Brazil in the case of products that are manufactured abroad.

## 11 The benefits of registration

**What are the benefits of registration?**

The following benefits are guaranteed to the registrant:

- exclusive use of the trademark on Brazilian territory;
- the right to use legal means to prevent third parties from using identical or similar trademarks to identify identical or similar products or services;
- the right to cancel registration of identical or similar trademarks identifying identical or similar products or services; and
- the right to dispose of the trademark, by assigning its registration or licensing its use.

## 12 Licences

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

The BIPL allows the owner or the applicant of a trademark registration to enter into licence agreements for the use of the mark without prejudice to their right to exercise effective control over the specifications, nature or quality of the respective products or services.

A licence agreement takes effect between the contracting parties from the moment it is executed. However, it must be recorded with the BPTO in order to be enforceable against third parties. It will produce effects in relation to third parties as from the date of its publication in the Official Gazette.

Registration of the licence agreement with the BPTO is also important if royalties are agreed, in that it is only after such registration that royalties can be remitted abroad and the licence fees become

tax-deductible. The remittance of payments from trademark licences will be accepted only after grant of a respective trademark registration by the BPTO. Retroactive payments before the grant of the trademark registration are not allowed.

Registration with the BPTO is not necessary in order to constitute proof of use.

### 13 Assignment

#### What can be assigned?

Applications and registrations may be assigned on condition that the legal requirements for requesting registration are met by the assignee.

The assignment of a trademark application or registration covers the trademark alone and is not necessary. The goodwill and other business assets need not be assigned in order for assignment of the trademark to be valid.

The assignment must cover all existing registrations and applications in the name of the assignor in relation to identical or similar trademarks that identify identical or similar products or services, failing which the registrations or applications not assigned may be cancelled or deemed abandoned.

### 14 Assignment documentation

#### What documents are required for assignment and what form must they take?

The documents necessary to record a trademark assignment are the following:

- a power of attorney to be executed and signed by an authorised officer of the assignee. There is no need to notarise or legalise this document; and
- an assignment document to be executed and signed by the authorised officers of the assignor and assignee, with all the signatures being notarised before a notary public. The notary should attest that the signatories have the necessary powers to represent the parties in this act. This document must also include the signature and details of the identity of two witnesses (no notarisation is required for the witnesses' signatures).

### 15 Validity of assignment

#### Must the assignment be recorded for purposes of its validity?

The assignment of a trademark application or registration takes effect between the contracting parties from the moment it is executed and signed by the assignor and assignee.

However, to produce effects in relation to third parties the assignment must be recorded at the BPTO. The assignment will produce effects with respect to third parties as from the date of its publication in the Official Gazette.

### 16 Security interests

#### Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?

Security interests are governed by the Brazilian Civil Code (Law No. 10,406 of 10 January 2002). Of the security interests for which the Brazilian Civil Code makes provision, the one that applies to trademarks is the lien or pledge. The security interest must be recorded at the BPTO in order to produce effects in relation to third parties. The security interest will produce effects with respect to third parties as from the date of its publication in the Official Gazette.

Pledge agreements that contain references to the amount of the credit, or its estimated value or maximum amount; the time frame for payment of the debt; and the trademark's specifications are usually accepted for registration by the BPTO. The limitation or onus on the application or registration is then published in the Official Gazette by the BPTO.

### 17 Markings

#### What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?

The symbol ® can be used in Brazil to indicate that the trademark is registered with the BPTO.

The BIPL does not mention the use of marking in any of its provisions. Therefore, one can be assumed that, in Brazil, marking is not mandatory.

The benefit of using the ® symbol is that it reinforces the fact that the sign in question is registered as a trademark and that, consequently, third parties cannot make use of it without express permission from the owner.

Dishonestly claiming for advertising purposes that a product or service has received a prize or distinction is deemed to be a crime of unfair competition under the BIPL.

### 18 Trademark enforcement proceedings

#### What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?

In addition to the administrative proceedings of opposition and cancellation, the trademark owner can enforce its rights through criminal and civil proceedings, as provided for in the BIPL, in articles 189 and 190 (crimes against marks) and in articles 207 to 210 (civil measures).

Civil proceedings include, for example, applications for injunctions requiring the immediate cessation of the infringement act (plaintiff may request the imposition of a daily penalty for failure to comply with an injunction or other preliminary relief) and claims for damages. It is important to note that the judge may grant *ex parte* injunctions in order to avoid irreparable loss or harm that would be difficult to repair. The court may, in such circumstances, require the petitioner to post a judgment bond or a fiduciary guarantee. In cases of blatant reproduction or imitation of a registered mark, the judge may order the seizure of all the merchandise, products, objects, packages, labels and other materials that bear the falsified or imitated mark.

A criminal action requires the filing of a criminal complaint, except in the case of the crime against armorial bearings, crests or official public distinctions, be they national, foreign or international, in which case the criminal action will be public (ie, commenced by the public prosecution service). In addition to preliminary criminal search and seizure measures, the trademark owner may request: seizure of a falsified, altered or imitated mark at its place of preparation or wherever it is to be found, prior to its unlawful use; or destruction of a counterfeit mark on packets or products that contain it, before they are distributed, even in circumstances in which the packages or products themselves appear to have been discarded.

Border enforcement mechanisms are regulated by articles 605 to 608 of Federal Decree No. 6759 of 5 February 2009. The customs authority may, on its own initiative or at the request of an interested party, seize, during the course of a customs inspection, any products carrying falsified, altered or imitated marks or a false indication of source. Following seizure, the customs authority is under a duty to notify the trademark owner so that he or she may, within a period of 10 working days, file the respective complaint and request for judicial seizure.

Moreover, in the event of a trademark owner having sufficient evidence of planned import or export of counterfeit goods, it may request that the customs authority seize the goods. The trademark owner will be required to set out the facts or circumstances that justify its suspicion. The customs authority may require the trademark owner to provide a bond in an amount sufficient to cover any loss that may be caused to the defendant in the event of the seizure proving to be unfounded, and as a means of seeking to ensure that the trademark owner's request is not an abuse of right.

Nullity actions against trademark registration and nullity actions against administrative acts that uphold a rejection decision, or which a trademark registration, are submitted to the Federal Justice of Rio de

Janeiro. The BPTO is automatically a party in all such court proceedings. Whenever a government agency is party to a lawsuit, the proceedings must be listed before a federal court. The BPTO head office is in Rio de Janeiro and, therefore, proceedings to which it is a party must commence in the federal court district of that city.

The entry level (first instance) of the Federal Court of Rio de Janeiro has four courts specialising in intellectual property. At the appeal level, the Regional Federal Court of the Second Region, with jurisdiction over the states of Rio de Janeiro and Espírito Santo, has two specialist panels for intellectual property.

Infringement actions must be filed before state courts, as the BPTO does not participate in such proceedings. There are no specialist state courts handling trademark infringement cases.

## 19 Procedural format and timing

### What is the format of the infringement proceeding?

Discovery, in the form that exists in common law systems as a pretrial phase in a lawsuit, is not provided for in the Brazilian legal system.

According to the Brazilian Code of Civil Procedure, the parties can resort to the following mechanisms (*inter alia*) to obtain evidence for legal proceedings: personal deposition; exhibition of documents or other material; witness testimony; expert evidence and court inspection.

In addition, the Code of Civil Procedure also permits the filing of a request for early production of evidence. This measure allows one party to request the live testimony of the opposing party or witnesses or the undertaking of an expert examination, when there are reasonable grounds for fearing that the evidence may be lost or for some other urgent reason. The application for early production of evidence may be filed prior to the commencement of the substantive proceedings. Such an application may also be made following commencement of proceedings – in these circumstances the party seeking the direction must demonstrate that it could not reasonably be expected to wait until the time at which the evidence would normally be adduced in the proceedings.

Once a civil trademark infringement action is filed, the defendant is notified to present his or her response within 15 days. The plaintiff may respond to the defendant's answer within 10 days. There are usually two hearings at first instance: a conciliatory or preliminary hearing, in which the parties try to settle the case amicably; and an evidentiary hearing, in which the expert and the parties' technical assistants may be cross-examined as to their findings, in the event of a dispute between them (the relevant questions having been filed and responded to in writing prior to the hearing – the scope of the cross-examination being issues that remain in dispute); depositions are taken from the parties and the witnesses listed are heard. It is important to note that this second hearing occurs only in cases where there is a need for evidence to be produced.

A final decision on a civil infringement action may take between one and two years at first instance. This time frame will vary in accordance with the state and court in which the lawsuit is filed.

## 20 Burden of proof

### What is the burden of proof to establish infringement or dilution?

The burden of proof system is ruled by the Civil Procedure Code, which apportions the burden of proof equally between the disputing parties.

The plaintiff bears the burden of proving the facts it claims support its right. The defendant has the burden of proving facts that impede, modify or terminate the plaintiff's right. If the defendant merely denies the fact on which the plaintiff's plea is based, the burden of proof remains on the plaintiff.

In general, in infringement actions, the plaintiff has to prove the offence against its trademark rights and the defendant has to demonstrate that no offence was committed.

As of 2003, the Superior Court of Justice has consolidated the view that proof of the violation of a trademark right is sufficient in itself to give rise to a right to damages independently of any evidence of harm caused to the injured party.

In relation to the quantum of damages, the BIPL applies a triple criteria calculation, as follows:

- the benefits that would have been gained by the injured party if the violation had not occurred;

- the benefits gained by the author of the violation of the rights; or
- the remuneration that the author of the violation would have paid to the proprietor of the violated rights for a licence that would have legally permitted him or her to make use of the protected rights.

## 21 Standing

### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

The trademark owner is entitled to have recourse to the courts in the event of trademark infringement. Licensees and distributors may also file suit in response to an alleged trademark violation, provided they have been invested by the trademark owner with full powers to act in defence of the mark.

The same conditions apply to criminal complaints.

## 22 Foreign activities

### Can activities that take place outside the country of registration support a charge of infringement or dilution?

Activities that take place outside the country, without producing direct effects in the country, may be cited in an infringement action as additional arguments.

When the said activities have a direct effect in Brazil, they may serve as the basis for an infringement action. In this regard, the BIPL establishes, for example, that it is a crime, carrying a penalty of imprisonment for a period of one to three years, or a fine, to import: products branded with the illicitly, wholly or partially, reproduced or imitated mark of a third party; or of a product from the infringer's industry or commerce, held in a vessel, container or package bearing the legitimate mark of a third party. Border enforcement mechanisms are also an example. See question 18.

## 23 Discovery

### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

As mentioned in question 19, the discovery procedure, as conceived in common law systems as a pretrial phase in a lawsuit, is not applicable in Brazil.

To obtain evidence in legal proceedings, the parties can request directions, *inter alia*, for the following: personal deposition by a party; exhibition of documents or other material; witness testimony; expert evidence; documentary evidence; and court inspection.

In addition, as stated in question 19, the Code of Civil Procedure also permits an application for early production of evidence.

## 24 Timing

### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

A final decision on a civil infringement action may take between one and two years at first instance. A final decision on second instance may take up to two years. These time frames will vary according to the complexity of the case and the state and court in which the lawsuit is filed. Preliminary injunctions may be granted immediately, provided the legal requirements are met.

## 25 Litigation costs

### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

The attorneys' fees associated with a civil trademark infringement action may vary according to the complexity of each case and according to the professional rates charged by the assigned counsel.

Court fees are fixed proportionally to the amount in issue estimated by the plaintiff.

Usually, the legal fees for filing an infringement action, for filing an appeal against the final decision at first instance and for filing an



### Update and trends

The Brazilian Congress has been discussing the possible accession of Brazil to the Madrid Protocol. In early August 2018, the House of Representatives held a public hearing about the subject in the presence of the Brazilian PTO's President, Luiz Otávio Pimentel. According to him, the PTO has been working since 2017 to prepare its staff for the implementation of the Protocol. The proposal for Brazil's accession to the Madrid Protocol is being processed on an urgent basis, and, after being analysed by the House of Representatives it will be discussed in the Senate.

The PTO has been progressively reducing its backlog. With respect to trademarks, from January to April of 2018, the PTO issued 110,336 decisions, which is 88 per cent more than the number of decisions issued during the same period in the previous year. This number of decisions represents 73.8 per cent more than the number of trademark applications filed during such period. Hence, the PTO now estimates that it takes approximately 20 months to analyse a trademark application without opposition and 25 months to analyse a trademark application with opposition.

appeal to the Superior Court of Justice against a final decision at second instance are charged on a fixed-fee basis.

Some attorneys, however, charge for such proceedings and for trial preparation and advocacy on an hourly rate rather than a fixed-fee basis.

Additionally, many attorneys charge a success fee, which may also be payable if the disputing parties reach a settlement.

## 26 Appeals

### What avenues of appeal are available?

The Brazilian Civil Procedure Code sets out various avenues of appeal, to which parties in trademark infringement proceedings may resort. There are both appeals on the merits (substantive issue) of a case and appeals on procedural grounds or relating to questions other than the substantive issue.

The possible forms of appeal include motions based on conflicting case law, motions for clarification of the ruling and appeals based on internal court rules.

The final decision of the first instance court, for example, may be challenged on appeal before the state court of appeal by means of an *apelação*. From the appeal court, a further appeal is possible on issues pertaining to federal law, to the Superior Court of Justice or, in the event of a constitutional issue arising, to the Federal Supreme Court.

## 27 Defences

### What defences are available to a charge of infringement or dilution, or any related action?

In a civil infringement action, the defendant in its reply may assert facts that impede, modify or terminate plaintiff's right or simply present a general denial. In addition to its reply, the defendant may also file a counterclaim against the plaintiff, if the legal prerequisites are duly met.

One commonly used argument asserted by defendants is that there is a lack of confusing similarity between the confronting signs.

The right of prior use mentioned in question 3 may also be asserted in the defendant's reply.

In relation to criminal actions, an allegation of nullity of the registration on which the action is based may be relied upon as a defence. Acquittal of the defendant, however, will not automatically lead to nullity of the registration, which can only be requested in an action before the competent courts.

## 28 Remedies

### What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?

As per question 18, the civil remedies include an order for the immediate cessation of the infringing act (the plaintiff may request the imposition of a daily penalty for failure to comply with a preliminary injunction or with a first instance decision) and compensation for the unauthorised use of the trademark.

In a lawsuit filed seeking cessation of the infringing act and an award of damages, the judge may grant an *ex parte* preliminary injunction in order to avoid irreparable loss or harm that would be difficult to repair. The court may, in such circumstances, require a petitioner to post a bond or a fiduciary guarantee. In addition, in cases of blatant reproduction or imitation of a registered mark, the judge may order the seizure of all the merchandise, products, objects, packages, labels and other materials that bear the counterfeit or imitated mark.

As for the quantum of damages, the BIPL applies a triple criteria calculation, as follows: the benefits that would have been gained by the injured party if the violation had not occurred; the benefits gained by the author of the violation of the rights; or the remuneration that the author of the violation would have paid to the proprietor of the violated rights for a licence that would have legally permitted him or her to make use of the protected rights.

Criminal remedies include: preliminary criminal search and seizure measures, imprisonment of the infringer and fines.

In criminal proceedings, the trademark owner may request, in addition to preliminary criminal search and seizure measures, the seizure of a falsified, altered or imitated mark at its place of preparation or where it is found, prior to its unlawful use; or destruction of a counterfeit mark on packets or products that contain it, before they are distributed, even if the packages or even the products themselves have been discarded. Further, the BIPL establishes that anyone who: reproduces a registered mark wholly or in part, without the authorisation of the registrant, or imitates it in a manner that may induce confusion; or alters the registered mark of a third party already applied to a product placed on the market, is subject to imprisonment for a period of three months to one year, or a fine. The same penalty applies to anyone caught importing, exporting, selling, offering or exhibiting for sale, hiding or maintaining in stock: a product branded with an illicitly, wholly or partially reproduced or imitated mark of a third party; or a product from the accused's industry or commerce, held in a vessel, container or package carrying a legitimate mark of a third party.

## 29 ADR

### Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?

The BIPL does not have any provision related to ADR. Arbitration proceedings are governed by the Arbitration Law (Law No. 9,307 of 23 September 1996). Although arbitration is not commonly used in trademark infringement cases, the parties may agree to arbitration instead of resorting to the courts. Among the possible benefits of using arbitration are the comparative speed of proceedings and their confidentiality. However, in the event of a party needing, for example, injunctive relief for the immediate cessation of use of a confusingly similar mark and, by consequence, the immediate cessation of the sale of products identified by said mark, arbitration would not be an advisable way of proceeding.

## 30 Famous foreign trademarks

### Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?

No. If not registered and in use in Brazil, a famous foreign trademark is not afforded special protection in all branches of activity, as foreseen in article 125 of the BIPL. On the other hand, in accordance with article 6-bis (1) of the Paris Convention, well-known trademarks in their field of activity are given special protection, independently of whether they have been previously filed or registered in Brazil. Registration certificates in other jurisdictions and advertising materials are normally sufficient to prove to the BPTO the well-known status of a foreign mark. The BPTO has powers to reject *ex officio* a trademark application that wholly or partially reproduces or imitates a well-known trademark. Further, in the event of the owner of a well-known trademark filing an opposition or an administrative nullity action based on its well-known trademark, it has a period of 60 days commencing with the filing of the opposition or administrative nullity action, in which to file an application for the registration in Brazil of its well-known mark.

The BIPL also establishes that signs that imitate or reproduce, wholly or in part, a third-party mark of which the applicant could not

be unaware, due to the commercial activity in which he or she engages, are not registrable as trademarks, if the sign is intended to distinguish a product or service that is identical, similar or akin to that covered by the existing mark, and is likely to cause confusion or association with such third-party mark. As a consequence, the BIPL enables the owner of a trademark that has not yet been filed or registered in Brazil to challenge third parties who attempt to register similar or identical trademarks. In this case, it is not necessary for the third-party mark to be well-known in its field of activity in order to claim this special condition. Similarly to the situation mentioned in the above paragraph, the owner of the trademark has a 60-day term in which to file the application in Brazil commencing with the date of filing of the opposition or administrative nullity action.

# BHERING

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# Cape Verde

Patrícia Rodrigues

RCF – Protecting Innovation SA

## 1 Ownership of marks

### Who may apply?

Any person (individual, firm, or body corporate) with a legitimate interest may apply for the registration of a mark.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

The law defines a trademark as any visible sign used to distinguish the products or services of one person from the products or services of another person.

The following may be a mark: surname, geographical name, ‘fancy’ word or words, monograms, emblems, figures, digits, labels, combinations of colours, drawings, photographs, stamps and in general, all material visible signs.

Colours are registrable as a mark only when they are combined together or with graphics, wording or other elements in a particular and distinctive manner.

Collective marks may be registered in the form of association marks. An association mark is considered as a specific sign belonging to an association of natural or legal persons, the members of which use or intend to use the sign for products or services.

A certification mark is considered as a specific sign belonging to a corporate body that controls the products or services for which the sign is to be used or establishes the regulations the products or services for which the sign is used must comply with.

The registration of a collective mark may be applied for and obtained by:

- corporate bodies to which a guarantee or certification mark has been legally granted or attributed and that may apply it to specific and determined qualities of the products or services; and
- corporate bodies that supervise control or certify economic activities, to distinguish the products or services of their activities or as originating from certain regions, in accordance with their purposes and the respective statutes or by-laws.

## 3 Common law trademarks

### Can trademark rights be established without registration?

A provisional protection is given to the trademark application. The total protection is given as from the grant of the trademark registration. Thus the trademark rights are not established without registration.

Only registration confers proprietary rights. The effect of registration therefore is attributive of ownership.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

It is not possible to foresee the time frame, since publication in the Official Bulletin takes a long time. The official fees for the publication of a trademark application amount to 6,500 Cape Verdean escudos and the official fees for the issuance of the Certificate of Registration amount to 2,500 Cape Verdean escudos plus 7,000 Cape Verdean escudos for each class designated by the trademark.

The requirements for filing a trademark application in Cape Verde are as follows:

- applicant’s full name, nationality, occupation, address or place of business;
- list of products or services; and
- power of attorney signed by the applicant and legalised with a Hague Convention apostille.

## 5 Classification system

### What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?

The applicable classification is the 11th edition of the International Classification of Goods and Services under the Nice Agreement.

Multi-class applications are available.

## 6 Examination procedure

### What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?

Examination is conducted only with compliance with the formal requirements. There is no examination as to prior third-party rights.

It is possible to file an appeal against the decision of the Cape Verde Patent and Trade Mark Office (PTMO). Article 161 of the Cape Verde IP Law foresees the filing of letters of consent in order to overcome an objection based on a third-party mark.

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

The registered trademarks must be used.

The registration of a mark may be cancelled if the mark is not used and there are no legitimate reasons for the non-use. If a registered mark has not been used without legitimate reason for five consecutive years, the registration of the same may be declared forfeited.

Every five years from the granting date it is necessary to file a declaration of intent to use. Those marks for which the declaration of intent to use has not been filed may not be invoked against third parties and forfeiture thereof shall be declared by the Institute of Industrial Property upon request of any interested party or whenever there is damage to third-party rights when granting other registrations.

If cancellation of the registration has not been requested or declared, the same shall be deemed again in full force provided that the owner thereof files the declaration of intent to use and produces evidence of use of the mark.

## 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

There is a judicial appeal from the decisions of the Cape Verde PTMO determining the refusal of a trademark. The deadline for filing such an appeal is two months from the publication of the decision in the Industrial Property Official Bulletin.

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

Within two months after the publication (term extendable for one month), any third party considering itself prejudiced by the possible grant of the registration may file an opposition. The applicant may file a counter-statement within two months (term also extendable for one month).

The opposition or the cancellation of a trademark can be requested in the following circumstances:

- marks containing false indications or being apt to deceive the public with regard to the nature, characteristics, or utility of the products or services for which the mark is to be used;
- marks containing false indications as to the geographical, manufacturing plant, workshop, or business origin of the goods or services concerned;
- insignia, flags, coats of arms or official seals adopted by the state, an international organisation or any other public body whether national or foreign, without the consent of the competent authorities;
- firm names, business names, or insignia not owned by the applicant for registration or the use of which by the applicant is not authorised;
- marks being an entire or partial reproduction or imitation of a mark previously registered in the name of another party for the same or similar goods or services, if this may lead to confusion or error in the market;
- expressions and designs that are contrary to good morals, law or public policy; and
- the name or portrait of a person without such person's consent.

A brand owner that does not yet have its trademark protected in Cape Verde cannot oppose a bad-faith application.

Costs associated with a third-party opposition or cancellation proceeding are given upon request.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

The duration of registration of a trademark is 10 years from the granting date and is indefinitely renewable for further 10-year periods.

The registration of a mark may be cancelled if the mark is not used and there are no legitimate excuses for the non-use. If a registered mark has not been used without legitimate reason for five consecutive years, the registration of the same may be declared forfeited.

The evidence of use can be, for example, original or certified copies of invoices proving the use of the products featuring said trademarks in Cape Verde, booklets and pamphlets distributed in this country or local publicity.

## 11 The benefits of registration

**What are the benefits of registration?**

Only registration confers exclusive rights to a mark.

Only registration confers proprietary rights. The effect of registration, therefore, is attributive of ownership.

The following acts performed without the consent of the owner of a registered mark are deemed infringement:

- use in the course of trade in Cape Verde of any sign that is identical or confusingly similar to the registered mark for goods or services being identical or similar to those for which the mark is registered; and
- use in the course of trade in Cape Verde of any sign that, due to the identity or similarity of that sign and the mark or the affinity between the goods or services, creates in the consumer's mind a risk of confusion, including the risk of association of the sign with the mark.

The following acts performed by a person with the intention to cause damages or to obtain illegal benefits shall be deemed a criminal offence punishable with imprisonment of up to three years or a fine:

- entirely or partially counterfeiting or in any way reproducing a registered mark without the consent of its owner;
- imitating a registered mark, either entirely or in any of its characteristic elements;
- using counterfeit or imitated marks;
- using, infringing or imitating a well-known mark or a highly renowned mark whose registration has been applied for in Cape Verde;
- displaying on his or her products a registered mark belonging to another party; and
- using one's own registered mark on products belonging to other parties in such a way as to deceive the customer with regard to the origin of the products.

Further, any person who sells, offers for sale or brings into the trade goods with a mark that is counterfeit, imitated or used under the circumstances as mentioned here while being aware thereof, commits a criminal offence punishable by imprisonment of up to one year or a fine.

A person who, with the intention to prepare to commit any acts as mentioned above, manufactures, imports, obtains or keeps for him or herself or another party signs constituting registered marks commits a criminal offence punishable by imprisonment of up to one year or a fine.

## 12 Licences

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

The holder of a registration may invoke the rights conferred by registration against the licensee who infringes any provision of the licence



agreement, in particular with regard to its validity, the identity of a trademark, the nature of the products or services for which the licence is granted, the area or territory covered by the same, and the quality of the manufactured products or services provided by the licensee.

The recordal of the licence is required in order to be valid.

### 13 Assignment

#### What can be assigned?

A registered mark may be assigned with or without the goodwill of the business. An assignment is to be registered in order to be effective as against third parties.

The requirements for registration of an assignment are as follows:

- deed of assignment in Portuguese, signed by the assignor and the assignee, legalised with a Hague Convention apostille; and
- power of attorney in Portuguese, signed by the assignee, legalised with a Hague Convention apostille.

### 14 Assignment documentation

#### What documents are required for assignment and what form must they take?

The requirements for registration of an assignment are the following:

- deed of assignment in Portuguese, signed by the assignor and the assignee, legalised with a Hague Convention apostille; and
- power of attorney in Portuguese, signed by the assignee, legalised with a Hague Convention apostille.

### 15 Validity of assignment

#### Must the assignment be recorded for purposes of its validity?

The recordal of the assignment is required in order to be valid.

### 16 Security interests

#### Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?

The IP Code of Cape Verde does not establish the procedures of the recordal of the security interests. However, the PTMO recognises them and they must be legalised by a Cape Verde consulate. They must be recorded for purposes of validity in Cape Verde.

### 17 Markings

#### What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?

Marking is not compulsory. As long as the registration of a mark is in force, the owner thereof may use on the goods distinguished by the mark the words 'Marca Registada', the letters MR, or the symbol ®. False marking may be punished by a fine.

### 18 Trademark enforcement proceedings

#### What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?

The owner of a trademark can ask for enforcement of the rights of its trademark against an alleged infringer. There are no specialised courts for this matter, and the criminal law of Cape Verde does not establish the trademark enforcement proceedings. However, the same rules of enforcement as for other kinds of rights are applicable.

### 19 Procedural format and timing

#### What is the format of the infringement proceeding?

Only registration confers exclusive rights to a mark.

The following acts done without the consent of the owner of a registered mark are deemed infringement:

- use in the course of trade in Cape Verde of any sign that is identical or confusingly similar to the registered mark for goods or services being identical or similar to those for which the mark is registered; and
- use in the course of trade in Cape Verde of any sign that, due to the identity or similarity of that sign and the mark or the affinity between the goods or services, creates in the consumer's mind a risk of confusion, including the risk of association of the sign with the mark.

The exclusive right to a mark does not include the right for the owner to prevent a third party from using in the course of trade his or her own name or address, or any indication concerning the kind, quality, quantity, intended purpose, value, geographical origin, time of production of the goods or of rendering of the services, or any other characteristics of goods or services, or even the mark itself if this is necessary to indicate the intended purpose of a product or service, in particular as an accessory or spare part, provided that in any such case such use is in accordance with honest practices and good customs in industrial and commercial matters.

Not considered as infringement is the use of a protected mark for goods that have been brought into trade under the mark by the owner or with his or her consent in Cape Verde, unless there are legitimate grounds that justify that the owner of the mark opposes the further commercialisation of the goods, in particular if the condition of the goods has been altered or deteriorated after they were brought into trade.

Only registration confers proprietary rights. The effect of registration, therefore, is attributive of ownership.

The law provides for the seizure by the customs authorities during importation or exportation of products and goods directly or indirectly bearing trademarks or names illegally used or applied, or bearing false indications or appellations of origin.

The following acts done by a person with the intention to cause damages or to obtain illegal benefits shall be deemed a criminal offence punishable with imprisonment of up to three years or a fine:

- entirely or partially counterfeiting or in any way reproducing a registered mark without the consent of its owner;
- imitating a registered mark, either entirely or in any of its characteristic elements;
- using counterfeit or imitated marks;
- using, infringing or imitating a well-known mark or a highly renowned mark whose registration has been applied for in Cape Verde;
- displaying on his or her products a registered mark belonging to another party; and
- using his or her own registered mark on products belonging to other parties in such way as to deceive the customer with regard to the origin of the products.

Further, any person who sells, offers for sale or brings into trade goods with a mark that is counterfeit, imitated or used under the circumstances as mentioned here while being aware thereof, commits a criminal offence punishable with imprisonment of up to one year or a fine.

A person who, with the intention to prepare to commit any acts as mentioned above, manufactures, imports, obtains or keeps for him or herself or another party signs constituting registered marks commits a criminal offence punishable with imprisonment of up to one year or a fine.

The law provides for the seizure by the customs authorities during importation or exportation of products and goods directly or indirectly bearing trademarks or names illegally used or applied, or bearing false indications or appellations of origin.

### 20 Burden of proof

#### What is the burden of proof to establish infringement or dilution?

The burden of proof lies with the plaintiff, who has the burden of proving that its mark has been infringed.

**21 Standing**

**Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?**

Both the trademark owner and the licensee may seek remedies. The trademark owner must have the mark registered before the Trademarks Office in Cape Verde and the licensee can only intervene if the registered user agreement (licence to use) is recorded before the office.

**22 Foreign activities**

**Can activities that take place outside the country of registration support a charge of infringement or dilution?**

Only activities that take place in the Cape Verde territory may be taken into account. However, this is not applicable to goods made outside the country from the moment that they are imported into Cape Verde.

**23 Discovery**

**What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?**

Adverse or third parties (including state entities) may be required to submit documents or exhibit goods. If they resist, a court order may be sought.

**24 Timing**

**What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?**

Unfortunately there is no typical time frame for infringement or dilution actions. They are lengthy and can last for years.

**25 Litigation costs**

**What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?**

There is no published schedule of official fees of infringement or dilution action in Cape Verde.

**26 Appeals**

**What avenues of appeal are available?**

An appeal against a decision of grant or refusal may be lodged with the competent court or arbitral court within two months from the date of publication of the decision in the Industrial Property Bulletin. An appeal may be lodged by the applicant in the case of refusal by the opposing party in the case of rejection of opposition, or by any interested party in the case of a grant.

**27 Defences**

**What defences are available to a charge of infringement or dilution, or any related action?**

The defendant or alleged infringer has the legal right to participate in the proceeding by responding to the complaint and submitting evidence.

**28 Remedies**

**What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?**

The IP Law contains provisions regarding the penalties imposed on an infringer but is silent regarding the apportionment of monetary relief. Injunctive relief is available permanently if there is an immediate danger to the complainant.

**29 ADR**

**Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?**

The IP Code establishes that the parties can choose arbitration to resolve all IP conflicts. However, the code does not give details of the procedure to be followed in the arbitration proceedings.

**30 Famous foreign trademarks**

**Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

The owner of a mark that is well known in Cape Verde, even if it is not registered, may oppose the registration of an identical or similar mark for the same or similar goods or services, provided that he or she applies for registration of the mark. Marks having a reputation in Cape Verde are further protected in that the owners of such marks may oppose the registration of an identical or similar mark, even if registration is applied for in respect of different goods or services, if use of the mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the renowned mark.

The evidence required includes market studies that reveal the reputation of the mark to the relevant public, costs with marketing companies, sales volume, and other factors relevant to the reputation of the mark.



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# France

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## 1 Ownership of marks

### Who may apply?

Both natural and legal persons may apply for a trademark in France as well as for an EU trademark, irrespective of whether they reside or have offices or premises in France. An international trademark may designate France, the EU or both. Apart from the initial filing, the international trademark under the Madrid System will be subject to the legislation of each designated territory for the corresponding part.

The application may be filed by the applicant him or herself or by his or her representative providing his or her representative resides in or has offices or premises in France, in a member state of the European Union or in a state party to the Agreement on the European Economic Area (EEA). The applicant can choose as his or her representative a lawyer (Bar member), a trademark attorney, a person specifically listed as being able to represent the applicant before the French Trademark and Patent Office (the INPI), a professional practising in another EU member state or in an EEA state and qualified to represent an applicant before the INPI, or a company established in the EEA that is contractually bound to the company applying.

Under certain circumstances, it can be mandatory to apply through a representative, namely when there are several applicants or when the applicant does not reside in France, the European Union or the EEA.

If the applicant is not a citizen of or is not incorporated in a state party to the World Intellectual Property Organization, the applicant must provide proof that the state he or she is from does provide protection for French trademarks.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

As a matter of principle, in French, EU and international law, a trademark is a sign capable of distinguishing the goods or services of one undertaking from those of other undertakings and that can be represented so that third parties are aware of trademark rights. Then, the sign must be available. Article L711-3 of the Intellectual Property Code (IPC) states it is not possible to register trademarks that would be deemed descriptive or misleading in regard to the goods and services they are supposed to designate. It is also not allowed to register a trademark that is contrary to public policy, morality or whose use is forbidden by law. Also, it cannot already be used by someone else as a trademark for identical or similar goods and services. When it comes to EU trademarks, overall the requirements are the same: they have to be capable of being represented, be distinctive and available (articles 4, 7 and 8 of Regulation No. 2017/1001 of the European Parliament and the Council of 14 June 2017 on the European Union Trademark (the Regulation)). As from 1 October 2017, the duty of a graphic representation is no longer mandatory. Signs may have any appropriate technical representation. However, the signs must be clear, precise, easily accessible, intelligible, durable and objective. This could make the registration of an olfactory or gustatory trademark easier. Indeed, the Court of Justice of the European Union did not exclude these trademarks, but considered that the requirement of the graphic representation was not fulfilled by a chemical composition, a description or a sample (CJEU, 12 December 2002, C-273/00, *Sieckmann*).

Article L711-1 IPC contains a non-exhaustive list of what kind of sign it is possible to register as a trademark: words, combination of words, surnames and geographical names, pseudonyms, letters, numerals and abbreviations. It is also possible to register sounds and musical phrases as well as figurative signs (drawings, labels, seals, selvages, reliefs, holograms, logos, synthesised images, shapes, shapes of a product or its packaging, the identifier of a service, the arrangements, combinations or shades of colour etc).

For instance, the Paris Court of First Instance admitted the protection of a trademark consisting of the Louboutin red sole. Indeed, it stated that the requirement of a graphic representation was fulfilled, thanks to a description that did not leave any room for interpretation (TGI Paris, 3rd Chamber, 16 March 2017, RG 2015/11131). The French Court of Appeal confirmed this decision on 15 May 2018 (Court of Appeal of Paris, Pôle 5 - chamber 1, 15 May 2018, No. 17/07124). This protection has also been confirmed by the CJEU, which stated that 'Article 3(1)(e)(iii) of Directive 2008/95 must be interpreted as meaning that a sign consisting of a colour applied to the sole of a high-heeled shoe, such as that at issue in the main proceedings, does not consist exclusively of a "shape", within the meaning of that provision' (CJEU, 12 June 2018, C-163/16, *Christian Louboutin*).

Finally, one cannot register a name that is already used as a protected geographical indication.

It must be emphasised that a French trademark will have effect only in France, as opposed to the EU trademark, which is enforceable in each and every country of the EU (unitary effect, article 1 of the Regulation).

## 3 Common law trademarks

### Can trademark rights be established without registration?

No. There is no equivalent to common law trademarks in France. However, a sign that would not be distinctive per se in regard of certain goods and services can become distinctive through use prior to the application. An applicant can claim such use to demonstrate the distinctiveness of his or her trademark in later proceedings. For instance, the trademark 'vente-privée.com', which can be translated as 'private-sales.com' or 'exclusive-outlet.com', recently acquired distinctiveness through proof of intense use. The French Supreme Court stated that a significant proportion of the public could identify the products and services as those of 'vente-privée.com' (Cass com, 6 December 2016, No. 15-19.048).

The General Court ruled that distinctiveness has to be proved throughout the entire EU and not in a substantive part of it (EUT, 15 December 2016, T-122-13).

An EU trademark can only be obtained through registration (article 6 of the Regulation).

In addition, under French intellectual property law, rights on a trade name used to designate a business are acquired through use without the need to be registered in accordance with article 8 of the Paris Convention. The Paris Convention in article 6-bis also provides that famous trademarks should be protected without need of registration.

#### 4 Registration time frame and cost

**How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?**

The cost of an application to the INPI for up to three classes of goods or services is €250 for a paper-based application and €210 for an internet-based application. There is an additional cost of €42 per class if the applicant chooses to apply for more than three classes. Payment is due upon filing. Professional fees are added to these fees. The INPI takes between two and six months on average to grant a trademark if no opposition proceedings are filed.

If the applicant is represented by anyone other than a lawyer or a trademark attorney, the application file must provide the INPI with the documentation establishing power of attorney.

Depending on the countries that an undertaking wishes to cover, it can be more expensive to apply for an EU trademark: the minimum fee online for one class amounts to €850, the second class costs €50, and starting at three classes and beyond, each additional class costs €150. The paper-based application is more expensive for the starting fee – €1,000 – but the cost of the additional classes is the same. The European Union Intellectual Property Office (EUIPO) takes about three months to grant a trademark, provided no opposition proceedings are filed.

An applicant can file for an international trademark with the INPI and the EUIPO: one can either take advantage of an early application (six months) and ask for an extension, or directly apply for an international trademark designating either France or the EU. It costs 897 Swiss francs to designate the EU in an international application for one class, with an additional 55 Swiss francs for the second class, and 164 Swiss francs for each additional class, starting at the third one. If the applicant chooses to designate France, the fees are different: a base fee of 653 Swiss francs for a trademark in black and white, or 903 Swiss francs for a trademark in colour (each time up to three classes) plus an additional 100 Swiss francs per country. There are additional costs if the applicant selects more than three classes.

An opposition proceeding on the trademark application, either in front of the INPI or the EUIPO, would increase the time before final registration. It would also increase the cost for registration, as extra professional fees would be required.

#### 5 Classification system

**What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?**

The classification used for French, EU and international trademarks is the Nice Classification, which is the International Classification System. It is possible to apply for multiple classes at once, and as previously explained, it is more cost-effective to apply for several classes at once: the minimum fee ranges from €210 to €250, with an additional fee of €42 per class starting at the fourth class targeted in the application.

The EUIPO and the Madrid System also use the Nice classification, and multi-class applications are available. In regard to the costs, see question 4. The designated goods must be specific enough for third parties to understand the scope of protection as ruled by the European Court of Justice in the *IP Translator* case (Case No. C-307/10).

#### 6 Examination procedure

**What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?**

Once the INPI has received the application file, it determines a date, place and application number. This information is transmitted to the

applicant through a receipt. If the application file is missing certain elements, such as the identification of the applicant, the trademark sign or the designation of the classes, the applicant will be asked to fill in the missing data. Should he or she not do so within the time limit granted by the INPI, the trademark application will be automatically rejected. The final date of filing will be the date when all the information is filled in.

Once the application is in full compliance with the INPI's requirements, it will be published in the national bulletin. Publication happens within six weeks of the reception of the application.

The INPI will then make sure that the sign complies with the graphic representation and distinctiveness requirements, and that it does not fall with the prohibitions of article L711-3 IPC. If the examiner deems the application does not meet the standards for the grant, he or she will notify the applicant of his or her observations and the applicant will be given some time to modify his or her application. Such notice can be sent with a proposal of modification from the INPI. The proposal will be considered accepted by the applicant if he or she does not oppose it within the time limit given in the notice.

The INPI does not search for previous potentially conflicting trademarks. Therefore, letters of consent are not needed to overcome an objection based on a third-party trademark.

It is possible to modify or withdraw the application until the INPI starts to make the technical arrangements for registration. Such requests must be in writing.

The withdrawal can be for all or part of the goods and services targeted in the application. The declaration of withdrawal must specify whether rights have been assigned, and if that is the case, the beneficiary of the assignment must also file a declaration of consent to the withdrawal.

In the event that several applicants have filed the application, all of them must express consent to the withdrawal.

Before the European Trademark Office, the procedure is quite similar: the first step is a verification of the formal compliance of the application with the Regulation, then the list of goods and services is sent to the Translation Centre in Luxembourg. If it has been asked for, a research report can be drafted about potentially conflicting trademarks; such request can also cover national marks, in which case it is transmitted to the required national trademark office. All reports are then sent to the applicant before the office looks for absolute grounds of refusal.

As the research report on the potentially conflicting trademarks is not mandatory, and even if the report has been drafted, the EUIPO cannot issue an objection based on a third-party trademark. Therefore, letters of consent are not used before the EUIPO.

Afterwards, the application is published in the European Bulletin. The third part is the opposition, which can be filed within three months of publication.

It is possible to appeal the aforementioned decisions.

#### 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

It is not necessary to claim use of a trademark or service mark before registration is granted or issued. However, it might be necessary in the event that the chosen sign cannot be considered distinctive *per se* in regard to the goods and services targeted: proof of use will then enable the applicant to prove that the sign has acquired distinctiveness with regard to the specific goods and services. This also applies to EU trademarks.

As a contracting state to the Paris Convention for Protection of Industrial Property, France does implement article 4 of the convention and grants a right of priority to any trademark registered abroad within the previous six months. In order to claim priority, the applicant must have a valid application with regard to the legal requirements abroad, irrespective of the final outcome of the procedure. Priority must be claimed at the time the application in France is made, and the application must provide the INPI with the necessary documentation establishing the prior application. This also applies to EU trademarks.



Unless otherwise provided in an international agreement, article L712-12 IPC provides there must be reciprocity with respect to protection of French trademarks.

For both French and EU trademarks registration lasts 10 years, and can be renewed for 10 years as long as the owner so wishes. However, the mark must be genuinely used, otherwise, after five years, a third party can sue for revocation of the mark. It is very important to keep proof of use (marketing materials, brochures etc) considering that the burden of proof rests on the owner.

## 8 Appealing a denied application

### Is there an appeal process if the application is denied?

It is possible to appeal the decision of the INPI if the Director of the INPI decides not to grant the rights. However, the appeal will take place directly at the court of appeals level; there is no 'administrative' appeal available.

Appeal is also available for EU trademarks, except it will occur within the European Trademark Office before the Board of Appeal (administrative appeal). The parties have the possibility to appeal this decision as well, and bring the case in front of the General Court (judicial appeal).

## 9 Third-party opposition

### Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?

Applications are published, and third parties may file their oppositions within two months of the publication (article L712-3 IPC). There is no possible extension of this deadline. Opposition proceedings are available (article L712-4 IPC) to owners of a trademark that has been registered or applied for earlier on, the owner of a well-known trademark, the owner of a trademark that has an earlier priority date, an exclusive licensee, the Director of the Agency in charge of the Indications of Origins, and geographical indication and territorial collectives.

As of May 2016, all oppositions must be filed online on the INPI's website. The opposition is notified without delay to the applicant. He or she has at least two months to present his or her counter-observations. If the applicant fails to do so, the INPI will make a decision on the matter at hand. In the case of proper compliance by the applicant, the INPI shall issue the draft of a decision, which will be communicated to both parties, who will both have the opportunity to present their observations. If the draft is not contested, it will be adopted as a decision. During opposition proceedings, the applicant may request evidence of use of the prior trademark if it has been registered for more than five years.

The INPI fee for filing an opposition is €325. The opposition may be filed by the rights holder or by appointed counsel.

Once the trademark has been registered, it is no longer possible to file an opposition. It is, however, possible to file a lawsuit seeking the cancellation of a mark. Such action is available to the same persons as the opposition, along with the proprietors of a copyright, design rights, personality rights, a domain name, or a trade name, the beneficiary of a geographical indication and the like.

If the trademark has been granted based on a fraudulent application, the rightful owner may bring an ownership claim within five years of the publication of the grant.

Opposition proceedings are also available against EU trademark applications and they must be filed within three months of the publication of the application. The opposition fee is €320. After the opposition is declared admissible, there is a cooling-off period during which the parties are given the opportunity to terminate the proceedings. Afterwards, the parties are each given two months to communicate their arguments on the case; there can be several exchanges of briefs. Then the EUIPO will make a decision about the opposition.

As with French trademarks, it is not possible to engage in opposition proceedings once the EU trademark has been registered. However,

it is possible to seek revocation of the mark before a national court: it is very important to keep in mind the unitary effect that is associated with the EU trademark. Once revoked by a court, the trademark is 'lost for good' in every EU member state, unless there is a conversion regarding territories not affected by the prior rights.

The EUIPO mentions on its website that if the opposition succeeds, the applicant must pay the other party's costs (roughly €650). If it fails, the opponent will have to bear the costs (roughly €300). In case of only partial loss, the costs will be shared. There are no such provisions regarding French trademarks.

## 10 Duration and maintenance of registration

### How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?

A trademark is registered for an initial term of 10 years, starting on the day of filing. It can be renewed for additional 10-year terms indefinitely. If the owner stops renewing its rights, the owner will lose them.

There is no required proof of use in order to obtain the renewal, only the payment of a fee. However, if the mark has not been genuinely used for an uninterrupted period of five years, a third party may seek the revocation of the trademark.

The same applies to EU trademarks and international trademarks under the Madrid System.

## 11 The benefits of registration

### What are the benefits of registration?

There are no common law trademarks in France. It is necessary to register to obtain trademark rights on a specific sign. Rights holders may directly enforce their rights before the courts, at the INPI in opposition proceedings or in proceedings involving Customs.

## 12 Licences

### May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?

It is possible to license trademark rights and to record them. Recordal of licence agreements makes them available to the public. The licence can cover all or part of the goods and services covered by the registration. Only an exclusive licensee can bring a suit for infringement, if the contract provides for this and if the licensee has sent in vain a cease-and-desist letter to the licensor to act.

Nonetheless, a licensee – exclusive or non-exclusive – can intervene in infringement proceedings to obtain compensation for the damage resulting from the infringement.

## 13 Assignment

### What can be assigned?

A trademark owner can assign all or part of his or her rights to an assignee. An assignment can cover all or part of the goods and services covered in the registration, but it cannot be limited in terms of territory (article L714-1 IPC). It is not necessary to assign any other business assets for the transaction to be valid, but from a tax point of view, a trademark assignment may be deemed an assignment of business. In order for the assignment to be enforceable against third parties, it must be registered and published in the national bulletin.

Overall, the rules are the same for EU trademarks (article 17 of the Regulation).

## 14 Assignment documentation

### What documents are required for assignment and what form must they take?

Assignments must be in writing to be valid (article L714-1 IPC and article 7 of the Regulation). They must also be published in the bulletin and registered with the national or EU register to be enforceable against third parties according to article L714-7 IPC and article 7 of the Regulation.

If the assignor wishes to limit his or her assignment to certain goods and services, the limitation must be written in the contract, otherwise it will be regarded as if all the goods and services targeted in the registration are covered by the assignment.

## 15 Validity of assignment

### Must the assignment be recorded for purposes of its validity?

The assignment does not have to be recorded to be valid *per se*, but it must be recorded and published to be enforceable against third parties. The publication on the bulletin must mention the date of effect of the assignment; otherwise it will only be enforceable against third parties starting from the date of publication. If the assignor wishes to assign his or her rights to sue for infringing acts that occurred prior to the date of assignment, it must be stated so in the contract, and this disposition must be published as well to be enforceable.

## 16 Security interests

### Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?

It is possible to take a security interest in both a French and an EU trademark. The security interest must be recorded and published in order to be enforceable against third parties (article L714-1 IPC and article 23 of the Regulation). Security interests must be in writing.

## 17 Markings

### What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?

No words or symbols need to be used to indicate trademark use or registration.

## 18 Trademark enforcement proceedings

### What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?

French Customs is active in the enforcement of trademark rights. It acts on both European (the EU regulation on the matter is Regulation No. 608/2013 of the European Parliament and the Council of 12 June 2013 concerning customs enforcement of intellectual property rights and repealing Council Regulation (EC) No. 1383/2003) and national law (Customs Code), and covers both French and EU trademarks.

The regulation does not deal with 'small packages' (fewer than two kilograms), and it is to be applied at the external borders of the EU, not at borders between member states.

Rights holders and licensees who are exclusive licensees in at least two member states and who have been officially authorised by the rights holder can submit an application to Customs asking it to monitor the goods crossing the border for potential infringements, and hold them in custody if they find any allegedly infringing goods. Customs is also free to proceed spontaneously without having received an application from the rights holder.

If such goods are found by Customs, it must hold them in custody. The declarant or holder of the goods is to be immediately informed as well as the rights holder. Following the notice, the decision holder has 10 days to inform Customs that he or she engaged in legal proceedings, otherwise Customs would have to release the goods.

The proceedings based on French law are quite similar except they can be applied to goods coming from other member states.

It is possible to sue for trademark infringement before the criminal and the civil court. There are 10 specialised courts of first instance (see article D211-6-1 of the Judicial Organisation Code) for national trademarks. Concerning EU trademarks, all cases are tried before Parisian courts. Concerning the criminal courts, there are no specialised jurisdictions. Although there are criminal provisions regarding trademarks

and intellectual property in general, criminal cases represent a minor part of the total number of cases tried each year in intellectual property in France.

## 19 Procedural format and timing

### What is the format of the infringement proceeding?

Judicial proceedings start with the filing of a complaint that has been served on the defendant. According to the Paris Bar and Paris Court agreement, there should be a total of four briefs including the complaint. The defendant is the one who responds last. There are no discovery proceedings as such, but there are specific procedures used to collect evidence.

Seizure proceedings are available to a party after a judge has issued a court order specifying the date, place of seizure and type of seizure (either a mere description or the judge can also allow the seizure of samples, devices involved in the infringing process or any documentation pertaining to the infringing activity). A bailiff conducts the seizure; he or she can be assisted by experts (in software, or a trademark and patent attorney, or a locksmith etc) who cannot, under any circumstances, dictate any part of the report at risk of seeing the entire procedure cancelled (the courts are extremely strict on this point).

The right of information (article L716-7-1 IPC) is quite a recent addition to French and European law in intellectual property matters. It enables the rights holder to obtain information about the infringement and the underlying network from the infringer, but also from people involved in the distribution and production for further developments (see question 23).

The IPC allows the rights holder to request a preliminary injunction from the judge in order to make the alleged infringing activity cease while the case goes to trial (article L716-6 IPC). However, if the rights holder chooses to execute the injunction, he or she does so at his or her own risk, meaning that he or she might have to compensate the other party for damage caused by the execution of the court order in the event that the court decides there is no infringement.

There is usually no live testimony and no experts. The court of first instance is always formed of three judges who will decide the case together. There is only one opinion, however; French decisions do not have dissenting or concurring opinions. Average civil trademark infringement proceedings may last between nine and 12 months. Urgent proceedings may last a couple of weeks or months. Criminal law proceedings may last a couple of months or years, depending on the criminal investigation performed by the Public Prosecutor or the instructing judge.

## 20 Burden of proof

### What is the burden of proof to establish infringement or dilution?

There is a general principle in French procedural law that the burden of proof rests on the claimant. Therefore, if a trademark owner or an exclusive licensee brings a lawsuit for trademark infringement, he or she must prove his or her allegations, and it will be up to the defendant to prove that his or her behaviour and acts do not infringe upon the owner's rights. Infringement of intellectual property rights is considered as a fact, which can be proven by any lawful means. In the event that a party brings a claim of revocation for absence of genuine use over the past five years, the owner of the trademark will have to bring proof of use.

In order to obtain proof of the infringement, it is customary to rely on a bailiff's report, either to record a purchase, or activities over the internet or on a seizure (for details about this procedure, see question 19).

## 21 Standing

### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

The trademark owner, the assignee and the exclusive licensee (if the contract allows it, and if the exclusive licensee sent an unsuccessful notification to the owner demanding to take action) can bring an action against an alleged trademark infringer. They also have standing to bring a criminal complaint, but this is less common: criminal proceedings are rarely used for IP rights infringement in France.

### Update and trends

French practitioners follow the implementation of the Trade Mark Package very carefully, since there may be venue changes. On the litigation side, there is a trend towards stronger rights, since the Supreme Court admitted that the statute of limitation could be applicable to cancellation counterclaims, which led to the inadmissibility of a cancellation claim after the expiry of the statute of limitations period (Supreme Court, Commercial Chamber 8 June 2017, case No. 15-21357). Likewise, the trend in electronic commerce seems to strengthen intellectual property rights. On 21 November 2017, the Paris Court of first instance held an online sales company liable for the counterfeit products on its website. The court found that because the company was acting as a publisher instead of a host, it was responsible for the products posted on its site. Publishers determine the content that is published, while hosts simply make the information available on their site (Paris Court of first instance, 21 November 2017, interim order, *Lafuma Mobilier/ Alibaba* and others).

The state can also start a criminal procedure through the Public Prosecutor – in particular after Customs-related proceedings.

## 22 Foreign activities

### Can activities that take place outside the country of registration support a charge of infringement or dilution?

Exhaustion of rights following first sales within the EU and the EEA applies to both French and EU trademarks (ECJ, 16 July 1998, C-355/96, *Silhouette*).

The territorial scope of a French trademark is France; therefore, in order to support a claim in France activities abroad must have consequences in France.

The Court of Justice of the European Union (CJEU, 6 February 2014, C-98/13, *Martin Blomqvist v Rolex SA, Manufacture des Montres Rolex SA*) decided that:

*the holder of an intellectual property right over goods sold to a person residing in the territory of a member state through an online sales website in a non-member country enjoys the protection afforded to that holder by that regulation at the time when those goods enter the territory of that member state merely by virtue of the acquisition of those goods. It is not necessary, in addition, for the goods at issue to have been the subject, prior to the sale, of an offer for sale or advertising targeting consumers of that State.*

Therefore, the mere fact of selling one item on a foreign website is considered as an offer to the public and use in the course of business, even if no right was covering the goods in the country of origin.

French courts may order injunctions applicable all over the EU to protect EU trademarks.

## 23 Discovery

### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

There is no procedure quite as extensive as discovery in French law. However, the right of information (article L716-6-1 IPC) was introduced in 2007 through the implementation of article 8 of EU Regulation 2004/48. It can be requested from the judge before the trial or during the course of the proceedings. Its overall goal is to enable the rights holder to take the full measure of the extent of the infringement both in terms of the broadness of the network (producers, distributors and all parties involved in-between) and in terms of quantity (of goods, but also the benefits made etc). The main limit to the exercise of this right is a lawful impediment (such as trade secrets) that would legitimate the refusal by the party being 'subpoenaed' to communicate certain information. French procedural law and the provisions of the Agreement on Trade-Related Aspects of Intellectual Property Rights are also grounds for requesting evidence.

## 24 Timing

### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

First-instance ordinary trademark proceedings last between nine and 12 months. They apply to infringement, dilution, invalidity or unfair competition disputes related to trademarks. Preliminary injunctions with the benefit of immediate execution, even if there is an appeal, are commonly granted to successful owners. An appeal can be lodged within the shorter of the following deadlines:

- one month from the notification of the ruling for French residents (two months for persons located in France but outside metropolitan France and three months for foreign residents); and
- two years from the date of the ruling.

Urgent proceedings may take a few days or weeks depending on the matter. The deadline for appealing against interlocutory proceedings is either two years from the ruling or 15 days from the notification of the ruling for French residents, one month and 15 days for persons located in France but outside metropolitan France and two months and 15 days for foreign residents. An appeal against the immediate execution of the first-instance ruling is also available. Appeal proceedings take between one and two years.

## 25 Litigation costs

### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

An infringement or dilution action usually generates attorney fees for requesting seizure orders, bringing an action, presenting court petitions, pleading the case and advising the client. For first-instance proceedings, these fees range between €8,000 and €30,000 or more, depending on the case. There are bailiff fees for serving the complaint (often a few hundred euros) and translation fees for translating the complaint if the defendant is not located in a French-speaking country. There may be bailiff fees for recording evidence (around €500), for performing a seizure (several thousand euros) and for executing the ruling (the cost will depend on the circumstances of each case). There may be expert fees if an expert is appointed by the court. More and more often, French courts grant a lump sum for attorney fees close to the fees justified by produced invoices. There is a study group within the Paris Court on legal fees. However, in some instances, taking into account the parties' situation and based on equity, the court may not allocate legal fees to the winning party.

## 26 Appeals

### What avenues of appeal are available?

First instance decisions on the merits may be appealed. Also, some case management decisions may be appealed.

The Supreme Court is not a third degree of jurisdiction in France; it may only deal with matters of law rather than fact. After a decision on the law by the Supreme Court, a case can be overturned and remanded to another court of appeal, which will look at the facts and give a new decision on the matter.

## 27 Defences

### What defences are available to a charge of infringement or dilution, or any related action?

A defendant against a charge of infringement or unfair competition has the possibility to bring a cancellation counterclaim based on trademark invalidity. There is also the possibility to ask for the revocation of the trademark based on the absence of genuine use during at least the past five years or on the fact that it has become generic. A defence on lack of similarity between the signs, the goods or the services can be raised. A defence of freedom of speech, owner consent, competition law or exhaustion of rights can be also raised. The defendant can also argue that the plaintiff has not shown sufficient evidence of the allegedly infringing conduct.

A defendant can also claim that the trademark holder cannot ask for revocation of the posterior trademark because his or her rights to do so are extinct by acquiescence (article 54 of the Regulation and article L714-3 IPC). The defendant then needs to prove the trademark holder had been aware of the use of the posterior mark for the previous five years and did not do anything about it.

## 28 Remedies

**What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?**

The usual remedies are financial compensation and a prohibition order. The financial compensation takes into account the negative economic consequence. It is possible for the judge to award a lump sum, instead of calculating the separate harm for each element.

The court can order that the infringing goods be removed from sale and destroyed or confiscated at the benefit of the injured party. The court can also order that the decision, or part of it, be published in newspapers or online (eg, on the infringer's website).

## 29 ADR

**Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?**

ADR techniques are available (transaction, mediation and arbitration). However, it is not possible to obtain the revocation of a trademark (or the nullity of any intellectual property right, for that matter) through such techniques. The decisions rendered through these techniques are enforceable inter partes only, as opposed to judicial decisions, which are enforceable erga omnes.

In terms of benefits, these procedures are usually issued much faster than judicial ones and can be kept entirely confidential, whereas proceedings in court are public. In terms of trends, it is not very common to choose this path to resolve a conflict involving a trademark.

French judges are more and more keen on mediation and may try to help parties solve their dispute amicably. In 2017, in a rare case, during the final pleadings the judge acted as mediator and acknowledged the parties' agreement.

## 30 Famous foreign trademarks

**Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

The French IPC admits that a mark that is well known but that is not registered can be grounds for an infringement action (article L713-5 IPC) by application of article 6-bis of the Paris Convention.

Nevertheless, in order to obtain protection for a registered trademark that has reputation, one must bring proof of the alleged fame and of the infringing use that is causing harm. A trademark is considered as having reputation if it is 'known by a significant part of the public concerned by the products or services which it covers' (CJEU, 14 September 1999, C-375/99, *General Motors v Yplon*). With regard to EU trademarks, the court maintains the same reasoning:

*in order to benefit from the protection afforded [to famous marks], a Community trade mark must be known by a significant part of the public concerned by the products or services covered by that trade mark, in a substantial part of the territory of the European Community, and that, in view of the facts of the main proceedings, the territory of the member state in question may be considered to constitute a substantial part of the territory of the Community. (CJEU, 6 October 2009, C-301/07, PAGO International GmbH v Tirolmilch registrierte Genossenschaft mbH)*

The protection awarded to these specific trademarks is a protection 'outside of specialty', which means they are protected against the use for goods and services that are not covered by the registration (either because they are in fact not covered or because the trademark is not technically registered).



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# Germany

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## 1 Ownership of marks

### Who may apply?

According to section 7 of the Trademark Act, the following may apply:

- natural persons;
- legal entities; and
- partnerships, provided that they have the ability to acquire rights and to incur obligations.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

Protectable as a trademark are any signs, particularly words, including personal names, designs, letters, numerals, sounds and three-dimensional presentations, including the shape of goods or of their packaging, as well as any other trade dress including colours or colour combinations provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings (section 3 of the Trademark Act).

According to section 4 of the Trademark Act, protection can be obtained:

- by registration in the register of the German Patent and Trademark Office (the Office);
- through use of a mark in the course of trade, provided that the mark has acquired a secondary meaning as a trademark within the relevant public; and
- by notoriety pursuant to article 6-bis of the Paris Convention.

'Non-traditional' marks, for example, olfactory or tactile marks, may also be protected. As from 14 January 2019, the requirement of a graphical representation of a mark will be removed. The new legislation requires that a mark needs to be represented in a manner that enables the competent authorities and the public to determine the clear and precise subject matter of the protection.

## 3 Common law trademarks

### Can trademark rights be established without registration?

As outlined in question 2, trademark rights can be established not only by registration, but also through use of a mark in the course of trade resulting in a secondary meaning as a trademark within the relevant public or by notoriety pursuant to article 6-bis of the Paris Convention.

There is no specific percentage defined in the Trademark Act required to confirm a secondary meaning of a mark. However, while each particular case must be analysed specifically, as a rule, at least 50 per cent of the relevant public must perceive the mark as a designation of origin in respect of the relevant goods or services. According to German practice, appropriate means of evidence in respect of a secondary meaning are, in particular, opinion polls.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

If the Office does not object to the registrability of a mark on absolute grounds or to the wording of the list of goods and services or raise any other objections, it takes between three and six months from application to registration, depending on the workload of the Office.

It is possible to request accelerated examination of the application. The Office will then examine an application within six months from the application date.

In the event of absolute grounds for refusal, it depends on whether or not the applicant pursues the application through all instances up to the Federal Patent Court and, possibly, to the Federal Supreme Court if the Patent Court grants leave for appeal to the Supreme Court. In such a case, it can take up to several years until registration of a mark.

In Germany, there are post-registration opposition proceedings with an opposition term of three months after publication of the registration of a mark. The opposition procedure may last one or several years, again depending on whether or not the dispute is pursued up to the Federal Supreme Court or the matter is settled amicably.

The official application fees are €300 for up to three classes (e-filing: €290) and €100 for each additional class from the fourth class, irrespective of the kind of mark (word mark, device mark, word and device mark etc). For accelerated examination, the Office charges €200. There are no official registration fees.

Applicants who do not have a domicile, registered office or place of business in Germany must appoint a representative (patent attorney or attorney at law) according to section 96 of the Trademark Act. However, no power of attorney has to be submitted to the Office.

## 5 Classification system

### What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?

The German system follows the International Classification System (Nice Classification, 11th edition). The Office accepts the terms in the Harmonized Database (TMclass).

Multi-class applications are available. As to the costs, see question 4.

## 6 Examination procedure

**What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?**

Upon receipt of an application, the Office issues a filing receipt showing the application number, the name and address of the applicant and a preliminary classification. Unless the minimum requirements of an application (request for registration, trademark, goods and services and applicant) are not fulfilled, the application is published (status in the register: 'application received').

Provided that the application fees have been paid, the application will then be examined as to absolute grounds for refusal and whether the list of goods and services complies with the Nice Classification and allows for proper classification. There is no examination regarding relative grounds for refusal, namely, potentially conflicting prior rights of third parties. If there are no absolute grounds for refusal, the trademark will be registered. In the event of absolute grounds for refusal, the applicant will be given the opportunity to file counterarguments (see also question 8).

In the event of an objection to the wording of the list of goods and services, for example, as too broad or vague for proper classification, the examiners usually make amendment proposals and the applicant is requested to file an amended list of goods and services. Using terms contained in the TMclass database may avoid official objections.

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

Foreign registrations are granted rights of priority in accordance with the Paris Convention.

No use has to be claimed before registration is granted or issued. Proof of use is only required if the applicant claims that the mark has acquired distinctiveness among the relevant public through use in order to overcome an objection on the basis of:

- lack of distinctive character;
- descriptiveness; or
- the fact that the mark has become a generic term.

In such a case, evidence regarding the extent and time of use of the mark must be submitted. If, on the basis of such evidence, the Office is of the opinion that the mark is likely to have acquired distinctiveness, the applicant is requested to submit proof thereof. Appropriate means of evidence are, in particular, opinion polls.

Within five years after the expiry of the opposition deadline, it becomes vulnerable to cancellation on the grounds of non-use if it has not been used genuinely for the goods and services for which it is registered unless there are proper reasons justifying the non-use (section 26 of the Trademark Act). Until 14 January 2019, the date on which most of the provisions of the Trade Marks Directive are implemented in Germany, the relevant period is five years after registration of a mark.

If an opposition was pending against registration of the mark, the five-year period starts with the date of termination of the opposition proceedings, which is published in the register.

If a mark has not been used for a consecutive period of five years it may be attacked for non-use and can no longer be enforced in relation to third parties in opposition or infringement proceedings.

## 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

Where a first instance decision rejecting the application is taken by an examiner who is not legally qualified, the applicant may either request

reconsideration by the Office at a higher level or directly file an appeal at the Federal Patent Court. The reconsideration proceedings are less expensive and less formal. However, statistically, overcoming a rejection through a request for reconsideration is rare. The alternative review, by way of an appeal to the Federal Patent Court, will lead to a complete review of the case by the court. If the examiner issuing the first instance decision is legally qualified, only appeal at the Federal Patent Court is possible.

Both the request for reconsideration and the appeal must be filed within a non-extendable deadline of one month after the service of the first instance decision to the applicant.

The official fees are €150 for a request for reconsideration and €200 for an appeal to the Federal Patent Court.

The reconsideration proceedings are written proceedings. If the reconsideration request is rejected, appeal to the Federal Patent Court is possible. In appeal proceedings, the Court issues a decision either without or after a hearing. A decision of the Court may, with few exceptions, only be appealed at the Federal Supreme Court if the Court grants leave for appeal.

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

Opposition proceedings in Germany are post-registration proceedings. According to section 42 of the Trademark Act, third-party opposition is possible within three months after publication of the registration of a mark. Possible bases of an opposition are:

- prior trademark applications or registrations;
- earlier notorious trademarks;
- registration of the mark by an agent or representative of the owner of the mark;
- earlier non-registered marks or trade designations (eg, company names); or
- prior designations of origin or geographical indications (as from 14 January 2019).

Possible grounds for an opposition are:

- double identity;
- likelihood of confusion; and
- that use without due cause of the later identical or similar mark would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier mark, provided that the earlier mark is a mark with reputation.

In the event of a successful opposition, the contested trademark registration is cancelled.

Similar bases and grounds are applicable in cancellation (invalidity) proceedings before the civil courts on the basis of any prior rights by the owner of these prior rights (section 51 of the Trademark Act). Such invalidity proceedings are not precluded by opposition proceedings and vice versa. A cancellation action can be additionally based on other prior rights, for example, name rights, copyrights or plant variety designations, provided that such rights entitle their owner to prohibit use of the registered mark in Germany.

Moreover, cancellation (revocation) on the grounds of non-use can be requested by any third party (section 49 of the Trademark Act), either before the Office or before the competent civil court.

Further, registration of a mark is cancelled by the Office pursuant to section 50 of the Trademark Act upon request of any third party if:

- the sign is not capable of being protected as a trademark (section 3 of the Trademark Act);
- the registered owner does not fall under the possible trademark owners according to section 7; or
- there are absolute grounds for refusal or where the applicant was acting in bad faith (section 8).

Cancellation (invalidity and revocation) proceedings before the Office are administrative proceedings. The Office serves the cancellation request to the owner of the contested mark, who is given a certain period of time to object to the cancellation request. It may take one or more years until a decision is issued. Proceedings before the civil courts are adversary proceedings pursuant to the Code of Civil Procedure.

Article 45 of the Trade Marks Directive provides for full administrative cancellation proceedings. Before the Civil Courts cancellation can then only be requested in a counterclaim in infringement proceedings. These provisions will be implemented in Germany on 1 May 2020.

As regards bad faith applications, such marks can only be contested in cancellation, not in opposition proceedings. It is not necessary that the cancellation applicant has a corresponding trademark registration in Germany. However, the cancellation applicant must provide evidence that the adversary filed an identical trademark for identical or similar goods in full knowledge that the cancellation applicant had acquired a protectable vested interest in the mark at issue in Germany. The assumption of bad faith is not excluded by the fact that the adversary had an intention of its own to use the mark at the time of filing. However, it must be shown that by filing the trademark the adversary at least also pursued the objective of blocking the use of the mark in Germany for the cancellation applicant. Hence, the prospects of success of such proceedings very much depend on the evidence that can be produced by the cancellation applicant with regard to the bad faith.

The official opposition fee is €120. For each opposition mark, a separate opposition must be lodged. From 14 January 2019, the opposition fee will amount to €250 for one opposition mark and €50 for each further opposition mark, and one opposition can be filed based on several opposition marks provided the proprietor is the same. The official fees for cancellation proceedings before the office are €400 (invalidity) and €100 (revocation), respectively. In cancellation proceedings before the civil courts, court fees must be advanced to the court by the plaintiff. The court fees depend on the value in dispute. Assuming a value in dispute of €100,000, the fees to be advanced to the court would amount to €3,078.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

The initial period of registration is 10 years, starting on the application date and ending after 10 years. Until 14 January 2019, the date on which most of the provisions of the Trade Marks Directive are implemented in Germany, the initial period ends after 10 years on the last day of the month of the application date. Registration may be renewed for 10 years by payment of the renewal fees of €750 for up to three classes and €260 class fees for each additional class from the fourth class (with a six-month grace period for payment of the renewal fees plus surcharge). Renewal is available for an unlimited number of 10-year periods.

No proof of use is required in order to obtain renewal of a registration. However, registration of a mark becomes vulnerable to cancellation on the grounds of non-use within five years after registration (see question 7).

## 11 The benefits of registration

**What are the benefits of registration?**

The benefits of registration are increased remedies for infringement, as use of the mark does not need to be proven unless the registered mark is subject to the requirement of use (see question 7).

In order to access specialised courts, it is not necessary to have a registered mark. Claims on the basis of marks that have acquired a secondary meaning as a trademark or trade designations, such as company names, are handled by the same specialised courts as registered marks.

A further benefit is, that according to section 28 of the Trademark Act, it is assumed that the registered owner is entitled to the right conferred by the registration of the mark.

Further, assistance of the customs authorities against unauthorised goods is easier to obtain on the basis of registered marks, given that the submission of an excerpt from the Office's online database is sufficient and no proof of use is required. In the case of unregistered marks pursuant to section 4, subsection 2 of the Trademark Act, proof of a secondary meaning as a trademark has to be submitted. Moreover, unregistered marks can only be enforced in national customs monitoring proceedings according to sections 146 et seq of the Trademark Act, whereas registered national marks can also be enforced under Council Regulation (EC) No. 608/2013.

## 12 Licences

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

As from 14 January 2019, the date on which the provisions of the Trade Marks Directive are implemented in Germany, upon request of the trademark owner or of the licensee, with the consent of the other party, a licence will be recorded in the register (official fee: €50).

## 13 Assignment

**What can be assigned?**

The right conferred by the registration, use or notoriety of a mark may be transferred or assigned in respect of all or only part of the goods and services for which the mark is protected (section 27 of the Trademark Act). There is no possibility of separating the assignment of a mark from its goodwill.

It is not necessary to assign business assets to make the assignment of a mark valid. On the other hand, in the event of a transfer or assignment of a business establishment or part thereof, the right conferred by registration, use or notoriety of a mark shall, in case of doubt, be included in the transfer or assignment of the business establishment or part of the business establishment to which the mark belongs (section 27, subsection 2 of the Trademark Act).

If the transfer or assignment of a registered mark concerns only some of the goods or services, registration of the mark can be divided. Moreover, it is possible to (partially) transfer or assign trademark applications (section 31).

## 14 Assignment documentation

**What documents are required for assignment and what form must they take?**

No documents are required for an assignment. In practice, however, transfers are mostly done in writing, in particular by an agreement between the parties.

As regards the recordal of an assignment, the required documents depend on the grounds of the transfer, namely, whether the transfer is based on an assignment agreement or on law (eg, in the case of a merger). No notarisation or legalisation is required. In the event of a transfer based on an assignment agreement, a simple copy of the agreement is sufficient, provided that the agreement includes the assignee's explicit acceptance of the assignment and the assignor's consent to the recordal of the assignment in the register. Moreover, if the recordal of assignment is requested by the registered representative, and if the representative also represents the new owner, no documents are required.

## 15 Validity of assignment

**Must the assignment be recorded for purposes of its validity?**

It is not necessary to record an assignment for purposes of its validity; the recordal in the official register is only declaratory, not constitutive. However, the successor in title shall, in proceedings before the Office or the Federal Patent Court, only be able to assert the claim for protection and invoke the right established by the registration from the date on which the request for recordal of the assignment was received by the Office (section 28, subsection 2 of the Trademark Act).



## 16 Security interests

### Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?

The right conferred by the registration, use or notoriety of a mark may be given as a security or be the subject of rights in rem or of measures in execution (section 29, subsection 1 of the Trademark Act). Security interests are registered upon request of one of the parties if proof is submitted to the Office.

## 17 Markings

### What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?

Trademark marking is not mandatory. The symbols ® and ™ may be used. However, according to the relevant case law the ® symbol may only be used in Germany if the mark is registered in Germany or any other EU member state. Otherwise, this symbol could be considered as misleading under unfair competition law.

## 18 Trademark enforcement proceedings

### What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?

As regards judicial proceedings, the owner of a mark can file a complaint to the competent court against an infringer (see question 19).

Concerning administrative proceedings, border enforcement proceedings are available according to the German Trademark Act and under Council Regulation (EC) No. 608/2013. Trademark owners may file an application for action to the German customs authorities. If the application is granted, it is valid for one year and can be renewed as long as the trademark registration or any other right is in force.

In the case of suspected counterfeit goods, release of such goods will be suspended by the customs. The rights holder and the declarant or addressee of the goods will be informed by the customs office. German law provides for a simplified procedure according to article 11 of Council Regulation (EC) No. 608/2013, which enables the customs authorities to have such goods abandoned for destruction under customs control, without there being any need to determine whether an intellectual property right has been infringed under national law. Within a period of 10 working days (three working days for perishable goods), the rights holder must inform the customs office that the goods infringe an intellectual property right and that he or she agrees to destruction under the simplified procedure. The declarant's or addressee's agreement shall be presumed to be accepted, when the declarant or addressee of the goods has not specifically opposed destruction within the prescribed period.

For parallel or grey imports and intra-Community trade, as well as in the case of unregistered rights, Council Regulation (EC) No. 608/2013 does not apply. Hence, it is recommendable to file a national application for action under the German Trademark Act that covers such cases. In national proceedings, the customs office informs the declarant or addressee of the goods about their seizure. If the addressee does not object to the seizure, the goods will be confiscated and destroyed where no opposition to the confiscation is made. If the addressee objects to the seizure, the rights holder must inform the customs whether the seizure request is maintained. If so, the rights holder must submit a corresponding judicial decision, in particular, a preliminary injunction or proof that a court decision has been requested but is still outstanding. A seizure issued within preliminary investigation in criminal proceedings also constitutes such a judicial decision.

German trademark law also provides for criminal sanctions. An unlawful use of a mark that gives rise to a likelihood of confusion or that is made with the intention of taking advantage of or being detrimental to the reputation or the distinctive character of a mark with reputation shall be punished by imprisonment of up to three years (up to five years if the offender acts on a commercial scale) or by a fine (section 143 of

the Trademark Act). Similar provisions apply for the infringement of a European Union trademark (section 143(a)) and of indications of geographical origin (section 144).

## 19 Procedural format and timing

### What is the format of the infringement proceeding?

The owner of a trademark may file an action for injunction and damages against an alleged infringer (section 14 of the Trademark Act). The owner may also request information about the infringing acts (section 19) and, if applicable, destruction or recall of the goods (section 18).

Provided that there is a sufficient likelihood of infringement, the trademark owner may additionally request the alleged infringer to submit documents or to tolerate the inspection of an object that is at his or her disposal if this is required to substantiate the trademark owner's rights (section 19a). In addition thereto, the submission of banking, financial or trade documents can be requested if there is a sufficient likelihood that the infringement was committed on a commercial scale.

In respect of the trademark owner's claim for damages, in the event of an infringement committed on a commercial scale, he or she may request the infringer to submit banking, financial or commercial documents or to allow access to such documents if otherwise the settlement of the claim for damages would be doubtful (section 19b).

Both sections 19a and 19b rights are subject to the protection of the infringer's confidential information and the rule of proportionality.

As regards the procedure before the civil courts, after receipt of the court fees, which must be advanced by the plaintiff, the court serves the action to the defendant, who is requested to file a defence. The court hearing is prepared by the action and the defendant's reply and further briefs, if any.

German civil procedure does not provide for discovery as in the United States. During a court hearing, live testimony, for example, by witnesses or experts, is allowed.

The length of the proceedings varies from court to court. Until a first instance judgment is issued, it takes at least six to 12 months. If an appeal is filed, it may take another one to two years until the court of appeal renders a decision. If the appeal court grants leave to appeal the judgment on a point of law to the Federal Supreme Court, another few years may pass until a final decision is rendered.

Apart from main proceedings, a trademark owner may apply for issue of a preliminary injunction against the infringer with a civil court. As a rule, preliminary injunctions are issued ex parte within one to two working days. As from the service of a preliminary injunction to the infringer, use of the infringing sign must be discontinued immediately, and failure to comply therewith results in a fine being imposed by the court.

Opposition can be filed by the infringer, following which, a hearing is scheduled within four to six weeks. Unless new facts are submitted, the court is likely to maintain its legal view and issue a judgment that confirms the preliminary injunction within two to four weeks. Against this judgment, an appeal can be filed. No further appeal is possible against the appeal court judgment in preliminary injunction proceedings. During the whole proceedings the preliminary injunction remains valid and in force.

Concerning criminal enforcement mechanisms, as a rule, an offence is only prosecuted upon the trademark owner's request, unless the public prosecutor considers an ex officio intervention to be necessary due to a particular public interest in the prosecution (section 143, subsection 4 of the Trademark Act). Upon request by the trademark owner, the criminal prosecutor decides whether or not criminal proceedings are initiated. Provided that the regular minimum punishment laid down by law for the offence at issue is a fine or less than one year's imprisonment, the offender's culpability is considered to be low and the court agrees, the criminal prosecutor may decide not to pursue the matter (article 153 of the Code of Penal Procedure).

If criminal proceedings are initiated, main criminal proceedings before the court begin and a court hearing takes place. In trademark matters, the proceedings only rarely end with a sentence for imprisonment, fines are the rule.

If it can be assumed that the trademark owner's claim for information or damages in civil proceedings will be difficult to enforce, a complaint under article 395 of the Code of Penal Procedure can be filed that gives the trademark owner access to the records of the criminal proceedings.



### Update and trends

Rights holders will benefit greatly from the implementation of the Trade Marks Directive in Germany. Most of the new provisions will enter into force on 14 January 2019. The elimination of the graphical representation requirement will facilitate the registration of non-traditional marks, and the revised Trademark Regulation contains implementing rules identifying the matter of representing marks. Furthermore, registration of certification marks will be available in Germany. Moreover, opposition can also be filed based on prior designations of origin or geographical indications, and it is no more necessary to file a separate opposition for each opposition mark. A cooling-off period will be available in opposition proceedings: the parties will be granted, at their joint request, a minimum of two months to allow for the possibility of a friendly settlement. Finally, to improve anti-counterfeiting, the new rules regarding counterfeit goods in transit will enter into force on the day after the promulgation of the Act for Implementation of the Trade Marks Directive (presumably in autumn 2018).

### 20 Burden of proof

#### What is the burden of proof to establish infringement or dilution?

As a rule, the trademark owner must prove all facts and submit legal arguments that support his or her claims based on infringement or dilution, and the defendant must prove all facts and submit legal arguments supporting his or her position.

### 21 Standing

#### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

The trademark owner may seek a remedy for trademark violation. As regards licensees, they may institute infringement proceedings only with the trademark owner's consent (section 30, subsection 3 of the Trademark Act). From 14 January 2019, an exclusive licensee may institute infringement proceedings also without the trademark owner's consent, if the trademark owner, after formal notice, does not itself bring infringement proceedings within an appropriate period. Exclusive and non-exclusive licensees may without the trademark owner's consent intervene in an infringement action instituted by the trademark owner in order to obtain compensation for their own damages (section 30, subsection 4).

Only the trademark owner has standing to bring a criminal complaint.

### 22 Foreign activities

#### Can activities that take place outside the country of registration support a charge of infringement or dilution?

On the basis of a trademark with protection in Germany (whether by registration, through use or notoriety) only infringement or dilution in Germany can be prevented.

According to the case law of the European Court of Justice, infringement of a registered trademark required goods to be placed on the EU market. Goods bearing an EU trademark travelling from a non-EU country to another non-EU country in transit through an EU member state or subject to a suspensive procedure did not satisfy this requirement.

Under the new European Union Trade Mark Regulation, EU trademark proprietors now have the right to prohibit the transit of counterfeit goods through the territory of the EU unless the person responsible for the transit can prove that the EU trademark proprietor does not have the right to prohibit the use of the infringing sign in the country of destination. The transit of goods through Germany may be prohibited where such goods bear, without authorisation, a trademark or trade designation that is identical or that cannot be distinguished in its essential aspects from the proprietor's trademark or trade designation, unless the declarant or the holder of the goods can prove that the trademark or trade designation proprietor does not have the right to prohibit the use of the infringing sign in the country of destination.

This provision will enter into force the day after the promulgation of the Act for Implementation of the Trade Marks Directive (presumably in autumn 2018).

### 23 Discovery

#### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

Provided that there is a sufficient likelihood of infringement, the trademark owner may request the alleged infringer to submit documents or to tolerate the inspection of an object that is at his or her disposal if this is required to substantiate the trademark owner's rights (section 19a of the Trademark Act). In addition thereto, the submission of banking, financial or trade documents can be requested if there is a sufficient likelihood that the infringement was committed on a commercial scale.

In respect of the trademark owner's claim for damages, in the event of an infringement committed on a commercial scale, he or she may request the infringer to submit banking, financial or commercial documents or to allow access to such documents if otherwise the settlement of the claim for damages would be doubtful (section 19b).

Both the section 19a and 19b rights are subject to the protection of the infringer's confidential information and the rule of proportionality.

Moreover, the trademark owner may claim inspection of the goods in the event of a seizure in customs proceedings (section 146, subsection 2).

### 24 Timing

#### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

See question 19.

### 25 Litigation costs

#### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

There is no typical range of costs associated with an infringement or dilution action. The attorneys' costs and court fees depend on the value in dispute applied by the plaintiff. Values in trademark infringement actions range between €100,000 and €500,000 or even more in the event of infringement of a trademark with a reputation in Germany. The prevailing party can request reimbursement of the costs as fixed by law. Concerning attorneys' costs, these are reimbursed on the basis of the German attorneys' statutory fee system, and not as agreed upon by the client and his or her attorney.

### 26 Appeals

#### What avenues of appeal are available?

Against a preliminary injunction, opposition can be filed. Against the court's judgment, appeal can be filed. No further appeal is possible against the appeal court judgment in preliminary injunction proceedings.

### 27 Defences

#### What defences are available to a charge of infringement or dilution, or any related action?

Possible defences are:

- use of the infringing sign neither gives rise to a likelihood of confusion nor does it take unfair advantage of or is detrimental to the distinctive character or the repute of the earlier sign (sections 14 and 15 of the Trademark Act);
- the prior registered trademark has not been put to genuine use although it is subject to the requirement of use (sections 25 and 26);
- the claim for infringement is under the statute of limitation. This is the case within three years counting from the end of the year during which the claimant obtained knowledge of the infringement and the infringer. Without such knowledge, the period is 30 years (section 20);

- the proprietor of the earlier trademark has acquiesced for a period of five successive years in the use of the later trademark, while being aware of the use, unless the application for the later trademark was filed in bad faith (section 21). Moreover, the general principles developed by German case law in respect of acquiescence apply;
- the contested sign is the defendant's name or address, has been used as a descriptive indication or has been used where it is necessary to indicate the intended purpose of a product or service, in particular as accessories or spare parts (section 23). From 14 January 2019, this also applies to use of non-distinctive signs and to a use for the purpose of identifying goods or services as those of the proprietor of the trademark. Furthermore, use of the defendant's name or address will then be a defence only for natural persons;
- the goods have been put on the market in Germany, in another member state of the EU or in another contracting state of the European Economic Area under that trademark or trade designation by the owner or with his or her consent (exhaustion, section 24); or
- a request for cancellation of the later registered trademark has been rejected or should have been rejected on the grounds that the earlier trademark or trade designation did not yet have a reputation at the time of filing of the later trademark or the registration of the earlier trademark could have been cancelled on the date of the publication of the later trademark due to non-use or absolute grounds of refusal (section 22).

## 28 Remedies

**What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?**

See question 19. As to damages, in most cases they are calculated on the basis of an estimated licence fee. Alternatively, the infringer's profits or the claimant's losses can be used as basis for calculating damages.

## 29 ADR

**Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?**

ADR techniques are available, for instance, mediation in civil court proceedings. However, in trademark infringement cases mediation is used very rarely.

In trademark-related agreements, such as prior-rights agreements, arbitration clauses (eg, the WIPO arbitration clauses) are sometimes included.

Arbitral decisions are enforceable like judicial decisions provided that they have been declared enforceable (section 1010 of the Code of Civil Procedure).

As to the benefits of ADR, the costs are, as a rule, lower than those of litigation court proceedings.

## 30 Famous foreign trademarks

**Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

A famous foreign trademark is not afforded protection if it has not been used domestically. Only in the case of a European Union trademark, which enjoys reputation in the Community, is protection afforded even if not used domestically. According to the decision of the European Court of Justice in Case C-301/07, *PAGO International v Tirolmilch*, if an EU trademark is known by a significant part of the public concerned by the products or services covered by that trademark in a substantial part of the territory of the European Community, protection shall be granted against the infringement of such a trademark in the whole EU.



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# Greece

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## 1 Ownership of marks

### Who may apply?

Any natural or legal person can apply for a Greek trademark registration.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

A trademark may consist of any sign capable of being represented graphically, which is capable of distinguishing the goods or services of one undertaking from those of other undertakings.

In particular, a trademark may consist of words, names, company names, pseudonyms, designs, letters, numerals, colours, sounds, including musical phrases, the shape of the goods or of their packaging and advertising messages (slogans) (article 121 of Part Three 'Trademarks' of Law No. 4072/2012 as amended by Law No. 4155/2013 – referred to as Trademark Law 4072/12).

'Non-traditional' trademarks are protected, provided that as with any other trademark, they can be represented graphically. Therefore, trade dress or get-up and holograms are protectable under the current law.

Currently, non-traditional marks that can only be reproduced indirectly (ie, by a description) cannot be filed with the Greek Trademark Office. Following harmonisation with the Trade Marks Directive by January 2019, any sign with a representation that is 'clear, precise, self-contained, easily accessible, intelligible, durable and objective' will be protectable.

## 3 Common law trademarks

### Can trademark rights be established without registration?

Unregistered 'distinctive signs' are protected according to articles 13–15 of the Unfair Competition Law No. 146/1914 (as amended). The unregistered sign must possess distinctive character and must have been used in commercial transactions in a systematic, continuous, substantial way for a long time, sufficient for the sign to have been established in the market as a distinctive feature of the enterprise using it.

Furthermore, unregistered trademarks that constitute a personal or a company name are protectable under special provisions of civil and commercial laws that protect the name of a person and the company names.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

The registration procedure typically lasts six to eight months. The minimum cost to obtain a trademark registration in Greece in one class is approximately €450.

Possible reasons that may increase the estimated time and cost are:

- request by the examiner to amend and complete irregularities or deficiencies in the application to be rectified within one month from the request (article 138 of Trademark Law 4072/12);
- objections by the examiner that are based on absolute or relative grounds for refusal, which are notified by email usually within one month from the application date. A response must be submitted within one month from the notification of the examiner's objections. The response may include withdrawal of trademark application; limitation of goods or services; submission of a letter of consent by the owner of a conflicting trademark application or registration; and observations in support of the application. The examiner issues his or her final decision regarding the registration or refusal of the trademark application usually within one month from the submission of the response (article 139 of Trademark Law 4072/12); and
- opposition filed by a third party within three months from the publication of the examiner's decision on the official website of the Trademark Office (article 140 of Trademark Law 4072/2012).

## 5 Classification system

### What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?

Greece uses the Nice Classification system. Multi-class trademark applications are acceptable.

The official fee for each additional class up to the 10th is €20. No further fee is paid for more than 10 classes of goods or services (article 179 of Trademark Law 4072/12).

## 6 Examination procedure

### What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?

The examiner first examines the formalities and possible irregularities or deficiencies in the application. If any of these are found, the examiner sends an invitation to the applicant or his or her representative by email to rectify the irregularities or deficiencies within one month from the invitation (article 138 of Trademark Law 4072/12).

Furthermore, the examiner examines the trademark application of the basis of both absolute and relative grounds for refusal. The examiner notifies his or her objections by email to the applicant or his representative within one month from the application date. A response must be submitted within one month from the notification of the examiner's objections. The response may include withdrawal of trademark application; limitation of goods or services; submission of a letter of consent by the owner of a conflicting trademark application or registration; and observations in support of the application. The examiner issues his or her final decision regarding the registration or refusal of the trademark application usually within one month from the submission of the response (article 139 of Trademark Law 4072/12).

The examiner's decision is published on the official website of the Trademark Office.

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

A trademark or service mark application may be filed without prior use of the same and no proof of use is required to be submitted for its registration.

For purposes of defence in a third-party non-use cancellation action the mark should be put to genuine use in connection with the goods or services in respect of which it is registered within a continuous period of five years from registration. Such use must not have been suspended for a continuous period of five years after the registration date (article 160(1)(a) of Trademark Law 4072/12).

Foreign trademark applications are granted a right or priority of six months from the date of the application in the home country. The priority certificate must be filed within three months from the application date in Greece (article 177 of Trademark Law 472/2012).

## 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

A decision of the examiner that denies registration of a trademark or service mark application for all or for certain goods or services can be appealed with the Administrative Trademark Committee (ATC) within 90 days from the notification of the examiner's decision (articles 144 and 177(4) of Trademark Law 4072/12).

The appeal is heard before the ATC within four to eight months from the filing of the appeal and the decision is issued within four to eight months from said hearing (article 145 of Trademark Law 4072/12).

The decision of the ATC can be appealed with the Administrative Court of First Instance in Athens. A second appeal is possible with the Administrative Court of Second Instance in Athens. For points of law the decision following the second appeal can be annulled by the Conseil d'Etat, which is the high court on administrative matters (article 146 of Trademark Law 4072/12).

Civil courts have no jurisdiction on matters regarding the registrability and validity of trademarks and the civil courts are bound by the irrevocable decisions of the ATC and the administrative courts in these matters (article 158 of Trademark Law 4072/12).

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

The examiner's final decision regarding the registration of a trademark application is published on the website of the Trademark Office. The time limit for an opposition by a third party is three months from the publication date (article 140 of Trademark Law 4072/12). The basis for the opposition may be absolute or relative grounds for refusal according to the articles 123 and 124 of Trademark Law 4072/2012. Any entity having a legal interest can oppose on the basis of absolute grounds for refusal (article 140(2) of Trademark Law 4072/2012).

Once the opposition is filed, a hearing date is set to take place before the ATC in four to six months' time. Within this time limit the case may be settled by the parties. At the hearing of the opposition proceedings, the trademark applicant may request proof of use of the prior trademark(s) that constitute the basis of the opposition for the goods or services of the contested trademark application mentioned in the notice of opposition (article 143 of Trademark Law 4072/2012).

Cancellation of a trademark due to invalidity is sought after registration (article 161 of Trademark Law 4072/2012). The cancellation action is filed with the ATC and involves a similar proceeding to the opposition proceeding. Similarly for a cancellation Action due to non-use (article 160 of Trademark Law 4072/2012).

The approximate cost for a third-party opposition or cancellation proceeding before the Administrative Trademark Committee (ATC) is between €1,000 and €2,000. The ATC's decisions are appealed with the administrative courts of first and second instance. For points of law annulment can be sought before the Conseil d'Etat.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

A registration is valid for 10 years and can be renewed every 10 years indefinitely (article 148 of Trademark Law 4072/12). No proof of use is required to be submitted for registration or renewal purposes.

## 11 The benefits of registration

**What are the benefits of registration?**

Registration provides the owner of the registered mark with the following rights and benefits (article 125 of Trademark Law 4072/12):

- the right to use the mark, the right to affix it to products, which it is intended to distinguish, to characterise the provided services, to affix it to covers and packaging of goods, to writing paper, invoices, price lists, notices, advertisements of all kinds, and to any other printed material and to use it in electronic or audio visual media;
- the right to prevent all third parties from using in trade without permission:
  - any sign that is identical to the trademark for goods or services identical to those for which the trademark has been registered;
  - any sign for which, because of its identity with or similarity to the trademark and the identity or similarity of the goods or services covered by the trademark, there is a likelihood of confusion, including a likelihood of association; and
  - any sign that is identical or similar to a trademark with a reputation and where use of that sign, without due cause, would take unfair advantage of, or would be detrimental to the distinctive character or its reputation, regardless whether the sign is intended to distinguish goods or services that are similar to products or services of the earlier trademark;
- the right to prevent all third parties from:
  - the mere transit of counterfeit or copycat products through Greek territory destined to another country or to import for re-export;
  - the affixing of a trademark to genuine products of the proprietor and which the proprietor intended to distribute without a name; and
  - the removal of the trademark from genuine products and the distribution thereof on the market as anonymous or under another trademark.
- presumptive notice to third parties of the mark owner's claim of rights in the mark;
- standing to initiate legal enforcement proceedings in civil and criminal courts (articles 150–157 of Trademark Law 4072/12);
- assistance from the Customs Service in preventing unlawful importation of foreign goods that infringe upon the registrant's mark;
- the basis for International Registration under the Madrid Protocol; and
- priority right for national applications in other countries under the Paris Convention.

## 12 Licences

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

An exclusive or non-exclusive licence agreement may optionally be recorded at the Trademark Office. The benefits are that the licensee can



act against an infringer and the licensee's use is deemed as the trademark applicant's or owner's use for the purposes of proof of use, when required (article 132 of Trademark Law 4072/12).

### 13 Assignment

#### What can be assigned?

The right in a trademark application or registration can be assigned in respect of some or all of the goods or services for which it is registered or applied for, regardless of the goodwill or other business assets. If the entire business is transferred, this includes trademark applications or registrations, unless there exists an agreement that excludes their transfer or unless the circumstances clearly dictate otherwise (article 131 of Trademark Law 4072/12).

### 14 Assignment documentation

#### What documents are required for assignment and what form must they take?

An assignment shall be made in writing (article 131(3) of Trademark Law 4072/12). The assignment document includes the details of the assignor and assignee, the details of the trademark specifying the goods or services and the territory (whole or part of Greece) in respect of which the assignment is made. The assignment must be signed by both the assignor and the assignee in presence of a notary and legalised by the Greek Consulate or with an Apostille.

### 15 Validity of assignment

#### Must the assignment be recorded for purposes of its validity?

Yes. If the assignment is not recorded, the assignment is valid only inter partes (article 131(3) of Trademark Law 4072/12).

### 16 Security interests

#### Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?

A trademark may be given as security or be the subject of rights in rem, may be levied in execution and constitutes an asset available for distribution in case of insolvency (article 133 of Trademark Law 4072/2012). The documents establishing a security interest should be notarised and legalised with an Apostille and should be recorded in the Trademarks Registry held at the Trademark Office to be enforceable vis-à-vis third parties. In the case of bankruptcy of the trademark owner or applicant, the request for recording the security can be filed by the receiver or trustee.

### 17 Markings

#### What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?

The internationally established symbols ®, ™ and © can be used, but this is not mandatory. The benefits include avoiding potential infringement.

### 18 Trademark enforcement proceedings

#### What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?

Legal proceedings to enforce the rights of a trademark owner can be initiated in the civil or criminal courts or both. A civil action can be brought against the infringer at the special Civil Court of First Instance in Athens and Thessaloniki. Injunctions and temporary restraining orders can be brought at all civil courts of first instance in Greece (articles 150–157 of Trademark Law 4072/12). The complainant requests the termination of the infringement, its prevention in the future and damages, and information regarding all the details in relation to the

infringement, and can apply for the preservation of the evidence in respect of the alleged infringement. The complainant may also request retraction of the goods infringing the trademark right and the material used from commerce and removal of the infringing sign or destruction of the goods bearing the infringing sign, as well as information about the infringer's financial and commercial documents. The expenses for execution of the above remedies are paid by the infringer unless such remedies are requested against an intermediary. If the court orders prevention of the infringement for the future, any violation is punished by a fine of €3,000–€10,000 and detention for up to one year.

The civil procedure at first instance takes one to two years to be completed. The appeal procedure at the second instance court may also take one to two years and the annulment on points of law before the High Court approximately two to three years.

The minimum cost for an injunction is approximately €1,500 and the minimum cost for a lawsuit before the first instance court is approximately €2,500.

The criminal court in a criminal procedure may decide imprisonment (at least six months) and pecuniary penalties (at least €6,000) (article 156(1) of Trademark Law 472/2012). In cases of identical sign and identity or high similarity of the goods or services or when the damage caused is high on a commercial scale, imprisonment is for at least two years and the pecuniary penalty between €6,000 and €30,000 (article 156(2) of Trademark Law 472/2012). Further provisions of the criminal laws may apply, such as for fraud or forgery).

Customs authorities are requested to suspend the release of counterfeit goods or allow the removal and destruction thereof following an application by the trademark owner.

### 19 Procedural format and timing

#### What is the format of the infringement proceeding?

The average amount of time from initiating infringement proceedings before the first instance civil court through trial is three to nine months. The court constitutes of a single judge or a panel of judges. Under the current civil procedure rules, no oral hearing takes place. Within 100 days from the filing of the civil lawsuit, the parties must submit all relevant documents, evidence and experts' affidavits (if applicable), and within 15 days after that date the parties must submit observations in reply. The hearing takes place by the judge or panel of judges based on documentation only. At that hearing the judge(s) may decide to schedule live testimony within two months and call the parties' witnesses to testify. The average amount of time from the end of the trial to the issuance of judgment is between six months and one year.

A petition for an injunction can be filed by the trademark owner or the licensee, as with the civil lawsuit. The petition is heard in the course of a single hearing, which normally is inter partes, and only in exceptional cases will the judge allow no notice to the defendant (article 153(4) of Trademark Law 4072/2012).

The injunction is issued in one to three months or, alternatively, the injunction proceedings takes place in two stages. The first stage is a brief hearing (inter partes or not, depending on the case and the judge's opinion) before the Judge in Service, following which a preliminary injunction is issued on the same day or on the next day at the latest. The second stage is a hearing taking place following notice to the defendant. The injunction in this case is granted or denied in one to three months.

A seizure order can be issued for goods bearing the infringing sign to prohibit the import thereof or the placement into the market (article 153(2) of Trademark Law 4072/2012). The seizure of the infringer's assets and bank accounts is ordered when there is danger of the payment of damages for an infringement on commercial scale (article 153(3) of Trademark Law 4072/2012).

The procedure following a criminal lawsuit usually takes much longer than the civil procedure, up to five or even seven years.

### 20 Burden of proof

#### What is the burden of proof to establish infringement or dilution?

The burden of proof lies with the party that asserts the infringement facts. The trademark owner does not have to prove the intentions of the infringer for the infringement and its continuation in the future to be prohibited. If the plaintiff can prove that the infringement was

intentional, then damages for actual losses and compensation for non-material losses may be awarded by the court (article 150(5) of Trademark Law 4072/2012).

The mere submission of the trademark registration certificate constitutes full evidence of the infringement if the infringement is made by a third party using (for identical goods or services) an identical sign, or a sign that only differs in elements not altering the distinctive character of the infringing trademark (article 150(11) of Trademark Law 4072/2012).

In cases of acquiescence, the trademark owner must prove that he or she was not aware of the five years' use or that the infringer was acting in bad faith (article 127(1) of Trademark Law 4072/2012).

## 21 Standing

### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

The trademark owner may seek a remedy for an alleged trademark violation in civil and criminal proceedings. The trademark applicant who has already been using the trademark for a significant time period may seek protection under unfair competition law and with analogous application of the provisions of trademark law.

Exclusive and non-exclusive licensees may seek all remedies with the consent of the licensor. The exclusive licensee may act without the consent of the licensor when the latter has been informed and taken no action against the infringer within an appropriate time period, unless there exists an agreement to the contrary (article 132(4) of Trademark Law 4072/12).

In addition, the exclusive and non-exclusive licensee can intervene in proceedings claiming compensation for its own damages (article 132(5) of Trademark Law 4072/12).

## 22 Foreign activities

### Can activities that take place outside the country of registration support a charge of infringement or dilution?

The trademark owner (or licensee) is entitled to prohibit the mere transit of goods bearing a sign which infringes the trademark, even if the goods are destined to be released in another country or if they are imported to be re-exported (article 125(4)(a) of Trademark Law 4072/12).

In addition, the trademark owner is entitled to prohibit the affixing of the trademark on genuine goods intended to be placed in the market with no sign (article 125(4)(a) of Trademark Law 4072/12).

Furthermore, the trademark owner is entitled to prohibit the removal of the trademark from genuine goods and the placement thereof in the market with no sign or with another sign on them (article 125(4)(a) of Trademark Law 4072/12).

## 23 Discovery

### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

A party to the proceedings that submits evidence of likelihood of trademark infringement and asserts that relevant evidence is within the possession or control of the defendant may request a court order for the submission of such evidence (article 151(1) of Trademark Law 4072/12). If the trademark infringement takes place on a commercial scale, the submission of banking, financial or trade documents can be requested (article 151(2) of Trademark Law 4072/12). The court should take appropriate measures so that the confidentiality of the information is protected.

The defendant may be obliged by the court to submit of information in respect of the origin and the distribution networks of goods or services regarding the infringement of the trademark. The same applies to the possessor of such goods on a commercial scale, the user or provider of the services on a commercial scale and any other intermediary in the manufacture or distribution of the goods or provider of the services, again on a commercial scale. Said information includes all details of the persons and entities involved in the production and distribution, former possessors and receiver merchants, and the quantities and prices of the goods or services (article 151(4,5) of Trademark Law 4072/12).

## Update and trends

The Greek Trademark Office takes into account the EUIPO Common Communications and decisions. Furthermore, the administrative and civil courts take into account the ECJ rulings. The Trademark Law is about to change in view of the harmonisation with the Trademark Directive, due in January 2019.

Severe pecuniary penalties up to €100,000 are imposed on the party that unduly does not comply to submit the information ordered by the court (article 151(8) of Trademark Law 4072/12).

The information obtained accordingly cannot be used for the criminal prosecution of the person ordered to submit such information (article 151(10) of Trademark Law 4072/12).

## 24 Timing

### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

A preliminary injunction is issued in one to three months or, alternatively, the injunction proceedings takes place in two stages. The first stage is a brief hearing (inter partes or not, depending on the case and the judge's opinion) before the Judge in Service, following which, a preliminary injunction is issued on the same day or on the next day at the latest. The second stage is a hearing taking place following notice to the defendant. The injunction in this case is granted or denied in one to three months.

The minimum time for the completion of an infringement action up to the civil court's final decision is one to two years. If the civil court's decision is appealed at the court of appeals and at the Supreme Court, the time frame is extended for another two to five years.

The time frame for a criminal action at first instance is approximately five years. If the criminal court's decision is appealed at the court of appeals and at the Supreme Court, the time frame is extended for another two to five years.

## 25 Litigation costs

### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

The minimum cost for an injunctive relief or an infringement action is approximately €1,500–€3,000.

The costs that a successful plaintiff can recover are awarded by the court, depending on the case.

## 26 Appeals

### What avenues of appeal are available?

A preliminary injunction cannot be appealed.

The civil court's decision is appealed at the court of appeals and at the Supreme Court for points of law. The same holds for the decision of a criminal court.

## 27 Defences

### What defences are available to a charge of infringement or dilution, or any related action?

Defences include the following:

- that there is no likelihood of confusion;
- prior right of the defendant in a locally limited area;
- trademark registration of the defendant provided that the civil court stays proceedings until a final decision by the administrative courts is issued on the matters of registrability and validity of the trademarks;
- the trademark owner's right can be questioned before the civil court; however, the civil court should stay the proceedings until a final decision by the administrative courts is issued on the matters of registrability and validity of the trademark;
- use of the first name or of the second name of a person;
- use of a company name and address;

- use of words or signs of common use;
- use of descriptive signs;
- use of a trademark in good faith to describe the source of origin of the goods or the services, in particular for spare parts and components; and
- the trademark owner acquiesced provided that he or she was aware of the use of the similar sign for five continuous years, unless the filing of the latter mark was made in bad faith.

## 28 Remedies

### What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?

The following remedies are available to the successful party in an action for trademark infringement.

The main remedy is prohibition of the infringement and its continuation in the future (article 150(1) of Trademark Law 4072/2012). By prohibiting the infringement, additionally the court may order:

- retracting the goods with the infringing sign from commerce and, if required, retracting the materials that were mainly used for the infringement;
- the removal of the sign infringing the trademarks, or if this is not possible, final retraction of merchandise with the infringing sign from commerce; and
- destruction of the merchandise.

All of the above are effected at the expense of the infringer, unless there are special circumstances for the opposite (article 150(2) of Trademark Law 4072/2012).

If the court orders the prevention of an act, the penalty for each violation of such order is between €3,000 and €10,000 and detention up to a year.

If it is proved that the infringement was intentional, then damages for actual losses and monetary compensation for non-material losses are awarded by the court (article 150(5) of Trademark Law 4072/2012) plus the expenses for the lawsuit (article 152 of Trademark Law 4072/2012 and articles 173–192 of the Code of Civil Procedure).

Preliminary injunctive relief is available even without notice to the defendant (article 153 of Trademark Law 4072/12) in urgent cases against the infringer and the intermediary third parties (article 153(8) of Trademark Law 4072/12).

Seizure of the assets of the infringer and of its bank accounts can be requested if the infringement takes place on a commercial scale and there exist circumstances that put in danger the compensation for losses or when the evidence is sufficient to indicate imminent infringement of the trademark (article 153(3) of Trademark Law 4072/12).

The court may order that the defendant submits all the details and information in respect of the origin and the distribution networks of goods or services regarding the infringement of the trademark. The same can be requested to be submitted by the possessor of such goods on a commercial scale, by the user or the provider of the services on a

commercial scale and by any other intermediary in the manufacture or distribution of the goods or provider of the services, again on a commercial scale. The information includes all details of the persons and entities involved in the production and distribution, former possessors and receiver merchants, and the quantities and prices of the goods or services (article 151(4,5) of Trademark Law 4072/12). Severe pecuniary penalties up to €100,000 may be imposed on the party that unduly does not comply to submit the information ordered by the court (article 151(8) of Trademark Law 4072/12).

The trademark owner (or licensee) is entitled to prohibit the mere transit of goods bearing a sign which infringes the trademark, even if the goods are destined to be released in another country or if they are imported to be re-exported (article 125(4)(a) of Trademark Law 4072/12).

In addition, the affixing of the trademark on genuine goods which were intended to be placed in the market with no sign can be prohibited (article 125(4)(a) of Trademark Law 4072/12). Furthermore, the removal of the trademark from genuine goods and the placement thereof in the market with no sign or with another sign on them can also be prohibited (article 125(4)(a) of Trademark Law 4072/12).

It can be requested that the court's decision is published in the media and on the internet at the expense of the infringer. The court decides the proper form of publication, taking into account the principle of proportionality (article 157 of Trademark Law 4072/12).

The remedies in a criminal procedure are imprisonment (at least six months) and pecuniary penalties (at least €6,000) (article 156(1) of Trademark law 472/2012). In cases of identical sign and identity or high similarity of the goods or services or when the damage caused is high on a commercial scale, imprisonment is for at least two years and the pecuniary penalty between €6,000 and €30,000 (article 156(2) of Trademark law 472/2012). Further remedies are provided according to other provisions of the criminal laws that may apply, such as for fraud or forgery).

## 29 ADR

### Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?

No ADR techniques are available for oppositions and cancellations, for which the administrative courts are competent.

ADR is available in civil courts for infringement disputes. In practice, ADR has not been used up to now.

## 30 Famous foreign trademarks

### Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?

Well-known marks according to article 6-bis of the Paris Convention enjoy protection beyond that afforded to other marks (article 124(2)(c) of Trademark Law 4072/12).



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Earlier marks that enjoy 'reputation' and where the use of a latter trademark application without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trademark (article 124(1)(c) of Trademark Law 4072/12).

The foreign trademark must be famous domestically.

The protection includes protection against the use or registration of similar signs for different goods or services. The holder of a famous or well-known mark enjoys priority (ie, it can oppose a latter trademark application or cancel a latter trademark registration).



# Guatemala

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## 1 Ownership of marks

### Who may apply?

Any person or legal entity, of any nationality, domicile or activity may acquire and enjoy the rights granted by the Industrial Property Law, which covers trademark rights.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

The Trademark Law states, first, that a mark can be any sign capable of distinguishing the goods or services produced, marketed or provided by any person or legal entity and, second, requires, in order for the sign to be registrable, for such sign to be 'distinctive' with regard to the products or services it will cover.

The nature of the product or service to which the mark will be applied will not be an obstacle in any case for the registration of the mark.

Marks may be for products or for services and may consist of words or groups of words, letters, figures, designs, monograms, shapes, pictures, labels, badges, patterns, engravings, vignettes, borders, lines and stripes and colour combinations and arrangements, as well as any combination of these signs. The shape, presentation, packaging or arrangement of the products and of points of sale of the products or services are also protectable. Non-traditional trademarks such as sound and scent marks are also registrable. The Trademark Law does not limit what can be a trademark, since it has left a general clause that indicates that in addition to that listed in the Trademark Law, trademarks may include 'others that in the opinion of the Registry have or may have acquired a distinctive character'.

Marks may consist of national or foreign geographical indications, provided such are distinctive regarding products or services to which they are applied, and that their use is not prone to cause confusion or association with regard to the origin, qualities or characteristics of the products or services for which the marks are used.

When the mark consists of a label or another sign that is composed of a group of elements and the name of a product or service is contained on such, the registration will only be granted for such product or service.

Special protection is provided to well-known trademarks; however, knowledge of the trademark must be proven.

## 3 Common law trademarks

### Can trademark rights be established without registration?

Exclusive trademark rights are granted upon registration; an exception to this rule are well-known trademarks, which are entitled to protection even if not registered in Guatemala; however, such level of knowledge of a trademark is subject to evidence and will be dependent on a Trademark Office or judicial decision.

Guatemala is a party to the General Inter-American Convention for Trademark and Commercial Protection, an instrument that provides for protection for signs registered or in use in other member states, even if such have not yet been registered in Guatemala. This prior use in another member state may support, depending on the facts

and circumstance, registration in Guatemala with preference over other petitioners or may allow the filing of an opposition or to seek cancellation of a registration.

Since under the law there is no obligation to register in order to use a trademark, there may be cases in which use of a non-registered trademark is confronted with unfair use by a third party. In such cases, one may invoke the law referring to unfair competition. All acts contrary to honest business uses and practices performed in all industrial and commercial activities shall be considered unfair. The Trademark Law also includes, within the prohibitions for the registration of trademarks based on third parties' rights, the situation in which registration of a trademark may result in consolidating or perpetuating an unfair competition act.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

From filing of the application through grant of the trademark registration, the process may typically take seven to eight months. This estimated time will be increased if the trademark office issues an office action (ie, objection to registration) or if an opposition is filed against the application. Such actions will also increase the costs of the trademark process.

In addition to the applicant's information, the clear identification of the trademark and printed copies of the same (in the case of non-traditional trademarks such as sounds and scents, a description of such that is sufficiently clear, intelligible and objective), the list of products or services that will be covered and an indication of the class number for which it is intended, filing should be accompanied by the correspondent power of attorney (POA). If said document is granted in a country other than Guatemala, it must be validated through the process provided in the Apostille Convention, which entered into force in Guatemala on 18 September 2017, and as a consequence both the power of attorney and the Apostille, if written in a language other than Spanish, must be translated in Guatemala by a certified translator to comply with the requirements. If for any reason the POA has not been sent at the time of the application, a Guatemalan attorney is empowered by law to act as an ex officio representative and therefore empowered to submit the filing and obtain a filing date and time. The trademark procedure will be suspended until the attorney submits an authenticated copy of the POA, for which the trademark office will grant a two-month period for the presentation of a bond; if a bond is submitted, the authenticated POA shall be presented prior to grant.

We can provide details of registration costs and fees upon written request.

## 5 Classification system

**What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?**

For the purposes of the classification of products and services for which the registration of a trademark is requested, the International Classification of Goods and Services for the Purposes of the Registration of Marks (Nice Classification) applies by express reference of the current trademark law, even though Guatemala is not a party to the Nice Agreement.

If there is doubt regarding the class in which a product or service shall be placed, such will be resolved by the Registry, which may carry out technical consultations. For all cases, the publications of the World Intellectual Property Organization related to trademark classification shall be considered as a guide for the correct classification of the products and services.

Guatemala is a party to the Trademark Law Treaty (TLT), which implies the admission of multi-class filings; the implementation of several of the TLT's provisions will be subject to an amendment to the Industrial Property Law, which is still at draft stage.

## 6 Examination procedure

**What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?**

Once the application is received, the Trademark Office proceeds, first, to review if the formalities and required documentation have been met. If the application fails to comply with such formalities or documentation, the office will suspend the process and will request the applicant to remedy any failure within a one-month period under the warning that otherwise the application will be considered abandoned.

After the form examination, the office will proceed to examine the trademark in order to determine that it does not fall into the inadmissibility cases or registration prohibitions and that it does not affect third parties' rights (ie, potential conflicts with other trademark applications or registrations). If the office concludes that there are grounds to reject the application based on such examination, it will serve notice to the applicant, granting a two-month period to respond. If the applicant does not respond, the application will be declared abandoned; if the applicant responds and the office criterion is that the reasons to object prevail, it will reject the application; otherwise, the office will allow the process to continue, issuing the edict for publication.

The Trademark Office does not accept letters of consent, but coexistence agreements are accepted, because it is important that the parties establish provisions in order to ensure that the rights and interests of consumers are not affected.

Once publication takes place in the BORPI (the Trademark Office's electronic bulletin), there is a two-month period for any interested party to file for opposition. If there is an opposition, the office will serve notice to the trademark applicant, providing the applicant with a two-month period to respond to the opposition. If there is a need for the office to receive offered evidence a two-month evidence phase will be enabled. The opposition shall be decided by the office (the law does not establish a term for the office to issue its decision). Oppositions are currently taking a minimum of eight months to be decided.

If no opposition was filed against the application (or the opposition was rejected and no administrative remedy was filed against such decision), the applicant must pay the registration official fee, and once this has been performed the office will issue the registration certificate.

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

No current law in force obliges a product or service to be identified with a trademark for purposes of its commercialisation; registration of a trademark is an option for the person using it. Claiming or proving trademark prior use is not legally required in order to request or obtain registration. Once the trademark is registered, proof of use does not need to be submitted (not even for renewal purposes). However, the Trademark Law provides for non-use cancellation action, by any person with interest, which may be activated when five years from grant of the trademark have passed without it having been used or five years from last use of the trademark. The cancellation of a registration for non-use may also be requested as defence against an objection of the Registry or against a third-party opposition to the registration of a trademark; against a request for statement of invalidation of a registration or against an action alleging infringement of a registered trademark. Cancellation will be settled by the competent judicial authority.

When non-use affects only one or some of the products or services for which the trademark was registered, the cancellation of the registration will be settled by a reduction or limitation of the respective list of products or services, eliminating those for which the trademark has not been used.

A registered trademark must be used in the market exactly as it appears in its registration; however, the use of a trademark in a way that differs from the way in which it is registered, but only with regard to details or elements that are not essential and that do not change the identity of the trademark, will not constitute grounds for the cancellation of the registration, and will not reduce the protection that such confers. The use of a trademark by a licensee or another person authorised for such will be considered as if it were being carried out by the holder of the registration, for the effects relating to the use of the trademark.

Non-use cancellation action will not apply when such non-use is due to justifiable reasons. The burden of proof regarding use of the trademark will fall upon the trademark owner.

The applicant for the registration of a mark may claim priority based on a prior registration application, filed in order in a state that is a party to a treaty or agreement linked to Guatemala (ie, the Paris Convention). Such priority must be claimed in writing in the application, or later, until a three-month term following the expiration of priority, indicating the date and the country in which the first application was filed; proof must be submitted with the claim or within three months following the expiration of priority. Multiple or partial priorities may be claimed in the same application, which may have originated in applications filed in two or more different states; in such case the priority term will begin at the earliest priority date. The priority right shall be in force for six months as of the following day of the filing of the priority application.

## 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

If a trademark application is denied by the Trademark Office (rejection upon examination; rejection upon opposition), the petitioner may file, no later than on the fifth business day after having been served notice, an administrative recourse before the Minister of the Economy. Because of the large number of cases referred to the Minister of Economy, these recourses are being decided in approximately a one-year period.

If the decision of the Minister of the Economy confirms rejection, the petitioner may file a contentious judicial action before the Contentious Administrative Court within three months after having been served notice of the ministerial decision. For the same reason, these judicial processes are being decided in approximately two years. The affected party may submit an extraordinary recourse (cassation appeal) against the court's decision before the Supreme Court of Justice.

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

Having successfully passed the examination process, a publication edict will be issued. The edict must be published once in the BORPI.

Any interested party may file opposition against a trademark application within a two-month period counted from the date of the publication, based on relative grounds (ie, third-party rights) or absolute grounds (prohibitions for registration, non-distinctive).

As previously indicated, Guatemala is a party to the General Inter-American Convention for Trademark and Commercial Protection; this convention provides for the protection of signs registered or in use in other member states, even if such are not registered in Guatemala. The convention provides for additional grounds for formulating oppositions. A brand owner may oppose a bad-faith application in Guatemala, even if such owner has not registered the trademark before, on the grounds of article 6-septies of the Paris Convention, which refers to 'use' and 'filings' by a former agent or distributor. Finally, another ground to file an opposition to an application, even if the trademark has not been registered in Guatemala, will be the provision that states that if the pretended trademark may result in an unfair competition act against a third party, such trademark shall not be registered.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

Trademark registration is granted for a 10-year period counted from the date of grant; registration may be renewed indefinitely for equal and consecutive 10-year periods. Use of the trademark is not required for its maintenance or for renewal purposes.

Renewal may be filed within one year prior to the expiration of the 10-year term, subject to the payment of the renewal fee. However, if the term elapsed without having filed for renewal, the law provides for a six-month grace period, during which one can file for a late renewal, paying an increased official fee.

## 11 The benefits of registration

**What are the benefits of registration?**

Registration provides for exclusive rights on the trademark. Registration entitles the rights holder to invoke both civil and criminal actions and remedies against unauthorised use of registered trademarks and allows for stronger grounds to oppose filing of similar or identical trademarks for the same or similar products or services. In addition, the Trademark Office may, via an office action, object to trademark filings that may affect the rights of the registered trademark.

## 12 Licences

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

The law does not call for the compulsory recordal of a licence for any particular effects. Recordal of a licence is an optional and a voluntary act of the parties. The licensor or licensee may submit a recordal petition, either by accompanying a copy of the agreement or a brief to such agreement; the law lists the basic information that the petitioner needs to provide for recordal purposes.

Recordal of a licence publicises the existence of the same; regarding 'use of a registered trademark', a certificate of the recordal will add to the evidence of use if the trademark has actually been in the market due to the licence.

Unless otherwise agreed in the licence agreement, 'exclusive licensees' are entitled to exercise legal actions for the protection of the licensed trademark; recordal of an exclusive licence will facilitate the licensee with a document to evidence, before the competent authority, that he or she is entitled to act against infringements to the trademark (instead of having to prepare other documents for such purposes or having to submit a copy of the licence agreement, which may have confidential content).

## 13 Assignment

**What can be assigned?**

Trademarks can be assigned independently of the company to which they belong; these do not need to be assigned along with other assets. Assignment can be total or partial regarding the covered products; if partial, a petition for the division of the registration shall take place (prior to the assignment or concurrent to the assignment). If change of ownership may result in a risk of confusion, such assignment and recordal may be challenged in order to be declared void.

If a company is sold, such operation under the law implies the transfer of the right on all of its trademarks and trade name, unless otherwise agreed.

Trade names can only be assigned along with the business or company these identify, for which compliance with administrative proceedings before the Commercial Register is needed.

## 14 Assignment documentation

**What documents are required for assignment and what form must they take?**

Assignment of trademarks must be documented in writing before a notary public in Guatemala or via a private document with authentication of signatures. If the document was celebrated in a foreign country, in order to record the assignment one will need to comply with the process provided in the Apostille Convention, which entered into force in Guatemala on 18 September 2017. If the document is in a language other than Spanish, translation shall take place in Guatemala through a certified translator.

In order to file for the recordal of the assignment, the owner, if not resident in Guatemala, shall grant a POA to a Guatemalan attorney.

## 15 Validity of assignment

**Must the assignment be recorded for purposes of its validity?**

Assignment must be recorded for validity purposes.

## 16 Security interests

**Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?**

Trademarks can be used as security interests; in order to proceed, the agreement must be documented in writing via a notary public instrument or with authentication of signatures by a notary public. In order to have effect before third parties, recordal is necessary.

## 17 Markings

**What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?**

The law does not refer to any markings or symbols to be used to indicate use of a trademark or a registration. Thus, there is no mandatory marking and no regulation regarding the use of markings or symbols. Adding a symbol or word such as ® will not have legal weight in Guatemala. However, if there is risk of the trademark becoming a generic term, one should use markings so as to be clear that the term is a trademark; this will mitigate a potential cancellation action on the grounds of the term becoming generic and will be proof to demonstrate that the owner has taken steps to prevent the term from become generic.



**18 Trademark enforcement proceedings**

**What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?**

There are civil and criminal proceedings available against trademark infringement. Administrative procedures are not available for that purpose. The criminal proceedings are of public action, meaning that the IP Prosecutor shall act if he or she learns of a trademark infringement (the least of the cases), and he or she will act when the rights holder denounces criminal offences against its trademark rights.

Civil proceedings are available for trademark dilution and for trademark infringements.

Border enforcement mechanisms are available through the courts. Border officers are not empowered to act *ex officio* before a suspicious import or export for which they may have reasonable grounds to believe that it infringes trademark rights; rather, the rights holder or a customs or border officer, when presented with reasonable evidence that an import may infringe trademark rights, may request a judge for customs measures.

There are no specialised tribunals or courts to deal with trademark infringement cases. Regarding criminal offences, there is a specialised intellectual property prosecutor office.

**19 Procedural format and timing**

**What is the format of the infringement proceeding?**

Criminal procedures are filed before the Permanent Attention Bureau of the Prosecutor's Office; the file is further transferred to the IP Prosecutor's Office (IPO). The rights holder shall bring before the IP Prosecutor, evidence of its right and evidence of the alleged infringement. The IPO will verify the information and conduct its own investigation, and if it finds there are reasonable grounds, it may request the judge to initiate the case and request raid and seizure orders. If no person is arrested, a six-month period will be granted to complete investigation; at the end of the six-month period, the judge will decide if the case is closed or it is suspended until new evidence is presented. If individuals are arrested as a result of the raids or other executed measures, a three-month period devoted to conclude the investigation is granted; at the end of such a period the conclusions of the investigation are to be presented as well as the accusation against the defendants. After accusation, the judge will set the date and time for oral debate and will issue sentence immediately after the oral debate. Against the judge's sentence, the 'special appeal' may be filed.

Criminal trials, depending on their complexity, may last from eight months up to three years (or even longer).

IP civil proceedings are to be addressed through the 'oral civil process'. The rights holder should file suit, including identification of all evidence to be offered for the case. Along with the suit, injunctions can be requested. The judge will evaluate the facts and the rights at sight and may grant the injunctions prior to the first hearing. The proceeding is developed through oral hearings (up to three; however, if there is a countersuit by the defendant in first hearing, there could be more hearings).

The judge shall issue sentence after the final hearing. Depending of the recourses and other legal defences (ie, *amparo* action) used by the parties, the proceeding may last one to three years, including appeal proceedings.

Both civil and criminal proceedings may be interrupted by the promotion of the *amparo* action (action used to obtain protection against alleged violations to constitutional rights, such as due process), which will result in substantial delay to the completion of the proceedings.

**20 Burden of proof**

**What is the burden of proof to establish infringement or dilution?**

Regarding trademark infringement cases, the burden of proof resides on the plaintiff. The only case in which there is a reversal of the burden of proof is in the civil oral proceeding for trademark cancellation on the grounds of failure to use.

**21 Standing**

**Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?**

Trademark owners or exclusive licensees (unless the licensee has been expressly denied such power in the licence agreement) may seek for remedy before trademark infringement (civil or criminal). The trademark owner shall bring before the competent authority evidence of its right and evidence of the infringement.

**22 Foreign activities**

**Can activities that take place outside the country of registration support a charge of infringement or dilution?**

Documents or activities that take place outside the country of registration may support arguments related to trademark infringement or dilution. For example, affidavits, administrative acts and court decisions issued in another country where a case has been or is being discussed may be invoked in support of an alleged infringement, for which one must obtain certified copies of the documents in the given country and comply with the correspondent consular authentication (and translation into Spanish if the documents are in foreign language) in order to submit it in court.

**23 Discovery**

**What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?**

Discovery of documents is allowed in civil proceedings. A party in the proceeding who needs to support its arguments in a document that is under control of the adversary or a third party (including documents outside of the country) may request it to the judge, submitting a copy of such document or at least, data showing that the petitioner knows about its content; the party requesting discovery of documents shall prove that such document is in the domain or has been in the domain of the adversary or third party.

If the document is outside the geographical territory of competence of the judge or court or outside the country, the proceedings for requesting it should comply with the correspondent formalities through a petition that the judge or court shall address. If the documents are located outside the country, the judge shall direct the petition via the Supreme Court. These proceedings take time to be executed.

**24 Timing**

**What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?**

In civil proceedings, preliminary injunctions are typically decided within one month counted from the date on which the lawsuit is received (lawsuits are not filed directly before the tribunal, but are filed at the administrative distribution centre (electronic distribution); a lawsuit is normally delivered to the assigned tribunal three days after having been submitted). Once the trial is in progress, one can request injunctions at any time before the case is decided. Injunctions cannot be requested in appeal proceedings.

In criminal proceedings, preliminary injunctions are requested in the preparatory phase; during the trial phase, one may request additional injunctions. Injunctions cannot be requested when appealing or during the appeal process.



### Update and trends

Recent landmark cases include the following.

#### Trademarks and geographical indications-grandfather clause

The Constitutional Court declared null an Appeal Court decision that cancelled two trademarks registered in 1979 and 1980. The Appeal Court argued that the trademarks were registered against an express prohibition contained in the law in force at that time, in that 'indications of provenance' could not be registered as trademarks; the court also argued that the trademark registrations were obtained in bad faith to take advantage of the fame of two European geographical indications. The plaintiffs were European entities administering the alleged geographical indications and an Italian company. The Constitutional Court declared the Appeal Court's decision to be null, finding that the decision was the result of inadequate interpretation of the applicable norms (the Central American Convention for the Protection of Industrial Property Law in force at the time of the registration; the Industrial Property Law in force at the time of the lawsuit; and the TRIPS Agreement, also in effect at the date of the filing of the lawsuit), in particular because it ignored the reasoning of the grandfather clause contained in article 24, paragraph 5 of the TRIPS Agreement, and that the presumption of good faith by the trademark owner was never proven to the contrary. Furthermore, at the time of registration, there were no international covenants that linked Guatemala to acknowledge and protect foreign geographical indications. As a result of the Constitutional Court's decisions, the Appeal Court issued a new judgment, rejecting the plaintiffs' petition

and confirming the validity of the trademarks. (*Re: Constitutional Court - Amparo Appeal*, File 5099-2013).

#### Trademark cancellation-failure to use

The Constitutional Court issued a judgment by which it was affirmed that cancellation of a registered trademark shall operate when the trademark has not been used for a five-year term before the cancellation suit, rejecting the decision of an Ordinary Court, which interpreted the argument of the defendant to mean that the term for cancellation was interrupted and thus began to be counted again from the renewal of the trademark registration. The Constitutional court found the Ordinary Court's decision to reflect a restrictive interpretation and to be contrary to the constitutional principles of legal certainty and due process, and confirmed that cancellation of the trademark on the grounds of non-use does not limit or violate acquired rights (*Re: Constitutional Court - Amparo Appeal*, File 3155-2009).

#### Well-known trademarks

The Contentious Administrative Court ruled that at the administrative level (Industrial Property Registry), for opposition purposes, evidence used to demonstrate and to decide on the knowledge of a trademark by the pertinent segment of the public may include geographical and temporal of use of a given trademark, distribution channels and points of sale, whether or not the allegedly well-known trademark is registered in the country (*Re: Tribunal de lo Contencioso Administrativo*, File 01190-2013-00085).

## 25 Litigation costs

### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

Litigation costs will vary depending on the case, its complexity, evidence needs and other criteria; quotes are provided upon revision of the case facts and rights related to the facts.

## 26 Appeals

### What avenues of appeal are available?

Final decisions in a civil or criminal proceeding are subject to appeal. Administrative decisions from the Trademark Office proceedings can be reviewed via a 'contentious administrative' judicial process; a decision that is further subject to a cassation process before the Supreme Court.

## 27 Defences

### What defences are available to a charge of infringement or dilution, or any related action?

Both civil and criminal proceedings guarantee due process and the right to defence. Therefore, a defendant will have the opportunity to be heard and to submit evidence before a claim. In civil oral proceedings, the defendant may, at the first hearing, countersuit, and the proceedings will be developed in parallel.

Regarding criminal proceedings, the alleged infringer will have the chance to present evidence to vanish the claimed offence before the IP Prosecutor; however, as in civil cases, the judge may order preliminary injunctions previous to serving notice of the claim to the defendant.

A defendant, declared innocent, may act against the plaintiff to claim damages.

## 28 Remedies

### What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?

A successful party in an action for infringement or dilution will be entitled to claim damages and loss (monetary relief). The law provides for alternatives to establish damages, including statutory damages.

The judge may also decide to grant injunctive relief, ordering the adoption of actions or prohibiting actions in order to avoid recurrence of the infringement and ordering the defendant disclose all the

information related to other individuals or entities involved in the commission of acts that lead to the infringement, means to carry out the infringement, distribution systems and others.

Regarding infringing merchandise, the judge will order destruction of the counterfeit merchandise; however, the judge may also order donation to a charity entity, removing labels and signs.

In criminal cases, remedies available to a successful party also include monetary relief and injunctive relief.

## 29 ADR

### Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?

The Arbitration Law excludes from arbitration those matters that, in a given law, have an established proceeding. Therefore, a trademark infringement cannot be subject to arbitration. Nevertheless, IP contractual matters may be subject to arbitration. Benefits of arbitration reside in more expedited procedures and specialised arbitrators.

## 30 Famous foreign trademarks

### Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?

Famous or well-known trademarks are afforded protection under Guatemalan law; however, knowledge of the trademark in the country (whether used or not in the country) must be proven. The by-law to the Industrial Property Law provides for guiding criteria to establish the fame or knowledge of a trademark in the market, which coincides substantially with those contained in the WIPO Joint Recommendation Concerning Provisions on the Protection of Well-Known Marks (September 1999).

Proof of knowledge of the trademark by the relevant segment of the public must be provided; other acceptable proof includes that related to the geographical area where marketing of the trademark takes place and its intensity; the time that the trademark has been in use; its geographical reach; production volume; etc. Local surveys, developed with an objective methodology, will certainly constitute valuable evidence regarding the knowledge of the trademark in the market and among the relevant members of the public.

Protection of well-known trademarks allows the rights holder to oppose registration of an identical or similar trademark for the same or similar products or services; protection also allows the rights holder to challenge the use of an identical or similar trademark covering the

same or similar products or services. In any case, the fame of the mark must be proven or shall have been proven previously.

The TLT has entered into force; however, the draft bill to implement the treaty is still under discussion. Once the bill becomes law (as an amendment to the current Industrial Property Law), Guatemala will simplify procedures and may allow multi-class filings.

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# Honduras

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## 1 Ownership of marks

### Who may apply?

Any physical or juridical person (foreign or national) may apply.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

The definition of a trademark or service mark is as follows: any visible sign able to distinguish the products or services of a business in respect of the products or services of other businesses. A mark shall consist, inter alia, in fantasy denominations, names, pseudonyms, commercial slogans, shapes, portraits, letters, figures, monograms, labels, coats of arms, cotton prints, vignettes, fringes, lines, stripes, combinations and arrangements of colours. They shall also consist in the form, presentation or conditioning of the products or their packing or wrapping, or from the means or places of expenditure of the corresponding products or services. Without prejudice of the other provisions of the law hereby and from other applicable norms, trademarks shall also consist in national or foreign geographical indications as long as they are sufficiently arbitrary and distinctive of the products or services to which they are applied, and that their use shall not be susceptible of creating confusion or creating wrong or unjustified expectations in the public about the origin, source, qualities or characteristics of the products or services to which the marks are applied.

## 3 Common law trademarks

### Can trademark rights be established without registration?

No. The general provision states that the right to the exclusive use of a trademark is acquired through its registration at the Honduran Trademarks Office. If two or more parties simultaneously request the registration of a trademark for the same products or services, the registration will be granted to the party who proves it has continuously used the mark in Honduras for a longer period of time, unless the application refers to a mark considered to be well known and has been adopted and used in bad faith. A trademark can also be rejected (although this seldom happens) by the examiners of the Honduran Trademarks Office when it is identical or confusingly similar to a trademark not registered but amply used by a third party who would have a greater claim to obtain the registration, as long as the mark covers the same products or services, or for products or services different but able to be associated with or related to those the previously used mark distinguishes.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

It takes about 12 months to secure a registration and the cost of registering a mark per class is approximately US\$430, including standard professional charges, VAT, normal publication expenses and official

fees. No multi-class applications are allowed. Additional professional fees and disbursements (the costs vary depending on the particular issue raised or encountered) should be expected in the event of initial refusals, objections or citations from the examiners of the Trademarks Office. A power of attorney and copy of the applicant's Certificate of Corporate Good Standing, both legalised by the apostille, are needed for filing an application. One set of documents (if not restricted by the applicant) serves for all matters of interest to an applicant.

## 5 Classification system

### What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?

The Nice Classification of Goods and Services (9th edition) is used. Multi-class applications are not allowed in Honduras, but significant discounts on professional fees can be awarded for large filing projects.

## 6 Examination procedure

### What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?

Trademarks are examined and confronted against previous registrations or pending applications. Letters of consent are generally accepted by the Honduran Trademark and Patent Office, provided that different channels of commercialisation as well as even minor visual, phonetic and grammatical differences exist between the conflicting marks, and that the overall difference in the goods covered or identified by the similar or identical marks does not mislead or cause confusion to the general consumer. In other words, letters of consent are allowed with the exception of those involving identical or confusingly similar marks covering very similar goods or services. Note, however, that letters of consent are examined on a case-by-case basis, so their acceptance cannot be guaranteed in all cases. About 70 per cent of applicants respond to initial rejections or objections.

## 7 Use of a trademark and registration

### Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?

Under the current Honduran Industrial Property Law, registered marks that have not been used in Honduras for three years or more, counted from the registration date, may be subject to cancellation on the grounds of non-use and following a simple petition from an

interested third party. It should be noted that the said petition may also be used as a defence in an opposition. The owner of the attacked registration must prove use of the mark or payment of 'rehabilitation taxes'. Payment of these taxes fully protects a registered and non-used mark against actions or defences on the grounds of non-use. Once a cancellation action on the grounds of non-use is filed by an interested third party, it is no longer possible to pay the taxes in arrears.

## 8 Appealing a denied application

### Is there an appeal process if the application is denied?

If a trademark application is rejected by the Honduran Trademarks Office, the affected party may request the reconsideration of the said rejecting resolution before the same office. Filing of evidence in support of all arguments filed is allowed in the form of documentary evidence (affidavits), expert witness declarations, inspections performed (at the request of the petitioner) by officers of the Trademarks Office. If the Trademarks Office maintains the rejection, an appeal can be filed before the Directorate of Intellectual Property and if the same maintains the rejection a further appeal can be made before the highest administrative office, the Superintendency of Intellectual Property. The resolutions of this body are final and the only resource left for the affected party is to file suit against the administrative office for damages. This is filed at the Contentious Administrative Court.

## 9 Third-party opposition

### Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?

An interested party may file an opposition against a trademark application within the period of publication and up to 30 working days counted from the last publication of the application in the Official Gazette. The opponent must prove the grounds for lodging the opposition and must attach or announce the pertinent means of proofs in support of its allegations and claims. An opposition founded on the previous use of a mark will be dismissed if the opponent cannot prove to have previously filed an application for registration of the mark in which the opposition is based. Oppositions are substantiated according to the declarative procedures, and parties (opponent and applicant) must prove all claims and allegations. Brand owners may oppose a bad-faith application even if they do not have protection in the country (eg, a brand owner may oppose a trademark registration application filed without authorisation by a distributor or re-seller of the goods covered by the mark).

Cancellation actions on the grounds of non-use are also contemplated by the law following the same declarative procedures. In these cases, there is a reversal of the burden of proof and it is the registrant who must prove either the use of the mark as defined by the law or payment of rehabilitation tax. A mark will be considered as used in Honduras when the products or services identified by the same can be found in the market under that mark in the quantity and regularity that normally correspond to the size of the Honduran market, the nature of the products or services in question and the form in which such are usually commercialised. The lack of economic resources or the insufficient demand for the products or services covered by a mark in the Honduran market will not be considered as just cause for non-use. When non-use of the mark affects only one or some of the products covered by a given registration, then the cancellation will be resolved by a reduction or limitation of the coverage of the registration provided that sufficient evidence as to the right of the third party is provided.

Any interested party can file a petition before the Honduran Trademarks Office requesting the annulment of a trademark registration proving that it was granted despite the following inherent prohibitions:

- the mark consists of the usual or common shapes of the products or their packaging or of necessary shapes imposed by the nature of the given product or service;
  - the mark consists of shapes that provide a functional or technical advantage to the product or service it applies to;
  - the mark consists exclusively of a sign or indication used in the market to describe the characteristics of the given products or services;
  - the mark consists exclusively of a sign or indication, which in the common language or commercial usage of the country, is a common or usual designation, generic denomination or technical name of the given products or services;
  - the mark consists of a single and isolated colour;
  - the mark lacks distinctiveness in respect of the products or services covered;
  - the mark violates morality or public order;
  - the mark consists of signs, words or expressions that ridicule or tend to ridicule people, ideas, religions or national symbols, of the symbols of third countries or international entities;
  - the mark is susceptible to deceiving the commercial market or the public about the source, nature, way of manufacturing, qualities, aptitude for the use or consumption, amount or any other characteristic of the products or services covered;
  - the mark is identical or confusingly similar to a mark whose registration has expired or has not been renewed, or has been cancelled upon request of its holder or annulled by any cause, and that covering similar products or services, or for other products or services that, due to their nature, could be associated with those, unless one or two years (for collective marks) have elapsed from the date of expiry, cancellation or annulment of the registration;
  - it contains an appellation of origin protected in accordance with the law for the same products, or for different products when their use could cause a risk of confusion or association with the denomination or represent an unfair use of its notoriety, or consist of a geographical indication as contemplated by the law;
  - the mark reproduces or imitates official signs of control or guarantee adopted by any country or public entity, without the full authorisation from the respective national or public entity;
  - the mark copies coins or bills of legal course within the territory of any country, securities or other commercial documents, seals, stamps or government obligations in general;
  - the mark includes or reproduces medals, prizes, diplomas or other elements that can deceive the public, unless such awards had actually been granted to the trademark applicant;
  - the mark consists of the names, emblems and distinctive marks of the Red Cross and religious and welfare entities legally recognised;
  - the mark includes a total or partial reproduction or imitation of a coat of arms, flag or other emblem, initial, denomination or abbreviation of denomination of any country or international organisation, without the authorisation of the said country or international organisation;
  - the mark consists or includes the Olympic symbol as it is defined in the 1981 Treaty of Nairobi, on the protection of the Olympic symbol; and
  - the mark includes the denomination of a vegetal variety protected in the country or abroad, if the mark is to cover products or services related to this variety or if its use has the potential to generate confusion or association with the same.
- A nullity action can also be filed by an interested party who proves that the registration was granted in violation of the following prohibitions based on the prior acquired rights from third parties:
- it is identical or similar to a previously registered mark or pending application in such a way that can visually, grammatically or phonetically create confusion to distinguish between those products or services or between products or services different but susceptible to being associated or related to those the prior trademark distinguishes;
  - it is identical or confusingly similar to a trademark not registered but amply used by a third party who would have a better right to obtain the registration, in a way that can visually, grammatically or phonetically create confusion, as long as the mark covers the same products or services or for products or services different but susceptible to being associated or related to those the previously used mark distinguishes;



- it is identical or confusingly similar to a widely used trading name, emblems or slogans used in the country by a third party since a previous date, as long as, given the circumstances, it could create confusion;
- it constitutes the total or partial reproduction, imitation, translation or transcription of a distinctive sign used in Honduras that is famous or notorious to the general consumer or to the relevant business sectors of the country and to which the public belongs, to a third party, notwithstanding the products or services covered by the well-known or notorious sign; when its use had the potential to create confusion or a risk of association with the same;
- it consists of the name, signature, title, hypocoristic or portrait of a person different from the one who requests the registration, unless the consent of that person is submitted or, if such person has died, the consent of his or her descendants or ascendants in the closest degree; and
- it infringes a copyright or a right on an industrial design or it clearly violates provisions against unfair competition.

All nullity actions are substantiated according to the declarative procedures and the parties must prove all allegations and claims at the corresponding probatory period. The proofs allowed include documentary evidence, expert witness declarations, judiciary and administrative audit or inspections, presumptions, etc.

The nullity of registration of a trademark shall not be declared for reasons that were no longer applicable at the moment of issuing the resolution declaring or dismissing the nullity action. Nullity actions based on prior better rights shall be initiated within five years after the date of objected registration or within three years after the date in which the use of the trademark for which cancellation is demanded began. The right to initiate a nullity action will not expire when the registration for which cancellation is demanded was registered in violation of inherent prohibitions or in bad faith.

The costs (in \$US) associated with these proceedings are, generally speaking, as follows:

Oppositions to a trademark registration			
Description	Legal fees	Official fees/ expenses	Total
For filing an opposition suit	335	50	385
For filing means of proof during the prosecution of the opposition	450	25	475
For the final pleadings, filings and further prosecution of the case up to the final decision from the Trademarks Office	550	50	600
Preparing and filing an answer to an opposition suit	335	50	385
For filing means of proof during the prosecution of the case	450	25	475
For the final pleadings, filings and further prosecution of the case up to the final decision from the Trademarks Office	550	50	600

Nullity			
Description	Legal fees	Official fees/ expenses	Total
Preparing and filing/answer a nullity action on the grounds of better rights (judicial action)	1,800	50	1,850
For filing means of proof during the prosecution of the case	800	50	850
For the final pleadings, filings and further prosecution of the case up to the final decision from the court	800	50	850
For obtaining a first- instance decision from the court	850	0	850
For filing a review appeal or defending a case against a review appeal filed by the counterpart	1,800	200	2,000

Cancellation actions on the grounds of non-use/trademark/service mark/slogan registrations			
Description	Legal fees	Official fees/ expenses	Total
(a) For preparing a cancellation action on the grounds of non-use (administrative action) (minimum)	1,700	140	1,840
(b) Publication of final resolution in the Official Gazette and a local newspaper		Mostly publication expenses – may be higher depending on length of decision	

Infringement and forgery			
Description	Legal fees	Official fees/ expenses	Total
Infringement and forgery actions, including (if necessary) seizure of counterfeit goods (minimum)  (Logistics and miscellaneous are discussed case by case)	1,575	750	2,325
		Logistics and other expenses when coordinating with police and public prosecutors	

**10 Duration and maintenance of registration**

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

A trademark is registered in Honduras for 10 years counted from the registration date and the registration can be indefinitely renewed for 10 years. A six-month grace period counted from the initial expiry date is allowed for the registration of a mark. Proof of use is not required at any moment during the maintenance of a mark or at renewal date, unless a third party attacks a registration on the grounds of non-use.

**11 The benefits of registration**

**What are the benefits of registration?**

In Honduras the right to exclusively use a mark and preventing others from using or imitating the same originates from its registration before the Honduran Trademarks Office. All remedies for infringement, access to specialised courts, border measures and actions before the Attorney General’s Office IP division will request the submission of a copy of the Honduran trademark registration or, at the very least, of an admitted application. Moreover, an opposition founded on the previous use of a mark will be dismissed if the opponent cannot prove to have previously filed an application for registration of the mark on which the opposition is based.

**12 Licences**

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

The proprietor of a Honduran trademark registration or pending application may license its use through a written agreement. All licence agreements must be recorded before the Honduran Trademarks Office to produce effects against third parties. Only the use of a mark by a duly registered licensee will be available to the benefit of the trademark owner. There are no specific deadlines for recording a licence agreement, but recording is now recommended in view of the use requirements imposed by the current Honduran Industrial Property Laws. Only duly registered licensees may act together with the trademark

owner in opposition and infringement cases including actions before the Attorney General's Office division of Intellectual Property.

In the absence of particular regulations set up by the contracting parties, the following regulations shall apply to licence agreements:

- the licensee shall have the right to use the mark in the whole Honduran territory during the licensed trademark registration term, including its renewals and in respect to all products or services covered by the mark;
- the licensee may not assign the licence or grant sub-licences;
- the licence will not be exclusive; and
- if the licence is exclusive, the licensor shall not grant other licences or use the involved mark by itself.

The Honduran Trademarks Office may reject the registration of a licence agreement in the following cases:

- when it lacks quality control provisions;
- if it contains export prohibitions or limitations;
- if it imposes on the licensee the obligation to use raw materials, equipment or goods of origin determined by the licensor;
- when sale or resale prices are imposed;
- when the obligation to permanently employ personnel designated by the licensor is imposed; or
- if the facility to resolve conflicts arising from the interpretation or fulfilment of the obligations and clauses of the agreement is given to foreign tribunals.

It should be noted that the Honduran Trademarks Office may register a licence agreement that includes the above clauses if a just cause is invoked and proved to the satisfaction of the said Office.

### 13 Assignment

**What can be assigned?**

Trademark registrations and pending (admitted) applications may be assigned in Honduras with or without goodwill.

### 14 Assignment documentation

**What documents are required for assignment and what form must they take?**

A deed of assignment executed by the assignor and assignee is needed for recording the assignment of a trademark or service mark before the Honduran Trademarks Office. This document must be legalised by the apostille of a Honduran consulate.

### 15 Validity of assignment

**Must the assignment be recorded for purposes of its validity?**

Only recorded assignments will produce effects against third parties. The recording is not needed to produce effects between the contracting parties.

### 16 Security interests

**Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?**

Security interests are recognised. If produced abroad they must be legalised by the apostille of a Honduran consulate. If produced locally, then only notarisation is required. Security interests must be recorded for purposes of its validity and enforceability.

### 17 Markings

**What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?**

Marking is not mandatory. The benefits of using a mark as registered consist mainly of an expanded recognition by consumers and competitors.

### 18 Trademark enforcement proceedings

**What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?**

As part of the Dominican Republic–Central America Free Trade Agreement (DR-CAFTA) agreements, the Honduran Customs Office may block the importation of products bearing infringing trademarks into the country. However, in practice, the IP Special Unit of the Honduran Customs Office will ask the Trademarks Office to notify the attorneys of the registered owners of a possible infringement and this will give the said owners a window of 48 to 72 hours to initiate an action before the IP Unit of the Attorney General's Office to work with the said office and obtain the seizure of the goods bearing the infringing marks before they are released in the Honduran market.

The Customs Office also allows for some firms that handle a large number of cases to provide them with lists of relevant registered trademarks, in order to receive forewarning when an importation petition is filed or when the merchandise arrives at the port of entry. This, however, is not mandatory and does not have a clear-cut procedure.

With regard to dilutive use of a mark, the owner of a registration may request from the authorities a prevention of the use of a registered trademark in a way that may dilute its distinctiveness. The authorities will substantiate this action as an ordinary declarative action, request from the affected party proof of its allegations and claims and issue an administrative order prohibiting the dilutive use of a mark when appropriate.

### 19 Procedural format and timing

**What is the format of the infringement proceeding?**

Several administrative sanctions can be imposed on a party found to have infringed a trademark. These range from fines to criminal sanctions in the event of recidivism. The affected party may also bring an additional claim for damages and lost profit, in a civil law action. Damages and lost profit start accruing from the date on which the existence of an infringement can be proven. Honduran law tends to provide fair compensation to the affected party.

The right to file a civil suit for infringement of trademark rights will expire after two years counted from the moment in which the trademark owner had knowledge of the infringement or five years counted from the last time the infringement took place, applying the term that expires first.

Infringement actions may also be filed before the Trademarks Office and the infringers, without prejudice to civil and criminal sanctions, may face fines of up to 20 times the minimum wage (around US\$10,000) when they engage in any of the following acts:

- use of a servile copy or fraudulent imitation of a registered mark to identify products or services covered by the same;
- perform acts prohibited by the Honduran Commercial Code in respect of trade names, slogans or emblems. These acts are servile copies or imitations of the said signs;
- use of a false geographical indication susceptible of deceiving the public about the source of any product or service or about the identity of the producer, manufacturer or trader of the product or service; or
- use of a false or deceiving appellation of origin or an imitation of a appellation of origin, even when the true origin of the product is indicated, an incorrect translation of the appellation of origin is used or the appellation of origin is used together with expressions such as 'type', 'gender', 'way', 'imitation' or other analogous qualifications.

The Honduran Attorney General's Office has created an IP Special Unit and the registered owner of a trademark or its duly recorded licensee may file a criminal complaint before this office requesting the seizure (both at the market place and at the Customs Authority) of goods bearing infringing marks. Infringement procedures before this unit have an expedited procedure and the complainant must only prove to own

### Update and trends

The consolidation of firms offering regional Intellectual Property services in the DR-CAFTA countries continues. This consolidation takes place either through the opening of representative offices owned by the regional firms or through the structuring and consolidation of well-established cooperation networks with advantageous fee structures and standardised working processes. The Trademark and Patent Offices of these countries are also increasingly applying the Harmonized Manual on Trademark Registration Criteria for the DR-CAFTA countries and harmonising timing and procedures for other IP rights.

a Honduran valid trademark registration and also provide clear and precise indications as to the nature of the infringement that it wants to ban.

### 20 Burden of proof

#### What is the burden of proof to establish infringement or dilution?

In Honduras, the general principle is that the parties must prove all allegations. With that understanding, it is the plaintiff who must prove infringement or dilution of its trademark rights. There is a reversal of the burden of proof for the cancellation of a trademark registration on the grounds of non-use. In these cases, the owner of the attacked registration must prove use, justified reasons for non-use as outlined in the law or payment of rehabilitation tax.

### 21 Standing

#### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

The registered owner of a trademark registration or duly registered licensee (unless expressly forbidden from doing so in the licence agreement) has the right to prosecute a suit against a third party infringing his or her rights. A distributor may not bring a suit for infringement. The trademark owner and the duly registered licensee also have the standing to bring a criminal complaint.

### 22 Foreign activities

#### Can activities that take place outside the country of registration support a charge of infringement or dilution?

Honduran trademark law is territorial in principle. The infringer may act only when the infringement takes place within the country or at its borders.

### 23 Discovery

#### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

Discovery and disclosure techniques are seldom used in trial as their effectiveness is not normally recognised by the courts and the administrative offices.

### 24 Timing

#### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

Infringement actions before the Trademarks Office have a typical time frame of six to 12 months before first instance resolution is issued.

Civil actions before the courts have a typical time frame of 15 to 20 months before a first-instance resolution is issued.

Criminal complaints before the criminal courts have a time frame of around 15 to 20 months before a first-instance resolution is issued.

Complaints before the Attorney General's Office IP division have a time frame of one to two weeks before the preliminary injunction is issued.

All decisions, including the preliminary injunctions, rendered by the above-mentioned administrative offices and courts are subject to appeal before the Higher Administrative Office and Court of Appeals respectively. The injunctions issued by the IP division are subject to an appeal to be resolved by the Attorney General's Office within two weeks.

### 25 Litigation costs

#### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

Around US\$6,000 to US\$12,000. Generally speaking, the plaintiff may recover costs, although this is not common.

### 26 Appeals

#### What avenues of appeal are available?

The affected party may appeal all resolutions before the Higher and Highest Administrative Office. The decisions rendered by the Highest Administrative Office put an end to administrative procedures.

In judicial cases the affected party may appeal before the Court of Appeals and before the Honduran Supreme Court. Decisions rendered by the Supreme Court put an end to judiciary proceedings.

### 27 Defences

#### What defences are available to a charge of infringement or dilution, or any related action?

An accused infringer may defend itself by proving not to have committed the infringement, the lack of right to sue by the affected party and also based on formalities and technicalities that can be used as dilatory pleas as part of the defence from the alleged infringer. The alleged infringer may also counterclaim the nullity of the allegedly infringed trademark under formal and substantial considerations.

### 28 Remedies

#### What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?

The affected party may also request one or more of the following remedies in the event of infringement of IP rights:

- (i) the cessation of the acts that infringe the rights;
- (ii) the indemnification from the damages suffered. These damages must be proven by the party alleging them;
- (iii) seizure of the objects resulting from the infraction, and of the means that had predominantly served to commit the infraction;
- (iv) the prohibition of the import or export of the products, materials or means referred to in (iii);
- (v) the withdrawal of the objects or means referred to in (iii) from the commercial circuits, or their destruction, when appropriate;
- (vi) the attribution in property of the objects or means referred to in (iii). In this case the value of the assets will be imputed to the amount of the damages; and
- (vii) the necessary measures to avoid the continuation or repetition of the infraction, including the destruction of the seized means compliant with (iii).

A bond will be required from the plaintiff prior to issuing the provisional injunctions needed to carry out any of the measures listed above. This bond has the goal to warrant damages to the defendant.

### 29 ADR

#### Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?

Alternative dispute resolution methods are available in Honduras, but they are not commonly used. This may change in the future as the enacted revisions and additions to the Investment Law in July 2011 require the mandatory use of alternative dispute resolution methods before filing suits on intellectual property matters. This provision does not affect complaints before the Attorney General's Office special IP Unit.

**30 Famous foreign trademarks**

**Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

To determine the fame or notoriety of a mark all relevant circumstances will be taken into consideration, and in particular the following factors, among others:

- the degree of knowledge of the mark among the members of the pertinent sector and the time, scope and geographical extension of use of the mark within the country;
- the advertisement and presence of the mark in fairs, trade shows or other events always in connection with the activity, products or services covered by the mark;
- the existence and seniority of a registration or application for the mark within the country;

- all actions taken for the enforcement and recognition of the notoriety or fame of the mark, and in particular any decision rendered by the national authorities (administrative offices and courts) recognising the notoriety or fame of the mark; and
- the value of all investments made to promote mark, or to promote the establishment, activity, products or services to which the mark applies.

The following alone will not give ground to claim the fame or notoriety of a mark in Honduras:

- the registration or pending application of the mark abroad;
- former or current use of the mark in foreign markets; and
- international (foreign) notoriety by itself.

Inter-class protection is awarded to famous brands if the fame and notoriety within the country can be proved as outlined above. No other means of proof are allowed.



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# India

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## 1 Ownership of marks

### Who may apply?

Any person claiming to be the proprietor of a trademark used or proposed to be used by him or her, who is desirous of registering it, shall apply in writing to the Registrar in the prescribed manner for the registration of his or her trademark.

An application for registration of a trademark can be made by:

- a person or persons jointly;
- a company;
- firm;
- a Hindu undivided family;
- government or not for profit organisations;
- a trust; and
- foreign applicants, nationals or corporations.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

Section 2(1)(zb) of the Trade Marks Act 1999 defines 'trademark'. The definition of trademark in India is an inclusive definition and means a mark:

- is capable of being represented graphically;
- is capable of distinguishing the goods and services of one person from those of others; and
- may include the shape of the goods, their packaging and combination of colours.

The Trade Marks Act also defines 'mark' to include a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof.

Word marks, device marks, slogans, symbols, colour combinations, shape marks and sound marks have been given statutory protection in India. The first sound mark to be registered in India was the Yahoo yodel, which was represented graphically by way of the sound or musical notes.

Section 9 of the Trade Marks Act imposes an absolute ground of refusal on registration of certain trademarks. The following kinds of trademarks cannot be granted registration in India.

Marks that consist exclusively of indications that may serve in the trade to designate:

- kind;
- quality;
- quantity;
- intended purpose;
- values;
- geographical origin; and
- time of production of the goods and services.

Marks that are customary in the current language or in the bona fide and established practices if the trade shall also not be registered as trademarks in India. The act, however, makes an interesting exception to the above detailed absolute grounds of refusal. In recognition of the common law rights that an applicant of a trademark may have

acquired in India, the Trade Marks Act states that a trademark shall not be refused registration if before the date of application for registration the mark has acquired a distinctive character as a result of the use made of it or is a well-known trademark.

The Trade Marks Act, therefore, grants specific recognition to the common law rights of an applicant in the trademark. A mark that ordinarily may appear to be descriptive or indicative of the kind, quality, quantity, intended purpose, values of the geographical origin of the goods and services to which the same is attached can be granted registration if by virtue of use or well-known status of that mark, the mark has acquired a distinctive character.

## 3 Common law trademarks

### Can trademark rights be established without registration?

The Trade Marks Act in India gives recognition to the common law rights of a proprietor of a mark that can be developed by using the trademark without any statutory protection or grant of registration.

Section 27 of the Trade Marks Act provides that no infringement action will lie in respect of an unregistered trademark, but recognises the common law rights of the trademark owner to take action against any person for passing off goods or services as the goods or services of another person.

In an action for passing off, the plaintiff needs to demonstrate common law rights that are established by evidence of reputation and goodwill acquired by the use of mark of a trademark in India.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

Once the mark has been applied for registration, an application number is generated on the same day. Subsequently, the Registrar issues an examination report. The report is currently being issued within two to three months of filing. There is a deadline of one month from the date of receipt of the examination report, which may be received either physically or via email for a reply to be filed. This is, however, extendable in multiples of one month, if the request for an extension is filed before the expiry of the original term. A request for expedited processing of the application may be made for the registration of a trademark on form TM-M, mentioning the reason for expedited examination and on payment of a fee that is five times the application filing fee.

If the Registrar is not convinced by the reply or is of the opinion that further clarifications are required, a show cause hearing is usually appointed. If the mark is accepted, it proceeds to advertisement, usually within six months from such date of acceptance. This period, however, varies depending on the size of the backlog at the Registry.

Once a mark is advertised, it is open to an opposition period for a term of four months. If no opposition is filed against the advertisement, the mark proceeds to registration. The issuance of registration usually takes anywhere between one to three months from the date of expiry of the four-month opposition period, owing to procedural backlogs at the

Registry. A registration is valid for 10 years and can be renewed within six months before the due date.

For filing a trademark application, the following particulars are required:

- name, address and nationality of the applicant. If the applicant is a partnership, the names, addresses and nationalities of all partners;
- the mark sought to be registered;
- a listing of the goods or services for which registration is intended. In this context, you may note that India follows the international classification of goods and services;
- the date, month and year since when the mark has been used in India if at all used. If the mark has not been used, it would be in order to state that the same is proposed to be used, as use is not a prerequisite for registration. The user statement must be factual as of 1 January 2007. No evidence of use or format of declaration is required; and
- a power of attorney form duly signed by an authorised representative of the applicant. No notarisation or legalisation of the power of attorney is required. A single form once executed would suffice for any number of applications filed for the same applicant. A power of attorney form is enclosed. The power of attorney form can be submitted even subsequent to the filing of the application without any additional costs and hence is not an urgent requirement for filing.

Although the procedure of registration has been shortened under the Trade Marks Act 1999 and the Trade Marks Rules 2017, the grant of registration takes anywhere between seven and 10 months from the date of application.

The government fee for physically filing a trademark application in a single class is 10,000 rupees, whereas it is 9,000 rupees for e-filing. Also, under the Trade Marks Rules 2017, where an applicant is an individual, start-up or small enterprise the fee is 5,000 rupees for physical filing and 4,000 rupees for e-filing.

## 5 Classification system

**What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?**

In India, goods and services are classified according to the International Classification of goods and services. The government fee in the case of a multi-class application is charged for each class of goods and services and, therefore, as regards the government fee to be paid by the applicant, there is no cost advantage in filing a multi-class application. The applicant may, however, save on attorney fees in filing a multi-class application.

## 6 Examination procedure

**What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?**

While examining a trademark, the Trademarks Office may raise objections on the following grounds.

### Section 9: absolute grounds for refusal

Under this section, the Registrar may object to the registration of a trademark on the ground that a trademark lacks distinctiveness. A trademark may lack distinctiveness if it consists exclusively of marks or indications that may serve in trade to designate the kind, quality, quantity, intended purpose, values, geographical origin or the time of production of the goods and services.

### Section 11: relative grounds for refusal

Under this section, the Registrar may object to the registration of a trademark on account of:

- its identity with an earlier trademark and similarity of goods or services covered by the trademark;

- its similarity to an earlier trademark and the identity or similarity of the goods or services covered by the trademark; or
- there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trademark.

If the Trademarks office raises objections on the ground of prior identical or deceptively similar citations, the applicant may approach the owner of a cited entity to grant a letter of consent. Letters of consent from a prior owner are accepted as a valid submission for overcoming a prior citation.

With respect to both objections, either under the absolute ground of refusal or a relative ground of refusal, the applicant is required to submit a written response in support of the application and can even submit supporting documents such as letters of consent, copies of prior international registration certificates or use documents.

### Procedural objections

Under this sub-heading, the Registrar may raise procedural objections upon the examination report relating to the filing of a duly executed power of attorney, priority documents in the case of a priority application, translation or transliteration of marks that have not been filed in Hindi or English.

### Timeline

Once the Trademarks Office serves the physical examination report upon the applicant or his or her agent, the deadline to file a response to the examination report is one month from the date of physical receipt or via email of the same. This deadline of one month is extendable in multiples of one month. Once a response to the examination report has been filed by the applicant or his or her agent, if the Registrar is satisfied with the written response, the Registrar directs the mark to proceed to advertisement in the Trade Marks Journal. Where the Registrar is not satisfied with the written response, a show-cause hearing is made wherein the applicant or agent is allowed to make oral submissions in support of the trademark. At this stage, the Trademarks Office is liberal in accepting any documents of use or other evidence that the applicant may like to submit in support of the registration of the trademark.

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

An application for registration of a trademark can be filed in India either on use basis or on a 'proposed to be used' basis. Therefore registration in India may be granted on a 'proposed to be used' basis. An application to register a trademark shall, unless the trademark is proposed to be used, contain a statement of the period during which, and the person by whom, it has been used in respect of all the goods or services mentioned in the application. If the use of the trademark is claimed prior to the date of application, the applicant shall file an affidavit testifying to such use along with supporting documents pursuant to the Trade Marks Rules 2017.

The Trade Marks Act 1999 has a provision for cancellation of the registration of a trademark on account of non-use. Where a trademark has not been used in commerce in India for a continuous period of five years and three months from the date of grant of registration, an aggrieved person may file a cancellation action on the ground of non-use either at the Trademarks Registry or at the Intellectual Property Appellate Board. The onus of proving non-use is on the party filing the cancellation petition. Non-use may be proved by filing trade affidavits, market surveys indicating the non-use of the mark for the period of five years and three months from the date of grant of registration to the trademark.

## 8 Appealing a denied application

### Is there an appeal process if the application is denied?

As per the provisions of section 127(c) of the Trade Marks Act 1999, the Registrar may, on an application made in the prescribed manner, review his or her own decision.

In the case of an order of the Registrar refusing the registration of a trademark, the applicant may file an application to the Registrar for the review of his or her decision. The review application should be filed within one month of the date of receipt of the order or within such period not exceeding one month thereafter. The review petition shall be accompanied by a statement setting forth the grounds on which the review is sought. The Registrar may, after giving the party an opportunity of being heard, reject or grant the application, either unconditionally or subject to any conditions or limitations as the Registrar may deem appropriate.

Further, section 91 of the Trade Marks Act makes a provision for appeals from the orders of the Registrar to the Intellectual Property Appellate Board. A person aggrieved by the order or the decision of the Registrar may prefer an appeal to the Appellate Board within three months from the date on which the order or decision sought to be appealed against was received. Where the appeal is preferred after the expiry of the three-month period, the appeal may be admitted by the Appellate Board if the appellant satisfies the Appellate Board that he or she had sufficient cause for not preferring the appeal within the specified period.

## 9 Third-party opposition

### Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?

Once an application is published in the Trade Marks Journal, it is open to an opposition by a third party within a period of four months from the date of publication. Any person may file the notice of opposition.

Once a notice of opposition has been filed at the Trademarks Registry, the Trademarks Registry allots the opposition number. This would generally take approximately two to three months unless there is an excessive backlog situation at the Trademarks Registry. While allotting the number the Registrar would serve a copy of the notice of opposition on the applicants with a direction to file a counter-statement within two months from the date of receipt of the copy of notice of opposition.

If the applicants file their counter-statement, the Registrar serves a copy of the same on the opponents with a direction to file evidence in support of the opposition in the form an affidavit within two months from the date of receipt of the copy of counter-statement. If the applicants do not file a counter-statement, the application shall be abandoned without further contest.

Upon receipt of the affidavit filed by the opponents, the applicants must file their evidence in support of the application within two months; this term is non-extendable under the Trade Mark Rules 2017 (the 2017 Rules).

Thereafter, the Registrar would issue a notice to the opponent to file rebuttal evidence, if any.

Finally, the Registrar would appoint the matter for a hearing. Upon hearing the two parties, the Registrar would reserve his or her order.

The rules of filing a cancellation action in India are similar. The main distinction between the opposition procedure and the cancellation procedure is that any person may file the notice of opposition, whereas a cancellation action can only be filed by a 'person aggrieved'.

Further, the grounds for filing the notice of opposition and a cancellation action are also identical except that an additional ground for filing the cancellation on the ground of 'non-use' is specified under the Trade Marks Act. No opposition can be filed on the ground of non-use.

The grounds available for filing a notice of opposition or a cancellation action in India are as follows:

- section 9: the mark is not capable of being granted registration as it lacks distinctiveness or is descriptive or consists exclusively of marks or indications that may serve in trade to designate the kind, quality, quantity, intended purpose, values, geographical origin or the time of production of the goods and services;
- section 11: identity or similarity with a prior mark:
  - its identity with an earlier trademark and similarity of goods or services covered by the trademark;
  - its similarity to an earlier trademark and the identity or similarity of the goods or services covered by the trademark; or
  - there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trademark;
- the mark sought to be registered is identical with or similar to an earlier trademark and is to be registered for goods or services that are not similar to those for which the earlier trademark is registered in the name of a different proprietor, and the earlier trademark is a well-known trademark in India and the use of the later mark without due cause would take unfair advantage of or be detrimental to the distinctive character or repute of the earlier trademark;
- section 12: the applicant is neither honest nor concurrent in the use of an identical or deceptively similar mark. There are no special circumstances existing that may justify the registration of the mark in favour of the applicant; and
- section 18: there is a false claim of proprietorship in the mark or there exists bad faith on the part of the applicant in claiming to be the proprietor of the trademark.

The government fee towards filing the notice of opposition is 2,700 rupees.

## 10 Duration and maintenance of registration

### How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?

A registration is valid for a tenure of 10 years and can be renewed within six months before the due date. The use of a trademark is not required for its maintenance; however, an aggrieved person may file a cancellation action against a registered trademark on the ground of non-use if the mark has not been used for a continuous period of five years and three months from the date of grant of registration.

## 11 The benefits of registration

### What are the benefits of registration?

Section 28 of the Trade Marks Act lists the 'Rights conferred by registration'. The statute states that the registration of a trademark shall give to the registered trademark:

- the exclusive right to the use of the trademark in relation to the goods or services in respect of which the trademark is registered; and
- to obtain relief in respect of infringement of the trademark.

The proprietor of a registered trademark, therefore, can sue for infringement. A person claiming to be the proprietor of an unregistered trademark can enforce rights in the said mark through a passing off action during which the said plaintiff will have to demonstrate his or her common law rights acquired through use of the mark in India. However, in all legal proceedings relating to a trademark registered in India the original registration of the trademark shall be prima facie evidence of the validity thereof.

Moreover, a registered trademark can also be recorded with the customs under the Intellectual Property Rights (Imported Goods) Enforcement Rules 2007. These rules empower the customs authorities to suspend the clearance of import of goods into India suspected to be infringing registered trademark rights. Further, they also empower the customs authorities to adjudicate on the issue of infringement and seize or destroy the goods on a finding in favour of the rights holder.

**12 Licences**

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

Under the Trade Marks Act 1999, it is not compulsory or obligatory to record trademark licences in India. Where the parties desire to record the licence agreement under the Trade Marks Act, the licensor can apply to the Registrar of Trademarks to record the licensee as the 'registered user'. For recordal of the licence agreement under the Trade Marks Act, the licensor and the licensee are required to jointly apply to the Registrar along with the following particulars:

- the licence agreement in writing and duly authenticated copy thereof, entered into between the licensor and the licensee; and
- an affidavit by the licensor giving the following particulars:
  - giving the particulars of the relationship between the licensor and the licensee: whether the licence agreement is exclusive or non-exclusive;
  - stating the goods and services in respect of which the licence is granted;
  - stating any conditions or restrictions under the agreement including restrictions on territory; and
  - whether the licence is to be for a period or without limit of period and if for a period, the duration thereof.

The benefit of recording a licence agreement with the Registrar of Trademarks is that the licensee can institute proceedings for infringement in his or her own name. The licensor can unilaterally apply in writing to the Registrar of Trademarks to cancel the registration of the licence agreement. No consent is required from the licensee for such cancellation.

It is important to note that under the provisions of the Trade Marks Act, the licensor and the licensee can request the Registrar of Trademarks to maintain 'confidentiality' of the terms of the licence agreement.

**13 Assignment**

**What can be assigned?**

A trademark, whether registered or pending registration, can be assigned in India with or without goodwill of the business concerned. It is important to note that assignments should not result in creation of concurrent exclusive rights in more than one person that would be likely to deceive or cause confusion.

**14 Assignment documentation**

**What documents are required for assignment and what form must they take?**

Required documents for recordal of assignment are:

- a duly executed and notarised assignment deed;
- a duly executed power of attorney from both assignor and assignee (please note no notarisation or legalisation of the powers of attorney is required); and
- in relation to registered trademarks, along with assignment deed, an affidavit will also be required to be filed deposing that the mark has not been questioned in any legal proceedings. The affidavit also requires notarisation while no legalisation is required.

**15 Validity of assignment**

**Must the assignment be recorded for purposes of its validity?**

Registration of the assignment under the Trade Marks Act is compulsory.

**16 Security interests**

**Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?**

The Trade Marks Act is silent on creation of security interest in a trademark. Although under common law, a security interest in a trademark can be created, its recordal is not mandatory for the purpose of validity or enforceability.

**17 Markings**

**What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?**

Where a trademark has not been applied for registration or is pending registration, the symbol <sup>TM</sup> can be used along with the trademark to indicate that the word against which the symbol <sup>TM</sup> is being used has trademark value and the proprietor thereof can assert rights in the said trademark.

Once a trademark is granted registration, the symbol ® can be used. The use of this symbol indicates to the consumers and the members of the trade that the trademark against which the ® symbol is being used is a registered trademark and the proprietor of the said trademark is capable of asserting rights and instituting infringement proceedings.

The Trade Marks Act also creates a penal provision for misrepresentation of a trademark as registered which has not been so registered under the Trade Marks Act. The penal provision includes imprisonment for a term that may extend to three years, a fine or both, on a person making such a misrepresentation.

**18 Trademark enforcement proceedings**

**What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?**

The proprietor of a registered trademark can obtain relief in respect of infringement of the trademark. In addition to filing a suit for infringement, the proprietor of the registered trademark can also record the registered trademark rights with customs under the Intellectual Property Rights (Imported Goods) Enforcement Rules, 2007. These Rules empower the customs authorities to suspend the clearance of import of goods into India suspected to be infringing registered trademark rights. Further, they also empower the customs authorities to adjudicate on the issue of infringement and seize or destroy the goods on a finding in favour of the rights holder.

**19 Procedural format and timing**

**What is the format of the infringement proceeding?**

A party may apply to the court for discovery of documents. This is, of course, subject to conditions such as the relevance of documents and the stage of the proceedings. In addition to discovery of documents, a party to a suit may also apply for 'interrogatories' - questions that the opposite party may be compelled to respond to.

In all trademark infringement suits, parties have the right to lead live testimony. Parties may choose to rely on experts. This may be done by filing affidavits of experts or by live testimony. The case is decided by the judge of the court where the suit is filed. Usually, a trademark infringement suit takes about one to two years to reach trial. From trial to final arguments, the usual period is in the range of one to two years. Having said that, a suit can always be expedited. Note that the general time line is obviously influenced by unpredictable factors such as the level of contest in the suit. A criminal complaint procedure is also available in the case of a trademark infringement.

**20 Burden of proof**

**What is the burden of proof to establish infringement or dilution?**

All claims in a trademark suit have to be proved on the balance of probabilities.



## 21 Standing

### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

The registered proprietor of a trademark or a registered user under the Trade Marks Act can initiate infringement proceedings.

## 22 Foreign activities

### Can activities that take place outside the country of registration support a charge of infringement or dilution?

Yes, export of infringing goods from India can give rise to a claim of infringement in India. Import of infringing goods can be checked by border enforcement mechanisms through the recordal of trademark rights with customs.

## 23 Discovery

### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

A party may apply to the court for discovery of documents. This is, of course, subject to conditions such as the relevance of documents and the stage of the proceedings. In addition to discovery of documents, a party to a suit may also apply for interrogatories – questions that the opposite party may be compelled to respond to. *Norwich Pharmacal* orders seeking production of documents from third parties are also allowed in India.

Last, seeking production of documents from parties outside the country is normally not allowed, unless it can be shown that the relevant court has jurisdiction over the party outside India.

## 24 Timing

### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

Broadly, a lawsuit based on straightforward infringement claims can wrap up within 12 to 18 months because there is likely to be low contest and very little likelihood of a trial. A more contested action that goes to trial may take around three years to conclude.

## 25 Litigation costs

### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

Under section 35 of the Code of Civil Procedure 1908 the court may award costs.

## 26 Appeals

### What avenues of appeal are available?

An appeal from the order passed by a single judge of the High Court shall lie to the division Bench of the High Court and the Supreme Court when the suit is filed before the High Court.

## 27 Defences

### What defences are available to a charge of infringement or dilution, or any related action?

The following defences are available in an action for infringement or dilution:

- the plaintiff is not the proprietor of the trademark;
- the defendant's trademark is dissimilar to the plaintiff's trademark;
- the defendant is the prior user of the trademark;
- the defendant is an honest and concurrent user of the trademark;
- the action is delayed or that the plaintiff has acquiesced to the defendant's use of the impugned mark;
- the defendant's use of the mark is in accordance with honest practices in the trade;
- the trademark is common to the trade or *publici juris*;

- the trademark is not registrable under the statute;
- goods bearing the trademark have been lawfully acquired by the defendant after they have been put on the market; and
- the plaintiff's trademark has not acquired any reputation or goodwill (this defence is applicable in action for passing off or dilution).

## 28 Remedies

### What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?

The following remedies may be granted by the court.

In a civil lawsuit a preliminary injunction may be granted subject to the discretion of the court and on satisfaction of the following conditions:

- a prima facie case in favour of the plaintiff;
- balance of convenience in favour of the plaintiff;
- irreparable harm being caused to the plaintiff in the event that the injunction is refused;
- an *Anton Piller* order;
- discovery of documents;
- preservation of evidence;
- restraining the defendant from disposing of his or her assets in a way that would frustrate the plaintiff's claim;
- a *Mareva* injunction; or
- a *Norwich Pharmacal* order.

Permanent reliefs in a civil lawsuit include:

- permanent injunction: permanent injunctions are ordinarily granted if the plaintiff is able to establish infringement or passing off; and
- monetary relief: both compensatory and punitive damages are available though grant of punitive damages is discretionary. In the alternative, the plaintiff may claim accounts of profit.

Criminal remedies are available. In the case of a criminal action for infringement or passing off, the offence is punishable with imprisonment for a term that shall not be less than six months, but which may extend to three years and fine that shall not be less than 50,000 rupees, but may extend to 200,000 rupees. In a criminal action, however, there is no scope for obtaining an injunction or securing damages from the defendant.

## 29 ADR

### Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?

Mediation is a common ADR technique employed for settling trademark disputes. This is usually conducted under the supervision of the court, though the mediation proceedings themselves are conducted by an independent mediator nominated by the court. The mediation proceedings are confidential. While mediation is an often-used and successful mode of settling trademark disputes, the parties must keep a close watch on the time taken by the mediation proceedings and should not prolong the same if they have reached a stalemate. Further, defendants have used mediation proceedings as a means of prolonging the case without any intention of settling the lawsuit. This tactic is especially common in cases where there no preliminary injunction exists.

Another ADR technique employed in a case before the Delhi High Court is early neutral evaluation. The procedure is as under a senior lawyer or panel of lawyers with expertise and experience in the subject matter of litigation is appointed to conduct early neutral evaluation. This person, referred to as an 'evaluator', is a neutral person having no stake in the dispute.

The lawyers provide the neutral evaluator with a written brief summarising the facts, legal arguments and authorities in support of each party's case.

In the initial session before the evaluator, each party's representative and the respective lawyers are present and a short, concise presentation is made by the lawyers for each side referring to the documents and legal propositions. It is open to the evaluator to raise queries during this presentation.

The neutral evaluator prepares his or her opinion on the central dispute in the case and what the likely outcome on each of the issues or aspects should be. The evaluator also estimates the costs to each party.

The evaluator, thereafter, shares his or her conclusions with the parties either at joint or private sessions, called caucuses.

If no settlement is attainable, the matter is referred back to the court without disclosing the reason for the failure of the early neutral evaluation process.

The confidentiality principles of mediation are equally applicable to early neutral evaluation proceedings.

### 30 Famous foreign trademarks

**Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

A trademark can be declared well known in India only by way of a judicial pronouncement or by observations by various competent courts and tribunals. Section 11(6) of the Trade Marks Act lays down the factors that the Registrar shall take into consideration for determining a trademark as a well-known trademark:

- the knowledge or recognition of that trademark in the relevant section of the public including knowledge in India obtained as a result of promotion of the trademark;
- the duration, extent and geographical area of any use of that trademark;
- the duration, extent and geographical area of any promotion of the trademark, including advertising or publicity and presentation, at fairs or exhibition of the goods or services to which the trademark applies;
- the duration and geographical area of any registration of or any publication for registration of that trademark under this Act to the extent they reflect the use or recognition of the trademark; and

- the record of successful enforcement of the rights in that trademark, in particular, the extent to which the trademark has been recognised as a well-known trademark by any court or Registrar under that record.

The Registrar shall not require as a condition for determining whether a trademark is a well-known trademark any of the following:

- that the trademark has been used in India;
- that the trademark has been registered;
- that the application for registration of the trademark has been filed in India;
- that the trademark is well known in, has been registered in or in respect of which an application for registration has been filed in, any jurisdiction other than India; or
- that the trademark is well known to the public at large in India.

Under the 2017 Rules, the Trademark Office has come up with a new method of declaring marks as well known, by filing an application for the same. Rule 124 of the 2017 Rules states that any person may file an application on form TM-M along with the prescribed fee to designate its mark as a well-known trademark. In order to establish that its mark is indeed a well-known trademark, the applicant will have to support its claim with a statement to that effect and supporting documents. The rule further adds that the Registrar shall also take into consideration the above-mentioned points when such an application is submitted to him or her.

Another significant point is that the Registrar is also at liberty to invite objections from the public before declaring the said mark a well-known trademark. If there are no objections, then the mark shall be advertised in the Trademark Journal and become part of the well-known trademark list. The fee for making such an application is 100,000 rupees and the application has to be filed online.



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# Japan

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## 1 Ownership of marks

### Who may apply?

Any Japanese individual or legal entity that uses or will use a trademark in respect of goods or services in connection with its business may apply, as well as:

- a foreign individual domiciled or resident in Japan;
- a foreign legal entity having a place of business in Japan; or
- an individual or legal entity from a country that allows Japanese nationals to register their trademarks, provided that such foreign nationals have a representative in respect of the said trademark in Japan.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

Under an amendment to the Japanese Trademark Act introduced in 2015, new types of trademark, such as colours and sounds, can be registered as trademarks. Under the Trademark Act, 'trademark' should be recognisable by human perception and is defined as 'any character(s), figure(s), sign(s), three-dimensional shape(s) or any colour(s), or any combination thereof, sounds or other marks provided by Cabinet Order'. In particular, 'motion marks', 'holograms', 'colours without profiles', 'position marks' and 'sound marks' are to be protected in addition to the traditional trademarks.

A trademark to be used in respect of goods (trademarks) or services (service marks) in connection with the applicant's business can be registered, unless such trademark is generic, customary for the business, non-distinctive or against good morals or public order.

## 3 Common law trademarks

### Can trademark rights be established without registration?

The Unfair Competition Prevention Act (Act No. 47 of 1993) protects well-known trademarks without registration, although other trademarks are not protected without registration.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

It usually takes six to 10 months from the filing of an application for registration with the Japan Patent Office (JPO) before the JPO determines the registrability of the trademark (assuming there are no major issues in respect of the application). As for cost, an applicant or owner of a trademark should pay the official fee for filing upon filing and registration tax when the application is determined registrable. The official fee for filing one application is the total sum of ¥3,400 plus the result of ¥8,600 multiplied by the number of designated classes. Registration tax is the sum of ¥28,200 multiplied by the number of designated

classes. There is no legally binding standard for attorneys' fees in Japan. Usually, attorneys charge flat fee rates agreed with clients.

Attorneys' fees for filing and registration (excluding translation costs) are difficult to estimate, but they would, on average, be approximately ¥120,000 per application covering one class, provided that there are no reasons for rejection. Filing an application in more classes can increase the estimated time and cost of filing a trademark application and receiving a registration. At filing, no documentation such as power of attorney is needed.

## 5 Classification system

### What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?

The JPO follows the latest version (11th edition) of the International Classification of goods and services (the Nice Classification). Any goods or services listed in the Nice Classification may be claimed, as long as goods or services are specifically designated. The wordings of the class headings are not always acceptable for the designation of the goods or services. Multi-class applications are available. Filing such an application will be more cost-efficient than filing an application per class.

## 6 Examination procedure

### What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?

The JPO examines all applications for conflicts with prior registrations and applications.

The similarity between the trademark applied for and prior registrations or applications of trademarks is determined by the examiners of the JPO according to the examination standard published by the JPO and considering three factors: sound, appearance and meaning.

If an objection is raised based on a third-party mark, a letter of consent is not acceptable to the JPO.

Applicants may respond to preliminary rejections by the examiners of the JPO, and may request further examinations in an appeal against a final rejection. An English translation of the examination guidelines for similar goods and services can be downloaded from the website of the JPO ([www.jpo.go.jp](http://www.jpo.go.jp)).

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

No. The use of a trademark or service mark is neither a requirement for the application or registration of a trademark nor a requirement for the maintenance of the registration, although lack of an intention to use can be a ground for the rejection of registration. Accordingly, in principle, proof of use does not have to be submitted. However, if the registered trademark has not been used for three consecutive years, any party may ask the JPO to cancel the registration. In such a case, the trademark will be cancelled unless the trademark owner shows proof of use of its trademark.

## 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

Yes. In the course of an application examination, the JPO examines the completeness of the basic formalities and the substance of the applications, the similarity of the trademarks and the similarity of the goods or services (see question 6). If the examiners find any problems, the JPO issues a notice of rejection, in which case the applicant can submit an opinion or amend the application. If, after the applicant's amendment or opinion, the JPO decides that the requirements remain unsatisfied, it will issue a decision of rejection. If the applicant has a complaint about the decision of rejection, then it is subject to an appeal examination. Further, the applicant can appeal to the Intellectual Property High Court seeking cancellation of the JPO's decision. If the court renders a judgment cancelling the decision of the JPO, the applicant can have the trademark in question registered based on such judgment.

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

Japan adopts a post-registration opposition system, and therefore, applications are not published for opposition. Any third party may oppose a trademark or service mark only after registration.

An opposition may be filed with the JPO on the grounds that the trademark or service mark is unregistrable within two months from the publication of the Gazette showing the said trademark or service mark. The examination of the opposition filing shall be conducted by documentary examination. In addition, any party may seek invalidation or cancellation of the registration of a trademark or service mark with the JPO. The primary bases of opposition or invalidation include:

- that a mark is generic or descriptive;
- that a mark is similar to another party's mark that has been registered, filed for registration or well known in Japan;
- that a mark is similar to another party's mark, which is well known in a foreign country, and has been filed for registration by an applicant for the purpose of deception; and
- that a mark includes another party's image, full name, or famous abbreviation or stage name.

Certain major reasons for invalidation need to be filed within five years after registration.

A brand owner may oppose a bad-faith application regardless of whether its mark is registered with the JPO if the mark is famous in Japan or a foreign country.

In the opposition proceedings, the trademark owner is required to submit a counter-argument only when the JPO considers that a

third-party's argument is reasonable and issues a notification of reason for revocation.

The typical range of costs associated with a third-party opposition would be approximately ¥200,000 to ¥400,000 when filing a counter-argument.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

The term of a trademark is 10 years from the date of the registration. An owner of a trademark desiring the renewal of the registration shall submit a request for renewal to the JPO within six months prior to the expiry. Even after the expiry of the term, the owner may make a request for renewal within six months from the date of expiry. No proof of use is required for renewal. However, where a registered trademark has not been used in Japan by an owner or its licensee for three consecutive years, any person may file a request for a trial for rescission of such trademark registration. As a defence against such request for a trial for rescission, the trademark owner needs to file proof of use, such as copies of catalogues, advertisements, publications, websites and trade documents bearing the trademarks and indicating the issuance dates.

## 11 The benefits of registration

**What are the benefits of registration?**

The owner of a registered trademark has an exclusive right to use the registered trademark in respect of designated goods or services. The owner may also prohibit another party from using marks identical or similar to the registered trademark for goods or services identical or similar to those designated in the registration. If the registered trademark is infringed or likely to be infringed, the owner may seek injunctions for discontinuing such infringement or other necessary measures to prevent the infringement. Upon infringement, the owner may also seek compensation for damage caused to the owner by the infringement.

## 12 Licences

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

A licence may be recorded in the register of the JPO in respect of each registered mark. There are two types of registration of licence: the registration of an exclusive licence and the registration of a non-exclusive licence. If either registration of a licence is made, a licensee is able to use its right to the licensed mark as a licensee against a party that is subsequently assigned the licensed mark from a licensor or a bankruptcy trustee subsequently appointed by a court for a licensor. Further, if the registration of an exclusive licence is made, then the licensee has standing to sue against infringers for both injunctive and monetary relief (see question 21).

## 13 Assignment

**What can be assigned?**

In Japan, a trademark can be assigned either with or without goodwill, and either with or without other business assets. When several goods or services are designated for registration, a trademark may be divided into each class and can be assigned separately.

## 14 Assignment documentation

**What documents are required for assignment and what form must they take?**

For the registration of the assignment of a trademark, a deed of assignment is required. Notarisation is not necessary. If the deed includes a provision where an assignor agrees to an assignee's filing application for recording of the assignment, then the assignee may file an application for recording of the assignment without cooperation of the assignor.



**15 Validity of assignment****Must the assignment be recorded for purposes of its validity?**

The assignment of a trademark shall be of no effect unless it is registered with the JPO, except those transferred by inheritance, merger or other general succession.

**16 Security interests****Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?**

A trademark may be the subject of pledges, provided that such creation of pledges over trademarks is registered with the JPO. Registration of the pledges is a condition for such pledges to be valid and enforceable. For the purpose of creation of pledges, a deed of pledge needs to be filed with the JPO. The deed does not need to be notarised.

**17 Markings****What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?**

Marking is not mandatory. The following are customarily used to indicate trademark registration: ®, the letters ™ in the upper-right corner or the words 'the registered trademark, registration number' followed by the registration number itself. However, none of these is legally required to be indicated and none has statutory effectiveness. If the trademark owner uses any of the above indications, the trademark owner can easily show the intention or negligence of infringers in a suit for infringement. However, despite the absence of such indications of trademark, it is likely that the alleged infringer's negligence would be found.

**18 Trademark enforcement proceedings****What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?**

Both civil and criminal proceedings are available. There are two types of civil proceedings. One is the main lawsuit, by which a trademark owner may seek both a permanent injunction order and compensation for damages, and the other is a proceeding for preliminary injunction, by which a trademark owner may seek a preliminary injunction order. There is no specialised court for trademark cases; however, the Tokyo District Court and Osaka District Court have specialised divisions dealing with cases relating to intellectual property. For criminal proceedings, a trademark owner may file a criminal complaint with police officers or public prosecutors; in practice, however, it depends on the discretion of police officers or public prosecutors as to whether a substantial investigation is made. Criminal proceedings are governed by the Code of Criminal Procedure, which is applied to all criminal proceedings in Japan. There are no specific procedural provisions related to trademark enforcement in criminal law. In addition, as an administrative proceeding, it is possible for a trademark owner to file an application for customs seizure.

**19 Procedural format and timing****What is the format of the infringement proceeding?**

The infringement proceedings begin with the filing of a complaint for a main lawsuit or petition for a preliminary injunction. No US-style discovery is allowed in Japan. However, an order for document production with limited scope under certain conditions is available. Live testimony can be used under the Code of Civil Procedure, although judges usually prefer to dispense with live testimony for trademark infringement cases. Affidavits from experts are often submitted to prove important facts, such as pronunciation of foreign words, likeness of confusion, the fact that the mark is well known and the amount of damages. The

proceedings for a preliminary injunction typically take several months, and the proceedings for a main lawsuit typically take one to one-and-a-half years at the district court level and another year at High Court level. For criminal proceedings, a trademark owner may file a criminal complaint with police officers or public prosecutors; however, in practice, it depends on the discretion of police officers or public prosecutors as to whether a substantial investigation is made. After the investigation, only the public prosecutors may commence the prosecution in court, and whether to prosecute is at the sole discretion of the public prosecutors. Live testimony is commonly used. Upon the request of the public prosecutor, the trademark owner may submit affidavits in order to prove important facts, such as the likeness of confusion, the fact that the mark is well known and the amount of damages. The criminal proceedings typically take less time than civil lawsuits, unless the accused (trademark infringer) denies the offence.

**20 Burden of proof****What is the burden of proof to establish infringement or dilution?**

A trademark owner has the burden of proof to establish that its mark has been registered with the JPO or is well known in Japan and that marks used by an alleged infringer are similar and cause confusion of source. The alleged infringer has the burden to prove the facts supporting its counter-arguments (see question 27).

**21 Standing****Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?**

A trademark owner or a licensee who has been registered as an exclusive licensee with the JPO has standing to seek injunctive relief or compensation for damages. A licensee who has not been registered as an exclusive licensee with the JPO does not have standing to seek injunctive relief, although there are a few precedents where an exclusive licensee who has not been registered with the JPO was awarded compensation for damages. A trademark owner or a licensee who has been registered as an exclusive licensee with the JPO may file a criminal complaint with police officers or the public prosecutors. However, only the public prosecutor has standing to bring a criminal complaint to the court under the Code of Criminal Procedure. Whether to prosecute is at the sole discretion of the public prosecutor.

**22 Foreign activities****Can activities that take place outside the country of registration support a charge of infringement or dilution?**

Activities taking place outside Japan cannot support a legal charge because the activities to be judged in Japanese courts must be those made within the territory of Japan. However, activities that take place in foreign countries are often cited in order to prove facts, such as the fact that the mark is well known worldwide and the fact that the alleged infringer had the intention to infringe. Further, judges sometimes wish to know about judgments rendered by courts of foreign countries, especially those of the US and EU. In addition, an act of importation from foreign countries into Japan constitutes infringement taking place within Japan.

**23 Discovery****What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?**

Under the Code of Civil Procedure, each party may file a court petition for an order of document production against an adverse party or a third party, as long as the requesting party can identify the document to be produced to a certain extent; there is necessity to obtain an order for document production; and the adverse party or the third party has no statutory grounds of immunity from production. Further, there is another proceeding by which each party may request a court to request a third party to produce documents voluntarily. In order to obtain evidence from third parties outside the country, a party should request a

foreign court through a Japanese court to provide judicial assistance and obtain evidence in accordance with the Convention Relating to Civil Procedure or bilateral international agreements.

## 24 Timing

### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

After the filing of the complaint, the court clerk will examine whether the correct form for the complaint has been used and whether the correct stamp value has been affixed on the complaint. The clerk will then contact the plaintiff, or his or her attorney, and depending on his or her availability, will decide the date of the first oral hearing. The court will then send a summons and the complaint to the defendant by mail. The first oral hearing will typically be held 40 to 50 days after the filing date. Before the hearing, the defendant must file a defence, which will deny or accept each claim and the factual information relied upon in the complaint. At each key event in the proceedings the judge will ask the parties whether they have an intention to settle the case.

Following the first hearing, there will be a court hearing of (on average) 10 to 15 minutes once a month for about eight to 12 months. In addition, the judge may hold a preparatory court hearing, at which the judge and both parties will discuss the issues at hand for a relatively long time in chambers.

The examination and cross-examination of witnesses will follow, although judges tend to dispense with the examination of witnesses in relation to trademark cases. After this, each party will file its closing brief. The oral proceedings will close and the court will issue its judgment. On average, judgment is rendered one to one-and-a-half years following the filing of the complaint.

The proceedings for a preliminary injunction typically take several months or more. The proceedings for appeals typically take about one year.

## 25 Litigation costs

### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

The fee to be paid to a court upon filing depends on the economic scale of the case. For example, if the trademark owner seeks ¥100 million as damages, it must pay approximately ¥300,000 to the district court and, if it appeals, ¥500,000 to the High Court.

As for attorneys' fees, there is no legally binding standard in Japan. Usually, attorneys representing foreign clients charge on an hourly basis and their rates vary from ¥30,000 to ¥60,000, although some attorneys charge certain amounts as initial and contingent fees. Under Japanese law, a plaintiff can recover the full amount of the fee paid to the court and a part of the attorneys' fees, which is usually up to 10 per cent of the amount of the damages awarded as compensation for infringement.

## 26 Appeals

### What avenues of appeal are available?

The judgment of a district court can be appealed to a high court. There are 50 district courts and nine High Courts in Japan. Since April 2005, trademark cases that used to be subject to the jurisdiction of the Tokyo High Court are now heard by the Intellectual Property High Court. The grounds for appeal from a district court to a high court are that the first judge made an error in a factual finding or in the application of the law. The Supreme Court will hear appeals from a high court on grounds of error in interpretation and other violations of the constitution. In addition, violations of the civil procedure rules, such as an error in jurisdiction or lack of reasoning, will also give rise to a right of appeal to the Supreme Court. A system of petitions to the Supreme Court has been introduced that gives the Supreme Court discretion to accept cases if the judgment being appealed is contrary to precedent or contains significant matters concerning the interpretation of laws and ordinances.

## Update and trends

In a notable case, the Tokyo District Court granted a provisional injunction against the defendant's use of the visual appearance of the exterior and interior of a coffee shop that was similar to that of the plaintiff's famous coffee shop (Tokyo District Court Judgment dated 19 December 2016, Case No. 2015 (yo) 22042). While there is no particular provision as to protection of trade dress in Japan, this is the first case where an injunction against the use of the visual appearance of the exterior or interior of a store was granted by a court. The plaintiff, Komeda Coffee Shop, is one of the largest coffee shop chains in Japan, with more than 600 stores. The court granted the distinctiveness and fame of appearance of the plaintiff's coffee shop, and decided that the defendant's use constituted an act of unfair competition (article 2(1)(i) of the Unfair Competition Prevention Act).

## 27 Defences

### What defences are available to a charge of infringement or dilution, or any related action?

In defending a charge of infringement or dilution, an alleged infringer often alleges, inter alia:

- no similarity of the marks;
- no similarity of goods or services;
- no likelihood of confusion;
- prior use that caused an allegedly infringing mark to become well known;
- that the term is generic;
- that the registration is invalid;
- that the registration should be cancelled as a result of non-use of the registered mark;
- that the mark is not well known or famous in Japan;
- exhaustion of rights by first sale; or
- parallel importation.

In addition to a defence before the courts, an alleged infringer may file a petition for invalidation or cancellation of registration as a separate proceeding before the JPO. Filing a petition for invalidation or cancellation with the JPO does not necessarily stop litigation proceedings before a court, but judges sometimes prefer to await the outcome of a JPO decision.

## 28 Remedies

### What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?

Permanent injunctions and monetary relief are available through the proceedings for a main lawsuit, and a preliminary injunction is available through the proceedings for a preliminary injunction. As to monetary relief, the amount of damages is limited to actual damages (punitive damages are not allowed in Japan).

The amount of damages is usually determined by:

- the profit gained by an infringer;
- the number of infringing products multiplied by the amount of profit per unit gained by the trademark owner that sells competing products; or
- a reasonable or established royalty rate.

To obtain injunctive relief, the trademark owner does not have to establish any fact other than an existing, or the threat of, infringement for a permanent injunction through a lawsuit on the merits, but must establish the necessity for a preliminary injunction if they request one. However, in practice courts do not require a high level of necessity to be established. Further, as a condition for a preliminary injunction order, the trademark owner is ordered by judges to place a bond with the court, the amount of which is determined by judges on a discretionary basis; for example, as an amount equivalent to 20 per cent of the annual sales of infringing products.

As for criminal remedies, imprisonment not exceeding 10 years or a fine not exceeding ¥10 million (in the case of a corporation, ¥300 million), or both, may be imposed on the trademark infringers,

depending on the maliciousness of the conduct, the amount of damages etc.

### 29 ADR

**Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?**

Arbitration is available in Japan as long as both parties agree to arbitrate disputes. The Japan Commercial Arbitration Association ([www.jcaa.or.jp](http://www.jcaa.or.jp)) and Japan Intellectual Property Arbitration Centre ([www.ip-adr.gr.jp](http://www.ip-adr.gr.jp)) are active institutions that administrate arbitration proceedings in relation to disputes related to intellectual property. However, the number of arbitration cases relating to intellectual property is small, except for domain name disputes, and the number is presently far lower than the number of litigated cases. The benefits of arbitration are that the parties may agree to use the English language, that confidentiality can be kept and that the enforcement of the decision is easier if the decision needs to be enforced in foreign countries etc. The risk of arbitration is that no appeal is available. Further, mediation is also available as long as both parties agree. The benefit of mediation is that the proceedings are not necessarily adversarial, and the risks of mediation are that it is very difficult to locate good and experienced mediators and that the proceedings may become redundant, as the mediation is not binding.

### 30 Famous foreign trademarks

**Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

A famous foreign trademark is afforded protection even if not used domestically. A domestically famous foreign trademark can prevent others' similar trademarks from being registered and prevent others from using similar trademarks. A trademark that is famous only in a foreign country can prevent others' similar trademarks from being registered only if the applicant is found to have an unfair purpose. Materials proving that the trademark is famous among consumers (eg, the period, scope or frequency of its use) or the trademark is used with an unfair purpose (eg, the purpose of gaining unfair profits or causing damage to the other person), or both, are required.

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# Korea

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## 1 Ownership of marks

### Who may apply?

Any individual or legal entity who uses or intends to use a trademark in the Republic of Korea is entitled to file a trademark application.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

The Korean Trademark Act protects any of the following as a trademark when used on goods or services related to the business of a person who conducts business activities, such as producing, processing, distributing, certifying or selling such goods, to distinguish them from the goods of others:

- a sign, character, figure, sound, smell, three-dimensional shape, colour, hologram, motion, emblem or any combination of these; or
- things that can be visually recognised other than the above-mentioned things.

A trademark, collective mark, business emblem or geographical indication and certification mark can be registered and protected in Korea.

## 3 Common law trademarks

### Can trademark rights be established without registration?

As the Korean Trademark Act adopts a 'principle of registration', a trademark right can only be established with the registration of the mark. Even if it is not used, once the trademark is registered, the trademark right is established.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

It takes approximately one year to obtain a trademark registration (provided there are no objections or opposition proceedings etc). The cost of registration varies depending upon the number of goods or classes in the trademark application, whether there is a trademark search before the trademark application, whether there is preliminary refusal, whether there is a final refusal or whether there is an opposition filed from a third party. In general, attorney fees for a trademark application are US\$500 and the official fees are 62,000 won per class (with no more than 20 items of goods or services); for the publication of a trademark application, the fees are US\$130; and attorney fees for a trademark registration are US\$170 and the official fees are 211,000 won per class (with no more than 20 items of goods or services). At its simplest, registration of a mark in one international class with no more than 20 items of goods or services – unless there is trademark search, preliminary refusal or opposition by a third party upon the trademark application – would cost approximately US\$1,300.

## 5 Classification system

### What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?

In Korea, a trademark applicant is required to designate goods or services according to 34 classes of goods and 11 classes of services as adjusted under the 11th edition of the NICE classification (from 1 January 2017). Of course, multi-class applications are available in Korea. Many law firms in Korea offer a discount on attorneys' fees when filing a multi-class application. However, there is no reduction on official fees when filing multi-class applications.

## 6 Examination procedure

### What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?

Once an application for trademark registration is filed, the Korean Intellectual Property Office (KIPO) examines whether it is in compliance with the formal requirements. Then, an examiner who has been assigned to prosecution of the application will examine whether there are absolute grounds and relative grounds for refusal of registration of the trademark application. The absolute grounds include examinations to determine whether a mark sought to be registered is distinctive, identical or similar to a national flag, national emblem etc. The relative grounds include examinations to determine whether there is an earlier similar trademark owned by a third party.

The examiner conducts a search to determine whether the trademark is identical or similar to any earlier trademarks registered or filed before the filing date of the application, or well known in Korea or in a foreign country in connection with identical or similar goods or services.

After the examination proceedings, if the examiner fails to locate any grounds for refusal of registration of the trademark application, the trademark application will proceed to publication in the Trademark Gazette for opposition purposes. If no opposition is raised within two months from the date of publication, then a notice of allowance will be issued and the application will be matured into registration.

On the other hand, if there are grounds for refusal, the examiner will issue an 'office action' based upon the grounds for rejection of the application for registration. In response to such an office action, the applicant may submit a response within the designated or statutory period.

Under current Korean Trademark Law, any type of affidavit or consent between the conflicting parties is not acceptable. Therefore, it is of no assistance to supply a letter of consent to overcome the KIPO's objection based on the cited mark.

If the applicant fails to overcome the grounds for refusal of registration, the examiner will issue a decision of refusal. The applicant may appeal against the final rejection before the Intellectual Property Tribunal (IPT) at the KIPO.



## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

In Korea, there are no provisions in the Trademark Act clarifying the time by which use must begin to maintain the registration. Therefore, submission of any proof of use of a trademark is not required before registration is granted or issued. Also, the use of the mark is not a prerequisite for filing. However, pursuant to the Trademark Act, if a registered trademark has not been used in Korea for a period in excess of three consecutive years after registration without any justifiable reasons for such non-use, the mark is liable to cancellation upon petition of a third party based on non-use.

## 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

Under the Korean Trademark Act, the applicant can appeal against a decision of final rejection on a trademark application. Any applicant dissatisfied with the decision of refusal may file an appeal before the IPT within 30 days of the date of receiving a certified copy of the decision of refusal. The applicant may then appeal to the Patent Court (High Court level) against an unfavourable decision by the IPT, and may also appeal to the Supreme Court against the Patent Court's decision. A Supreme Court decision is final.

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

### Opposition before registration of a trademark

When an application is published, any person may file an opposition against the published trademark application at the KIPO within two months of the publication date of the application. A person requesting an opposition may supplement the reasons and evidence for supporting the opposition filed against a trademark application within 30 days after the expiry date of the opposition period.

Attorney fees for preparing and filing opposition vary depending on the firm; generally they will be US\$1,500 to US\$2,500 per mark, and official fees are US\$50 per class.

### Cancellation or invalidation trial

With the exception of raising a cancellation trial by the applicant against the cited mark conflicting with their own trademark application, any person can seek cancellation of a trademark registration on the grounds of non-use and illegitimate use of the trademark. This makes it easier for third parties to challenge unused marks. The burden of proof of use is on the owner of the trademark against which a cancellation trial is filed. Where the owner fails to prove previous use of a trademark for three consecutive years before the date on which a trial is filed, or to provide justifiable reasons for non-use, the trademark registration will be cancelled. Accordingly, it is desirable to secure sufficient evidence of domestic use of a registered trademark. According to the latest trademark law, electronic use, such as in e-commerce or other electronic services, will also be recognised as one of the possible types of trademark use.

An interested party or the KIPO may file a trial for invalidation of a registered trademark on the grounds that the mark is not registrable. If two or more designated goods are covered by the trademark registration, a request for an invalidation trial may be made for each of the designated goods. A trial for invalidation may be requested even after the extinguishing of a trademark right.

Attorney fees for preparing and filing invalidation and cancellation vary depending on the firm; generally they will be US\$3,500 to US\$4,500 per mark, and official fees are US\$240 per class.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

A trademark registration is valid for 10 years from the date of registration. The application for renewal can be filed during the one year prior to the expiry date of the trademark registration. There is a six-month grace period from the expiry date to file for the renewal. Proof of use is not required for renewal in Korea.

## 11 The benefits of registration

**What are the benefits of registration?**

In principle, only a registered trademark can be protected under the Korean Trademark Act.

The trademark owner can request a person who is infringing or is likely to infringe the trademark right or exclusive licence to discontinue or refrain from the infringement, and prevent others from using his or her trademark or confusingly similar trademarks in relation to the same or similar goods or services.

The registered trademark is also protected with the cooperation of the Korean Customs authorities. The trademark owner can record his or her trademark at Customs to prevent unauthorised goods from being imported and exported through Customs, and the Customs authorities must stop clearance of the unauthorised goods and notify the trademark owner of the arrival of the unauthorised goods. In addition to this, if imported goods seem unauthorised, even without the owner's previous recording of the registered trademark, Customs can suspend the clearance of the corresponding goods ex officio and notify the trademark owner that there has been an attempt of importing any unauthorised goods.

## 12 Licences

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

Under the Korean Trademark Act, it is not mandatory to record an exclusive licence agreement, but matters falling under the following points shall have no effect on any third parties unless they are registered:

- establishment, transfer (excluding transfer by inheritance or other general succession), modification, extinguishment by abandonment or restriction on disposition, of an exclusive licence or a non-exclusive licence; and
- establishment, transfer (excluding transfer by inheritance or other general succession), modification, extinguishment by abandonment or restriction on disposition, of a pledge, the object of which is an exclusive licence or a non-exclusive licence.

When an exclusive licence or a non-exclusive licence is registered, it shall also be effective to any person who acquires rights or an exclusive licence or non-exclusive licence after the registration.

## 13 Assignment

**What can be assigned?**

A trademark right may be assigned separately for each of the designated goods or services. In such cases, the rights for similar designated goods or services shall be assigned together to the same assignee. A trademark may be assigned with or without goodwill and other business assets.

## 14 Assignment documentation

**What documents are required for assignment and what form must they take?**

The following documents are required:

- a deed of assignment signed by both the assignor and assignee;

- a notarised corporate or individual nationality certificate of assignor; and
- respective power of attorney signed by both the assignor and assignee.

## 15 Validity of assignment

### Must the assignment be recorded for purposes of its validity?

The transfer of a trademark application for trademark registration or a registered trademark, except for inheritance or other general succession, is not effective without recording the transfer of the trademark application or registered trademark.

## 16 Security interests

### Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?

Security interest agreements are recognised and recordable with the Trademark Registry at the KIPO in order to give a third party notice of equitable interest or other matters relevant to the ownership of a trademark registration. A pledge as a kind of security interest on a trademark right or exclusive or non-exclusive licence may be recorded. As a trademark right can be assigned by way of enforcing a pledge right, creditors can secure a right of preferential repayment by establishing a pledge for a trademark right. A pledge in a trademark right must be recorded with the Trademark Registry at the KIPO to be valid.

In the case of an exclusive licence, an exclusive licensee can establish a right of pledge in the exclusive licence subject to approval of the owner of trademark registration. The pledge in exclusive licence must be recorded with the Trademark Registry at the KIPO in order to take effect.

The right of pledge in a non-exclusive licence also may be established under approval of the registrant and may be recorded to give notice to a third party.

## 17 Markings

### What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?

The trademark owner, exclusive licensee and non-exclusive licensee usually use the words 'registered trademark' or the symbol ® to indicate trademark registration, even though use is not compulsory. The words and symbol are used in such a way as to prevent others from infringing the trademark. Anyone who infringes a trademark right or exclusive licence of another person bearing such words or symbols is presumed to have known that the trademark was already registered, and is therefore presumed to have intentionally infringed the trademark right. Accordingly, by using the markings a trademark owner can easily prove the infringement of the trademark right in any legal action.

## 18 Trademark enforcement proceedings

### What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?

There are no specialised courts or tribunals dealing purely with matters of trademark infringement in Korea. However, administrative proceedings before civil courts are available as follows:

- a request for an injunction against infringement;
- a request for a provisional injunction to prevent infringement;
- a request for compensation for damages incurred by infringement; and
- a request for restoration of a business reputation.

Administrative remedies (including border control) include:

- a trial for confirmation of the scope of a trademark right before the IPT;

- Customs' holding the clearance of unauthorised goods according to the trademark owner's previous recording or ex officio; and
- a request for mediation to the IPT.

A person who has infringed a trademark right or an exclusive licence is liable to criminal prosecution and imprisonment with labour for a period not exceeding seven years, or a fine not exceeding 100 million won.

## 19 Procedural format and timing

### What is the format of the infringement proceeding?

An infringement trial progresses by way of argument and proof between plaintiff and defendant. Discovery is usually not permitted, although there is a similar system available (evidence preservation). If necessary, witnesses' live testimony and experts' opinions are permitted. Infringement proceedings typically last around six months, depending on the complexity of the case.

## 20 Burden of proof

### What is the burden of proof to establish infringement or dilution?

The plaintiff shall prove the defendant's infringement of his or her trademark right. However, the Korean Trademark Act contains certain articles to lessen the burden of proof on the plaintiff in some cases.

## 21 Standing

### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

A trademark owner or exclusive licensee is entitled to seek an injunction, provisional injunction, compensation, the return of undue profit, restoration of reputation and, finally, criminal prosecution.

Under the Korean Trademark Act, it is possible for the trademark owner to grant an exclusive licence of the trademark without recording it in the Trademark Register. Thus, the exclusive licensee can also claim trademark infringement and seek damages even if its licence has not been recorded.

Standing to bring a criminal complaint lies with the trademark owner or its exclusive licensee, or both, with police officers or the Public Prosecutor. However, only the Public Prosecutor has standing to bring a criminal complaint to the court.

## 22 Foreign activities

### Can activities that take place outside the country of registration support a charge of infringement or dilution?

Only activities that take place in Korea can support a charge of infringement or dilution according to the Korean Trademark Act. However, the Korean Trademark Act defines activities of importing unauthorised goods as a kind of infringing activity too, so that, for example, importation of unauthorised goods can be withheld at Customs ex officio or according to the trademark owner's previous recording of the trademark.

## 23 Discovery

### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

Korean courts do not adopt exactly the same system as discovery, but the court may order a party who has documents to submit them as proof if there is a request from another party to do so and the document-holding party is determined to have such proof. If the document-holding party fails to comply with the court's order, the court may consider that the requesting party's allegation about the document is true.

## 24 Timing

### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

#### First instance (district court)

A civil (criminal) proceeding for an infringement begins with a filing of the trademark owner or exclusive licensee's complaint with a civil (criminal) court (district court). If the defendant (alleged infringer) submits a written answer, the court holds the pleading process and the hearings, and then renders a judgment. The civil (criminal) proceeding takes about one year.

#### Second instance (High Court (Patent Court))

A party who is dissatisfied with the district court's decision can lodge an appeal before the High Court within 14 days from the date on which the district court's decision is delivered to the party.

#### Third instance (Supreme Court)

A party who is dissatisfied with the decision of the High Court (Patent Court) can lodge an appeal before the Supreme Court within 14 days of the date on which the High Court's decision is delivered to the party. Further, the party shall submit a written statement of the grounds for the appeal to the Supreme Court within 20 days from the date of receiving the notice that the party shall supplement the grounds for the appeal.

## 25 Litigation costs

### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

Litigation costs are as follows.

#### Injunctions

- first instance, including preparation: US\$10,000 to US\$15,000;
- second instance: US\$7,000 to US\$12,000; and
- provisional injunction: US\$7,000 to US\$10,000.

#### Compensation

- first instance, including preparation: US\$10,000 to US\$15,000;
- second instance: US\$10,000 or more; and
- criminal prosecution: US\$5,000 or more.

## 26 Appeals

### What avenues of appeal are available?

Two-step appeals against the decision of the district court are available; any person who is dissatisfied with the decision of the district court may appeal to the High Court (Patent Court), and any person who is dissatisfied with the decision of the High Court (Patent Court) may appeal to the Supreme Court. A Supreme Court decision is final.

## 27 Defences

### What defences are available to a charge of infringement or dilution, or any related action?

There are many ways to defend against a charge of infringement or dilution.

#### Within the legal procedure in court

A defendant may argue that his or her use of a mark is based on his or her own trademark, that the scope of the trademark right does not extend to the use of the mark by the defendant, that there is no likelihood of confusion between the marks or goods or services, or that the defendant is entitled to the use of the trademark (eg, based on the prior use of the trademark). Of course, if the registration right has original defects meaning that the mark is not registrable, a defendant may deny the trademark right based on such.

## Outside court

A defendant may file an invalidation trial of the trademark registration or a cancellation trial on the grounds of non-use before the IPT at the KIPO. In addition to the argument that the use of trademark by a defendant does not fall within the scope of the registered trademark right in the legal procedure, the defendant may file a trial for confirmation of the scope of a trademark right before the IPT at the KIPO.

In this regard, even if a trademark is not well known in Korea, a party who has been using its trade name (commercial name) as a trademark may continue to use such trademark if it has previously done so without engaging in any act of unfair competition before the other party's application was filed.

## 28 Remedies

### What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?

Where judgment is given for the defendant, he or she can seek a complaint for compensation of damages in a separate lawsuit so as to recover actual expenses and financial losses in business, as well as credit or mental damages. Permanent and preliminary injunctive relief are available in addition to monetary relief. A person who has trademark rights or exclusive licence may move for a preliminary injunction or permanent injunction when his or her right is, or is about to be, infringed.

#### Civil remedies

##### *Injunctions*

The owner of a trademark or exclusive licensee may go to court to obtain an injunction against any person who is infringing or is likely to infringe its trademark, and require to cease and desist any infringement, such as 'the destruction of the goods or equipment, any other measures necessary to prevent future infringement'.

##### *Monetary damages*

Under the Korean Trademark Act, a trademark owner may enter a claim for actual damages, can seek the forfeiture of the profits derived from the infringing activities or seek payment of a royalty that the owner would normally be entitled to receive for use of its registered trademark. Alternatively, the trademark owner can claim damages in an amount equal to the total sales of the infringing goods multiplied by the profit per unit of such goods.

##### *Statutory damages*

A trademark owner can claim statutory damages against an infringing party of up to 50 million won instead of claiming on the basis of actual quantifiable damages. However, statutory damages are only available in cases where the infringing mark is identical or virtually indistinguishable from the injured party's registered mark and used in connection with goods or services that are identical or virtually indistinguishable from the goods associated with the registered mark.

#### Criminal proceedings

Under the Korean Trademark Act, any person who intentionally infringes a trademark can be imprisoned for up to seven years or fined an amount of not more than 100 million won.

## 29 ADR

### Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?

There are two forms of ADR.

#### A request for arbitration to the Korean Commercial Arbitration Board

The arbitration decision has the same effects on the conflicting parties as a decision issued by the Korean courts and, thus, has binding power as a final decision to the parties. Arbitration is processed with reference to the UNCITRAL Arbitration Rules. Also, Korea is a member of the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards.

**A request for mediation to the Intellectual Property Dispute Resolution Committee, submitted at the KIPO**

These mediation techniques are quick, cost-effective and time-effective to implement. The disadvantage is that when mediation does not resolve the dispute, the parties must seek remedy through court proceedings.

**30 Famous foreign trademarks**

**Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

There is a provision in the Korean Trademark Act stating that a trademark identical or similar to a mark that is well known to consumers in a foreign country cannot be registered in Korea. According to this provision, even if the mark has not been used in the domestic market or is not well known to domestic consumers, as long as the mark stays well known in a foreign country, the owner of the well-known mark may still prevent registration of similar or identical marks.

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# Kyrgyzstan

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## 1 Ownership of marks

### Who may apply?

Any legal or natural person engaged in business activity may apply for trademark registration. Foreign applicants may apply for trademark registration in Kyrgyzstan through a patent attorney admitted to handle registration and prosecution of trademarks before the State Patent Office (Kyrgyzpatent).

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

Any signs or combinations that can distinguish goods and services of one person from similar goods and services of another person may be registered as trademarks, including verbal, visual, three-dimensional and other designations. A trademark may be registered in any colour or colour combination. Non-traditional marks that are visually indistinguishable, as well as sound and olfactory marks, cannot be protected and registered as a trademark.

The Law On Trademarks, Service Marks and Appellation of Places of Origin of Goods dated 14 January 1998 (as amended by the Law of 27 February 2003 and the Law of 6 February 2014) (the Trademark Law) provides for absolute and other (relative) grounds for refusal in registration of a trademark. Absolute grounds include, inter alia:

- signs and designations having no distinctive ability;
- state emblems, flags, official names of states, abbreviations or full names of international organisations, official control, guarantees and hallmarks, awards;
- designations pointing to the type, quality, properties, purpose and value of goods;
- designations that are deceptive or capable of misleading a consumer in respect of the goods or services or the manufacturer; and
- designations that are contrary to the public interest, principles of humanity and morality, etc.

Examples of relative grounds for refusal in the registration of a trademark are as follows:

- designations identical or similar to the extent they are likely to cause confusion with a trademark registered or filed for registration in Kyrgyzstan in the name of another entity with regard to homogeneous goods holding earlier priority;
- designations that reproduce names of works of science, literature and the arts famous in Kyrgyzstan, characters therefrom or citations, works of art or parts thereof without consent of the copyright owner or his or her successor; and
- designations reproducing industrial designs the right to which are owned by other entities in Kyrgyzstan, if the industrial design holds earlier priority compared with the designation filed for trademark registration.

The Trademark Law does not stipulate a possibility of a formal preliminary search to identify in advance any identical or similar trademarks likely to cause confusion filed and registered with the Kyrgyzpatent. The absence of such a possibility can cause difficulties for applicants in the registration of their trademarks.

## 3 Common law trademarks

### Can trademark rights be established without registration?

Trademark rights cannot be established without registration.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

Generally, the registration process can take at least from 12 to 15 months from the date of submission of all relevant documents to the Kyrgyzpatent. The official fee for registration of a trademark applied for one class of goods or services amounts to 35,000 Kyrgyz som.

The time and cost of registration of a trademark may be higher in the case of experts' actions (inquiries, provisional refusals etc), as well as the actions of third parties (eg, objections against a filed application).

The documents and information required for registration are as follows:

- the application;
- a power of attorney (if application is filed through a patent attorney);
- a description of the trademark;
- a document confirming payment of the official fee; and
- the designation of goods and services according to the International (Nice) Classification of Goods and Services (ICGS).

## 5 Classification system

### What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?

The ICGS is used, and any goods and services provided in this classification may be claimed.

Multi-class applications are available. The official fee for each additional class when filing the application is 7,500 Kyrgyz som.

## 6 Examination procedure

### What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?

The Kyrgyzpatent follows a two-stage examination procedure: a preliminary examination and an examination on the merits. Applications are examined for conflicts with other trademarks with consideration of the absolute and relative grounds specified in question 2, including the potential conflicts with other trademarks. Registration of a designation

likely to cause confusion with a trademark from the homogeneous group of goods is allowed only upon submission of a letter of consent issued by a trademark owner for registration of the said designation. Applicants may respond to rejections by the Kyrgyzpatent by appealing to the appeal board of the Kyrgyzpatent (Appeal Board).

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

The use of a trademark does not have to be claimed before registration is granted. Proof of use does not have to be submitted.

Applicants, including foreign applicants, may use conventional priority, which is established pursuant to the date of the first application in a member state of the Paris Convention for the Protection of Industrial Property (Paris Convention) if the application is filed with the Kyrgyzpatent within six months from the specified date. The Trademark Law also provides for the possibility of 'exhibit priority', which is established pursuant to the first date of exhibition at an official or officially recognised international fair organised in the territory of one of the member states of the Paris Convention, if the application for trademark registration is filed with the Kyrgyzpatent during six months from the specified date.

In the event that a trademark is not used for any three consecutive years after its registration, any concerned third party may challenge the registration of a trademark for non-use, in which case the registration of such a trademark shall be subject to early termination upon the decision of the court.

## 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

If the application is denied, an appeal can be filed with the Appeal Board within three months from the date of receiving the refusal. The Appeal Board shall consider the appeal within four months from the date of receiving the appeal. The decision of the Appeal Board may be further appealed at the court within six months from the date of receiving the decision of the Appeal Board. See question 19.

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

The Trademark Law does not provide for publication of applications for registration of a trademark. Therefore, a third party may not oppose an application prior to registration. However, a third party may oppose registration or seek cancellation of a trademark or service mark after registration by filing an opposition or objection with the Appeal Board. Registration of a trademark can be opposed by any concerned party within its term of validity on absolute grounds and within five years from the date of publication of trademark registration information in the official bulletin on relative grounds (examples of absolute and relative grounds are provided in question 2). The opposition or objection shall be considered by the Appeal Board within four months from the date of its receipt. The decision of the Appeal Board can be appealed at the court within six months from the date of receiving the decision of the Appeal Board.

A brand owner whose trademark is not registered in Kyrgyzstan may not oppose a bad-faith application, since pursuant to the Trademark Law only registered trademarks are protected. At the same time, a bad-faith issue can be raised under the unfair competition

legislation of Kyrgyzstan. However, there have been no precedents of challenges raised on unfair competition grounds.

The approximate costs associated with a third-party opposition or cancellation proceeding after registration are 70,000 Kyrgyz som and above, excluding 40,000 Kyrgyz som official fee for filing the opposition or cancellation. The indicated costs depend on the complexity of the matter.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

Registration of a trademark lasts for 10 years from the date of filing an application with the Kyrgyzpatent. To maintain the registration, a trademark holder, within the last year of registration, must file an application for renewal with the Kyrgyzpatent. The trademark is renewed every 10 years. No proof of trademark use is required under the Trademark Law.

## 11 The benefits of registration

**What are the benefits of registration?**

The registration of a trademark provides its holders with the rights to protect their trademarks, including, but not limited to, seeking protection in the courts, getting remedies for infringement of their rights, as well as deploying border enforcement mechanisms against importation of counterfeit goods, etc.

However, it should be noted that trademark holders have begun to include goods containing IP objects into the customs registry recently, therefore, application of border enforcement measures in practice remains to be tested.

## 12 Licences

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

Any licence against a mark must be registered with the Kyrgyzpatent, otherwise, such a licence shall be deemed invalid.

## 13 Assignment

**What can be assigned?**

There are no restrictions as to assignment of a trademark. However, the assignment of a trademark is not allowed if it may confuse a consumer with regard to the product, its quality or manufacturer. Any assignment of trademark must be registered with the Kyrgyzpatent, otherwise, such an assignment shall be deemed invalid.

No concept of 'goodwill' is provided under Kyrgyz law.

## 14 Assignment documentation

**What documents are required for assignment and what form must they take?**

The following documents are required for assignment:

- the application for registration of a trademark assignment;
- the agreement on the assignment of a trademark;
- a copy of the certificate of trademark registration;
- a document confirming payment for the registration of a trademark; and
- a power of attorney issued in the name of a Kyrgyzstan patent attorney should an application for trademark assignment be filed by a foreign person or entity.

## 15 Validity of assignment

**Must the assignment be recorded for purposes of its validity?**

To be valid, assignments of trademarks must be registered with the Kyrgyzpatent.

### Update and trends

Starting from 1 January 2019, the new Criminal Code of the Kyrgyz Republic stipulates stricter liability for trademark infringement: the amount of fines to be paid by an infringer is almost 10 times as large. Enforcement of criminal proceedings is yet to be tested.

## 16 Security interests

### Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?

Pursuant to the Trademark Law exclusive rights to the trademark may serve as an object of pledge by executing pledge agreement. A trademark owner may have the right to use the pledged trademark unless it is stipulated otherwise in the pledge agreement, which must be registered with Kyrgyzpatent to be valid or enforced.

The Trademark Law does not allow for collective trademarks to be the object of pledge.

## 17 Markings

### What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?

Pursuant to the Trademark Law a trademark holder may use a warning marking in the form of R or ® or the words 'registered trademark'. Application of warning marking is not mandatory. The warning marking allows a trademark holder to inform consumers about the fact that the given trademark is registered and protected, and any unauthorised use of the trademark will infringe rights of the trademark holder. There are no risks of not using the warning marking since such use is voluntary.

## 18 Trademark enforcement proceedings

### What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?

Infringement of a registered trademark entails civil and criminal liability. The anti-monopoly body considers the administrative matters involving unfair competition. Kyrgyz law provides for criminal liability for illegal use of trademark in the form of:

- a fine ranging from 220,000 Kyrgyz som to 260,000 Kyrgyz som; or
- imprisonment for two to six months with a fine of 60,000 Kyrgyz som to 100,000 Kyrgyz som.

There are no specialised courts or other tribunals in Kyrgyzstan dealing exclusively with trademark matters.

## 19 Procedural format and timing

### What is the format of the infringement proceeding?

Cases in the area of intellectual property are examined by one judge. Court proceedings are held in the form of hearings. Any evidence in the form of documents, reports of witnesses, expert evidences, video and audio records etc can be submitted to the court. Court proceedings typically take around one month, provided that no expert examination is appointed. All parties are allowed to participate in the proceedings.

The Kyrgyz laws provide for a criminal enforcement mechanism. In particular, unauthorised use of a trademark shall entail criminal liability should heavy damages be caused. Heavy damages shall be deemed as such if the damage caused is of an amount exceeding 500 times the index rate stipulated by Kyrgyz laws at the time of committing a crime (50,000 Kyrgyz som). A criminal case is initiated and investigated by an investigator of the financial police. Investigation of

such cases must be completed no later than one month from the date of the initiation of the criminal case. Upon completion of the investigation the case shall be sent to the court. A judge shall consider the case on its merits not later than one month from the date of receipt of the case by the court. During the investigation the investigator undertakes investigative actions (interrogation, visiting premises, examination of goods, documents and other material objects, search, seizure, arrest etc). During the criminal proceedings the judge listens to the testimonies of the defendant and other parties of the case, witnesses, the opinion of experts, examinations of material evidence, declared protocols and other documents, and undertakes other judicial actions on examination of the evidence. The judgment of the court must be based only on the evidence that has been examined during the court proceedings. In practice, application of the criminal enforcement mechanism is virtually non-existent.

## 20 Burden of proof

### What is the burden of proof to establish infringement or dilution?

The parties shall bear the burden of proof in establishing infringement of trademark by proving the facts to which each party refers as the basis of its claims and objections. Dilution is not considered to be a cause of action in Kyrgyzstan.

## 21 Standing

### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

The trademark holder may always seek a remedy for an alleged trademark violation, while a licensee may seek a remedy only when it is provided under the licence agreement. Both the trademark holder and the licensee are entitled to bring a criminal complaint.

## 22 Foreign activities

### Can activities that take place outside the country of registration support a charge of infringement or dilution?

As registration and protection of a trademark are limited by the territory of Kyrgyzstan, any foreign activities may serve only as auxiliary evidence in trademark infringement proceedings.

## 23 Discovery

### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

A party experiencing difficulty in obtaining important evidence may turn to the court with a request to issue a judicial request to the other party or third parties to produce the evidence sought. The judge has the power of discretion as to the issuance of such a judicial request. With regard to obtaining evidence from parties outside Kyrgyzstan, the court may, within the framework of international agreements on rendering legal assistance (eg, international agreements such as among CIS countries) enforce such judicial requests. Any such actions intended for obtaining evidence are time-consuming.

## 24 Timing

### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

The approximate time frame for trademark infringement action is as follows:

- about two months at the trial level;
- about two months at the appeal level; and
- about two months at the cassation appeal (Supreme Court) level.

Kyrgyz laws do not stipulate a preliminary injunction level. The issue of injunctive relief is discussed in question 28.

**25 Litigation costs****What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?**

The approximate costs of litigation for the first instance and further stages of appeal are about 350,000 Kyrgyz som and above. The indicated litigation costs depend on the complexity of the matter.

Pursuant to Kyrgyz law, a successful plaintiff shall be entitled to all legal expenses should a court grant a judgment in favour of the plaintiff in its entirety. However, if the court grants the judgment in part, then the legal costs shall be shared proportionally between the parties.

**26 Appeals****What avenues of appeal are available?**

A judgment of the court of first instance can be appealed by filing an appeal with the second-instance court and cassation petition with the Supreme Court.

**27 Defences****What defences are available to a charge of infringement or dilution, or any related action?**

The defendant has a right to object against the charge of infringement, adducing its evidence objecting to the claim, filing a motion for the appointment of expert examiners, interrogation of witnesses, experts and undertaking any other actions defending his or her position. Thus, the defendant (the participant of the legal proceedings) enjoys the same rights as the plaintiff.

**28 Remedies****What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?**

The major remedies are stipulated in a civil action, including, inter alia:

- compensation for losses incurred due to the infringement;
- cessation of the infringement;
- seizure and destruction of the infringing goods; and
- publication of a court's decision to restore the business reputation of the legitimate trademark holder.

Monetary relief is available in criminal and civil court proceedings. Usually the courts award all costs against the losing party.

Kyrgyz laws do not distinguish between preliminary and permanent injunctions. The injunctive relief is available at any stage of court proceedings if failure to undertake such measures may impede or prevent enforcement of the court's decision. Such an injunction may include an injunction against the defendant to commit specific actions: against other parties to transfer the property, seizure of property or funds etc.

**29 ADR****Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?**

ADR techniques, such as cease-and-desist letters and pretrial negotiations, are available, but not commonly used. The major benefits of ADR are time and cost savings.

**30 Famous foreign trademarks****Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

A famous foreign trademark may be recognised as a well-known trademark in Kyrgyzstan under specific terms and conditions. In particular, the trademark shall be deemed as a well-known trademark in the territory of Kyrgyzstan if it complies with the well-known trademark criteria, including its use in the country. Such a decision is within the competence of the Appeal Board. On the basis of the Appeal Board's decision, the information about such a trademark is included in the register of well-known trademarks and published in the official bulletin of the Kyrgyzpatent.

The 'well-known' status provides certain benefits to the trademark, in particular, protection of the well-known trademark:

- is unlimited;
- extends not only to the goods with regard to which it has been registered, but also to non-homogeneous goods; and
- the well-known trademark may serve as a ground for refusal in the registration of a trademark by any third party.

The owner of the well-known trademark has the right to prohibit use of such a trademark with regard to any goods and services.



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# Macao

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## 1 Ownership of marks

### Who may apply?

Any person or legal entity having a legitimate interest, in particular, a manufacturer or trader, may apply for trademark registration.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

Words and devices or a combination thereof may be registered.

The following marks may not be registered:

- marks consisting exclusively of signs or indications that may be used in commerce to designate the kind, quality, quantity, intended purpose, value, geographical origin, or time of production of the goods or the rendering of the services or other characteristics of the goods or services;
- marks consisting exclusively of signs or indications that have become customary in the current language or in bona fide and established commercial practices for the designation of the goods or services;
- marks consisting exclusively of colours, except when these are arranged in an original and distinctive manner;
- marks containing flags, coats of arms, or other emblems of the Macao Special Administrative Region, of local councils, or other national or foreign public or private bodies without the consent of the competent authority;
- marks containing official signs, seals, and stamps of control or guarantee, if intended for products that are the same or similar to the products to which these are to be applied, except with the consent of the competent authority;
- marks containing heraldic insignia or escutcheons, medals, decorations, or distinctions of honour that the applicant is not entitled to or, if he or she is entitled thereto, if disrespect or disrepute would result from the use thereof;
- marks containing the emblem or name of the Red Cross or of any other body to which the chief executive of Macao has granted the exclusive right to their use, except where special authorisation has been obtained;
- marks containing a trade name, company name, business name or shop sign not belonging to the applicant or that the applicant is not authorised to use;
- marks containing the name or portrait of an individual without his or her consent or, in the case of a deceased person, without the consent of his or her heirs up to the fourth degree, or even if such consent has been obtained, if the use of the mark containing such name or portrait may cause disrespect or disrepute to the person concerned;
- marks containing a sign or signs that are an unlawful reproduction without authorisation of a work that is the literary or artistic property of another party;
- marks containing false indications of the nature, quality, or utility of goods or services for which the mark is intended;
- marks containing any false indication of origin, with regard to the country, region or locality, factory, property, or place of business;

- marks likely to cause confusion with one or more other marks already registered with respect to identical or similar goods or services in the name of another party; and
- marks being entirely, or in a substantial part, a reproduction, an imitation, or a translation of another unregistered mark that is known to belong to another party being a national of or having his or her principal place of business in a Paris Convention member state, where confusion may be caused because the mark applied for is to be used for goods or services identical or similar to those for which the well-known mark is used, provided, however, that opposition on this basis can be successful only if the owner of the well-known mark files proof that he or she has applied for registration of his or her mark in Macao.

Colours may be registrable as a mark only if arranged in an original and distinctive manner.

The shape of a product or of the package or cover of a product may be registered as a mark, provided that it is capable of distinguishing the goods concerned from identical or similar goods.

Collective marks may be registered. Certification marks may also be registered.

## 3 Common law trademarks

### Can trademark rights be established without registration?

Provisional protection is given to a trademark application. Total protection is given as from the grant of the trademark registration. Thus, trademark rights are not established without registration.

Only registration confers proprietary rights. The effect of registration therefore is attributive of ownership.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

If no opposition is filed against the trademark application and if the application is filed with all the required documents, it usually takes five months to obtain a trademark registration plus another five months to obtain the registration certificate. The official fees for the trademark application amount to 1,000 patacas.

Moreover, in order to proceed with said filing, it is necessary to have a power of attorney duly dated, signed by the legal representative, notarised and legalised by notary public and a Hague Convention apostille.

## 5 Classification system

**What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?**

The applicable classification is the 9th edition of the International Classification of Goods and Services under the Nice Agreement. Multi-class applications are not available.

## 6 Examination procedure

**What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?**

If the opposition period lapses without oppositions having been filed or the opposition proceedings have been terminated, the application will be examined as to form, registrability per se and prior conflicting registrations.

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

A registered mark should be used. If a registered mark has not been used without a legitimate reason for three consecutive years, the registration of the same may be declared forfeited.

Only registered trademarks are obliged to be used. Before registration there is no obligation of use of the trademarks.

## 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

An appeal against the decision of the Intellectual Property Department (IPD) of the Macao Economic Services (MES) may be lodged with the first instance court within one month of notification. Both the applicant and the opposing party may lodge an appeal. Further appeal lies with the court of second instance.

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

Within two months after the publication (term not extendable), any third party considering itself prejudiced by the possible grant of the registration may file an opposition. The applicant may file a counter-statement within one month (term also not extendable).

The opposition or the cancellation of a trademark can be requested in the following circumstances:

- that the person in whose name the registration of a mark was made was not entitled to acquire it;
- that the registration concerns a mark that was not registrable;
- that the grant of the registration infringes third-party rights based on priority or other legal title, and, in particular, that the grant infringes upon rights to an earlier mark, provided the use

requirement in respect of that mark is complied with. Note, however, that no cancellation on this ground may be requested in the case of acquiescence in the use of the later mark during five years;

- that the mark being the subject of the registration is wholly or partly an imitation, translation or reproduction of a mark that is well known in Macao, and is used for the same or similar articles and there is danger of confusion;
- that the mark being the subject of the registration is graphically or phonetically identical or similar to an earlier mark being highly renowned in Macao, irrespective of the goods or services for which it is applied, if use of the later mark without due cause takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the earlier mark; or
- that the grant of the registration infringes provisions requiring authorisation or consent and this has not been given.

The cancellation procedure may be started before the competent court within one year from the date of grant of the registration of the mark.

A brand owner that does not yet have its trademark protected in Macao cannot oppose a bad-faith application.

The present official fees associated with a third-party opposition and for a cancellation proceeding are €83,36 for each one.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

The duration of registration of a trademark is seven years from the application date and is indefinitely renewable for further seven-year periods.

## 11 The benefits of registration

**What are the benefits of registration?**

Only registration confers exclusive rights to a mark. Only registration confers proprietary rights. The effect of registration, therefore, is attributive of ownership.

The following acts performed without the consent of the owner of a registered mark are deemed infringement:

- use in the course of trade in Macao of any sign that is identical or confusingly similar to the registered mark for goods or services being identical or similar to those for which the mark is registered; and
- use in the course of trade in Macao of any sign that, due to the identity or similarity of that sign and the mark or the affinity between the goods or services, creates in the consumer's mind a risk of confusion, including the risk of association of the sign with the mark.

The exclusive right to a mark does not include the right for the owner to prevent a third party from using in the course of trade his or her own name or address, or any indication concerning the kind, quality, quantity, intended purpose, value, geographical origin, time of production of the goods or of rendering of the services, or any other characteristics of goods or services, or even the mark itself if this is necessary to indicate the intended purpose of a product or service, in particular as an accessory or spare part, provided that in any such case the use is in accordance with honest practices and good customs in industrial and commercial matters.

## 12 Licences

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

With the exception of a legal limitation, industrial property rights may, with or without consideration, be licensed for exploitation in whole or in part and, when for a limited duration, for all or part of that duration.

The provision in the previous paragraph shall apply to rights deriving from industrial property right applications, but a refusal to grant such rights shall imply the forfeiture of the licence.

The exploitation contract licence shall be in writing.

Unless otherwise stipulated, the licensee shall, for all legal purposes, enjoy the privileges conferred on the title holder to which the exploitation licence was issued, with exceptions set forth in the following paragraphs.

The exploitation licence shall be deemed non-exclusive.

An exclusive exploitation licence shall be understood to be that in which the owner of the industrial property right forswears the right, for the full duration of the licence, to grant any other exploitation licences for the rights to which the licence refers.

Unless otherwise stipulated in the respective contract:

- the granting of an exclusive exploitation licence shall not preclude the owner from also directly exploiting the industrial property right covered by the licence;
- the right obtained through the exploitation licence may not be waived without the written consent of the industrial property right owner; and
- no exploitation sublicences may be granted without the written authorisation of the industrial property right owner.

The granting of a licence agreement is subject to registration by being written on the title and mentioned in the respective granting register.

The above-mentioned fact may be raised by the parties or their successors at any time but shall produce effects in relation to third parties only after being registered.

### 13 Assignment

#### What can be assigned?

The rights to an applied-for or to a registered mark may be assigned independently of the goodwill of the business. Although not compulsory, it is advisable to record the assignment with the IPD of the MES.

### 14 Assignment documentation

#### What documents are required for assignment and what form must they take?

The requirements for registration of an assignment are as follows:

- deed of assignment in Portuguese, signed by the assignor and the assignee, and certified by a notary public; and
- power of attorney in Portuguese, signed by the assignee, certified by a notary public.

Owing to the recently revised requirements of the IPD of the MES, these documents must be legalised with a Hague Convention apostille.

### 15 Validity of assignment

#### Must the assignment be recorded for purposes of its validity?

The recordal of the assignment is required in order to be valid.

### 16 Security interests

#### Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?

Security interests are recognised and they must be certified by a notary public. They must be recorded for purposes of their validity in Macao.

Because of the recently revised requirements of the IPD of the MES, these documents must be legalised with a Hague Convention apostille.

### 17 Markings

#### What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?

Marking is optional. Possible markings include 'Marca Registada', MR, ®, 'chu chak seong pio' (Cantonese), 'zhu ce shang biao' (Mandarin) or 'Registered Trademark'.

### 18 Trademark enforcement proceedings

#### What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?

The owner of a trademark can ask for enforcement of the rights of its trademark against an alleged infringer. There are no specialised courts for this matter, and the criminal law of Macao does not establish the trademark enforcement proceedings. However, in this the Civil Procedure Code applies.

### 19 Procedural format and timing

#### What is the format of the infringement proceeding?

Only registration confers exclusive rights to a mark. The following acts done without the consent of the owner of a registered mark are deemed infringements:

- use in the course of trade in Macao of any sign that is identical or confusingly similar to the registered mark for goods or services being identical or similar to those for which the mark is registered; and
- use in the course of trade in Macao of any sign that, due to the identity or similarity of that sign and the mark or the affinity between the goods or services, creates in the consumer's mind a risk of confusion, including the risk of association of the sign with the mark.

The exclusive right to a mark does not include the right for the owner to prevent a third party from using in the course of trade his or her own name or address, or any indication concerning the kind, quality, quantity, intended purpose, value, geographical origin, time of production of the goods or of rendering of the services, or any other characteristics of goods or services, or even the mark itself if this is necessary to indicate the intended purpose of a product or service, in particular as an accessory or spare part, provided that in any such case the use is in accordance with honest practices and good customs in industrial and commercial matters.

There are rather severe criminal sanctions, namely, heavy fines and imprisonment for up to three years. Sanctions apply also to deliberately trying to have a mark registered that infringes upon the rights of another party.

### 20 Burden of proof

#### What is the burden of proof to establish infringement or dilution?

The burden of proof lies with the plaintiff, who has the burden of proving that its mark has been infringed.

### 21 Standing

#### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

Both the trademark owner and the licensee may seek remedies. The trademark owner must have the mark registered before the Trademarks Office and the licensee can only intervene if the registered user agreement (licence to use) is recorded before said office.

### 22 Foreign activities

#### Can activities that take place outside the country of registration support a charge of infringement or dilution?

Only activities that take place in the Macao territory may be taken into account. However, this is not applicable to goods made outside the country from the moment that they are imported into Macao.

**23 Discovery**

**What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?**

Adverse or third parties (including state entities) may be required to submit documents or exhibit goods. If they resist a court order may be sought.

**24 Timing**

**What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?**

Unfortunately, there is no typical time frame for infringement or dilution actions. They are lengthy and can last for years.

**25 Litigation costs**

**What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?**

There is no typical range of costs. These depend mainly on the professional fees that are charged.

**26 Appeals**

**What avenues of appeal are available?**

An appeal against the decision of the IPD of the MES may be lodged with the first instance court within one month of notification. Both the applicant and the opposing party may lodge an appeal. Further appeal lies with the court of second instance.

**27 Defences**

**What defences are available to a charge of infringement or dilution, or any related action?**

The defendant or alleged infringer has the legal right to participate in the proceeding by responding to the complaint and submitting evidence.

**28 Remedies**

**What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?**

The IP Code contains provisions regarding the penalties imposed on an infringer, but is silent regarding the apportionment of monetary relief. Injunctive relief is available permanently if there is an immediate danger to the complainant.

**29 ADR**

**Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?**

ADR techniques are not available in Macao.

**30 Famous foreign trademarks**

**Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

The existence of a well-known mark may be a ground for the opposition of a trademark application in Macao, provided that the owner applies for registration of the well-known mark at the same time.

The evidence required includes market studies that reveal the reputation of the mark to the relevant public, costs with marketing companies, sales volume and other factors relevant to the reputation of the mark.



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# Malaysia

Jin Nee Wong

Wong Jin Nee & Teo

## 1 Ownership of marks

### Who may apply?

An applicant for a trademark may be a natural or juristic person. A juristic person includes all bodies capable of suing or being sued at law. Partnerships, companies and unincorporated bodies such as associations, clubs or unions, as well as government and other official bodies, may apply to register marks under the Trade Marks Act 1976 (TMA). It is also possible to apply as joint applicants.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

Under the TMA, a mark is defined to include a device, brand, heading, label, ticket, name, signature, word, letter, numeral or any combination thereof and a trademark is defined as a mark used or proposed to be used in relation to goods or services for the purpose of indicating a connection in the course of trade between the goods or services and the registered proprietor or the registered user. There is a requirement that the mark must be visually represented. It is currently not possible to register non-traditional marks, such as sound, smell, taste or moving marks, under the TMA. Based on the decision in *Kraft Foods Schweiz Holding GmbH v Registrar of Trade Marks* [2016] 9 CLJ 558, 3D, marks are now registrable in Malaysia if they are distinctive of the applicant's goods.

## 3 Common law trademarks

### Can trademark rights be established without registration?

Malaysia is a common law country and accordingly affords protection to both registered and unregistered trademarks. Common law trademark rights can be established through use. Such unregistered rights are protected under the common law action of passing-off. To succeed in a passing-off action, the owner must establish three elements, namely: the existence of a substantial reputation and goodwill in the trademark; the defendant's activities are likely to, or have actually caused, misrepresentation; and the proprietor has suffered or is likely to suffer damage or injury to the business or goodwill as a result of such misrepresentation. Section 82(2) of the TMA makes it clear that infringement rights are additional to, and not in substitution for, the right to sue for passing-off.

In addition, well-known marks are entitled to certain protection under the TMA even though such marks are not registered.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

Based on the current workflow at the Malaysian IP Office (MyIPO) and assuming that it is a straightforward application (ie, no objections are raised during the examination and no opposition proceedings are

filed), it may take approximately 12 to 18 months before a trademark is registered and the certificate of registration is issued by MyIPO. The estimated all-inclusive costs for filing up to registering one mark in one class would be roughly US\$850. Apart from a statutory declaration from the applicant, there is no other documentation (including a power of attorney) required for the filing of the trademark application.

## 5 Classification system

### What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?

Malaysia has adopted the 11th edition of the Nice Classification of Goods and Services since 1 January 2017 and joined the TMClass from 5 December 2016. Multi-class applications are currently not available.

## 6 Examination procedure

### What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?

The MyIPO examiner will first conduct a formality examination on the application to ensure that it complies with the statutory requirements in that all the submitted documents are complete. If the documents are complete, the examiner will proceed to a search and examination where a search will be conducted to determine if the trademark is in conflict with any prior applications or registrations, based on MyIPO records. The application will also be examined to determine if it meets the requirement of a registrable trademark or whether it falls within the non-registrable mark categories. Letters of consent are generally acceptable to overcome an objection based on a third-party mark. However, they are not binding on the Registrar. Consent letters are merely evidence that the Registrar may take into account of in arriving at his or her decision on the probability of deception. Applicants may respond to objections or citations raised by the examiner within the stipulated time frame.

## 7 Use of a trademark and registration

### Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?

There is no mandatory requirement for use of a trademark to be claimed before registration is granted or issued.

Proof of use may be required to be submitted by the applicant to overcome objections if the MyIPO examiner objects to the registration

of the mark on the ground that the mark is descriptive or non-distinctive. The applicant may file evidence of use to support arguments that the mark has acquired distinctiveness through extensive use.

The applicant may claim priority based on its corresponding application filed in a member country of the Paris Convention within six months from such filing date.

A registered mark is vulnerable to be rectified upon the application of an aggrieved person as provided by the TMA on the ground the registration has not been in use for a continuous period of three years up to one month before the application date for rectification. The three-year period is to be calculated from the date on which the registration is actually entered into the Register.

## 8 Appealing a denied application

### Is there an appeal process if the application is denied?

In the event the submission to respond to the examiner is rejected, the applicant may request for ex-parte hearing to appeal against such decision. The ex-parte hearing will be conducted by a hearing officer at MyIPO. If the applicant is aggrieved by MyIPO's decision, an appeal can be filed to the High Court within one month from the date of the issuance of the grounds (an extension of time can be sought for a maximum period of two months). The decision of the High Court is appealable to the Court of Appeal and further appeals from the Court of Appeal to the Federal Court (the highest appellate court in Malaysia), with leave.

## 9 Third-party opposition

### Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?

A mark that has been accepted for registration will be published in the Government Gazette for any interested third party to oppose the application. An interested party may file and serve a notice of opposition within two months from the advertisement date in the Government Gazette. Within two months of receipt of a notice of opposition, the applicant may file a counter-statement setting out the grounds on which it relies in support of its application. The parties have two months to file their respective evidence by way of statutory declarations. The opponent has the right to file and serve a statutory declaration in reply. This period may be extended upon application and payment of prescribed fees. The Registrar will then give notice to the parties of a date (usually one month from the notice) by which they may submit any written submissions. After expiry of this period, the Registrar shall consider the evidence and written submissions and shall communicate the decision and the grounds of that decision. The Registrar's decision is subject to appeal to the High Court.

The various grounds available to oppose the application include without limitation:

- the use of the mark is likely to deceive or cause confusion to the public, or would be contrary to law;
- the mark contains or comprises scandalous or offensive matter, or would otherwise not be entitled to protection by any court of law;
- the mark contains matter that might be prejudicial to the interests or security of the nation; and
- the mark is identical to or closely resembles the opponent's mark that is well known in Malaysia.

A brand owner may oppose a bad-faith application even though it has not filed or registered in Malaysia if it can demonstrate that its mark is a well-known mark in Malaysia or, alternatively, it has acquired common law rights in the mark in Malaysia.

The typical charges for opposition proceedings vary significantly, depending on various factors and reasons and may range from US\$4,000 to US\$5,000.

## 10 Duration and maintenance of registration

### How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?

A registration is valid for a period of 10 years from the filing date and is renewable every 10 years. A mark can be renewed indefinitely. Proof of use of the trademark is not required in order to renew the registration. However, a registered trademark may be removed from the Register upon application of an aggrieved person if the mark:

- was registered without a good faith intention to use it and it has in fact not been used in good faith; or
- is not used for a continuous period of three years from the date on which it was entered into the Register.

## 11 The benefits of registration

### What are the benefits of registration?

There are numerous benefits of registering a trademark:

- it provides the proprietor with the exclusive right to use the mark in relation to the goods or services covered by the registration;
- the proprietor receives the presumption of being the valid owner of the registered mark through the certificate of registration of such ownership, issued by the competent authority, namely MyIPO;
- only registered trademarks can be affixed with the ® symbol. By using the ® symbol next to the mark, it serves as a notification and alert that the mark is indeed registered and third parties may be deterred from infringing the mark;
- it decreases the chances of another party claiming that the trademark infringes its trademark;
- MyIPO will cite or refuse the registration of any subsequent marks that MyIPO considers to be the same or confusingly similar;
- the registered mark will also be identified when searches are conducted by another party, thereby probably discouraging others from proceeding with the filing or use of the same or similar marks;
- it is easier to enforce a mark that has been registered rather than relying on its common law rights. The border enforcement mechanism is only available to the proprietor of a registered mark; and
- it is possible to assign a registered mark that has not been used.

## 12 Licences

### May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?

A licensee or a user may be recorded against a mark (a registered licensee is referred to as a registered user in the TMA). Although not mandatory, there are benefits in doing so. Use by the registered user will inure to the benefit of the registered proprietor and be deemed to be used by the registered proprietor. The registered proprietor may restrict the registered user from initiating infringement proceedings in its own name by way of an agreement.

## 13 Assignment

### What can be assigned?

It is possible to assign a trademark with or without goodwill of the business. It is also possible to assign part or all of the goods or services covered by the registration. Other business assets do not have to be assigned to make it a valid assignment.

## 14 Assignment documentation

### What documents are required for assignment and what form must they take?

An assignment agreement must be filed together with the prescribed form and payment of prescribed fees. The execution of the assignment agreement must be witnessed, failing which it must be notarised.

## 15 Validity of assignment

### Must the assignment be recorded for purposes of its validity?

Assignment must be recorded in order to transfer the ownership of the registered mark to the new proprietor.

## 16 Security interests

### Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?

Currently there are no provisions for the registration of a security interest in the trademark under the TMA.

## 17 Markings

### What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?

Markings are not mandatory. It is an offence under the TMA to use the ® symbol if the trademark is not registered. Proprietors of unregistered marks may use the ™ symbol to denote that they are claiming trademark rights in the mark. By using the ® symbol next to the mark, it serves as a notification and alert that the mark is indeed registered and third parties should avoid infringing the mark.

## 18 Trademark enforcement proceedings

### What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?

Apart from instituting a civil proceeding for trademark infringement or passing-off, the proprietor of a trademark has the option of lodging a criminal complaint with the law enforcement authority, namely the Enforcement Division of the Ministry of Domestic Trade, Cooperatives & Consumerism (the ED) for criminal actions to be taken to deal with counterfeiting activities involving trademarked goods. The key legislation that provides for such criminal sanctions is the Trade Descriptions Act 2011 (TDA). It is an offence under the TDA to manufacture counterfeit goods, supply, offer to supply or be in possession, custody or control for supply of counterfeit goods. The TDA empowers the ED to enter retail premises (without having to obtain search warrants) to search for and seize goods suspected to be counterfeit goods. With regard to border enforcement measures in Malaysia, such provisions can be found in the TMA. To invoke the border measure provisions pursuant to the TMA, a registered proprietor must file a prescribed form (form TM30) accompanied by the prescribed fee together with an affidavit verifying its interest with the Registrar of Trade Marks. Unless the registered proprietor has instituted a civil suit and having obtained an order preventing the release of the seized goods within the retention period, the seized goods shall be released to the importer. In situations where goods have been seized and the registered proprietor has failed to commence civil action within the retention period, a person aggrieved by such seizure or detention may apply to court for an order of compensation against the registered proprietor. If the court is satisfied that the person aggrieved had suffered loss or damage as a result of the seizure of the goods, the court may order the registered proprietor to pay compensation in such amount as the court thinks fit.

In the High Court in Kuala Lumpur (the capital city of Malaysia), there is a designated court that handles intellectual property (IP) civil cases. Most IP-related cases are filed and heard in the Kuala Lumpur IP High Court. For prosecution of criminal matters, there is also a designated IP Sessions Court in Kuala Lumpur.

## 19 Procedural format and timing

### What is the format of the infringement proceeding?

An action for infringement proceeding is to be commenced by way of filing a writ of summons and a statement of claim. It is quite common

for the plaintiff to include an additional claim for passing-off in a suit for trademark infringement under the TMA. The plaintiff can apply for an interlocutory injunction pending the completion of the trial. The interlocutory injunction, if granted by the court, would result in the defendant being prevented from continuing with its alleged infringing acts (ie, dealing with the alleged infringing or counterfeit goods) pending the completion of the trial. Other interlocutory injunctions available include *Anton Piller* orders (which allow the plaintiff's representatives to enter the defendant's premises to search and seize evidence to prevent the defendant from disposing of or destroying evidence of the infringing activities) and *Mareva* injunctions (orders to freeze the defendant's bank accounts or assets so that the defendant is prevented from moving its assets to frustrate a money judgment) which can be obtained on an ex parte basis. Discovery of relevant evidence and documents forms part of the pretrial case-management process. Parties seeking the disclosure of specific documents from the other side may also file an application to request the specific documents to be disclosed.

It has recently been a practice for the IP Court in Kuala Lumpur to permit live testimony to be given by foreign witnesses via video-conferencing, subject to both parties agreeing to the same. Where the expert opinions are required (for example, for assessment of damages), experts may be called as witnesses, subject to an expert report being prepared in advance in accordance with the provisions of the Rules of Court 2012. The presiding judge who hears the trial will decide at the conclusion of the full trial and after submissions (ie, legal arguments) have been filed by parties. Typically, the trial will be heard within nine to 12 months from the filing of the writ of summons and statement of claim (ie, commencement of the suit). A decision is normally handed down within one to two months after the close of the arguments from both parties.

An alternative to filing a civil suit would be to lodge a criminal complaint with the ED (see question 18). Once the seized goods are confirmed by the trademark owner to be counterfeit goods, the ED has the option of compounding the offence by imposing a monetary fine against the target or, at the prerogative of the public prosecutor, commencing a criminal action in the criminal courts against the target. There have been occasions where trademark owners have instituted civil proceedings using the evidence of the raids conducted by the ED.

## 20 Burden of proof

### What is the burden of proof to establish infringement or dilution?

The plaintiff bears the burden of proving infringement and passing-off. Some of the evidence that would be required to establish the elements of infringement and passing-off include:

- evidence of ownership of the trademark:
  - for trademark infringement, such evidence would consist of adducing copies of certificates of registration and renewals for the trademark in question; and
  - for passing-off, evidence of goodwill and reputation in the trademark in question, such as evidence of sales and advertisements and promotional materials;
- evidence of alleged acts of infringement or passing-off (eg, through test purchases and other evidence of trade involving the alleged infringing trademark in question);
- evidence of instances of confusion amongst the trade and public (eg, through enquiries or complaints made by consumers, market survey evidence of confusion); and
- evidence of loss or damage (eg, decreasing sales).

## 21 Standing

### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

Under the TMA, an infringement of a registered trademark is actionable by the registered proprietor. Subject to any agreement between the registered user and the registered proprietor, the registered user (who has been duly recorded in the Register) will be able to institute proceedings for infringement of registered mark solely in its own name and must make the registered proprietor a defendant in the



### Update and trends

Malaysia is scheduled to implement the Madrid Protocol by early 2019.

In the case of *Merck KGaA v Leno Marketing (M) Sdn Bhd* [2018] MYFC 14, the appellant, Merck, is the owner of the trademarks 'BION' and 'BION 3'. It had filed opposition proceedings to oppose the application of the trademark 'Bionel' filed by the respondent, Leno Marketing, on the ground that it was confusingly or deceptively similar and its registration would likely deceive or cause confusion among the public. The Registrar of Trade Marks (the Registrar) dismissed Merck's opposition and accordingly registered Leno Marketing's mark. This decision was upheld in the High Court and Court of Appeal and Merck appealed to the Federal Court. The Federal Court, being the highest court in Malaysia, determined that the High Court was exercising its appellate jurisdiction in hearing an appeal from the Registrar's decision in relation to opposition proceedings. Since the matter was not decided by the High Court in the exercise of its original jurisdiction, the matter ended at the Court of Appeal and no further appeal would be available to the Federal Court.

In the case of *Warmal WIL Heavy Duty Pumps Sdn Bhd v. Pump Matrix Engineering Sdn Bhd* [2018] 1 LNS 88, the plaintiff has supplied slurry pumps in Malaysia, Singapore and Brunei by reference to the

'WARMAL' trademark and trade name since 1987. The plaintiff had discovered that the defendant was selling slurry pumps bearing the 'WALMAR' mark when the defendant's application for WALMAR was cited against the Plaintiff's subsequent applications for the WARMAL trademark in relation to pumps in Class 7. When the defendant refused to accede to the plaintiff's demands made in a cease and desist letter, the plaintiff commenced legal proceedings against the defendant based on the tort of passing off, infringement of well-known marks under the TMA and a tort of unlawful interference with the plaintiff's trade. The High Court (after a full trial) held in favour of the plaintiff against the defendant for passing-off and unlawful interference with the plaintiff's trade. The court, however, held that the plaintiff had failed to prove that the WARMAL mark is a well-known trademark within the meaning of section 70B(1) TMA. The finding was based on various reasons, including that the plaintiff had not adduced any evidence regarding the 'degree of knowledge or recognition' of the WARMAL mark in the slurry pump sector, had not registered the WARMAL mark as a trademark in Malaysia or any other country and had not successfully enforced the WARMAL mark in Malaysia or any other country. The defendant has filed an appeal against the High Court decision to the Court of Appeal.

proceedings after calling upon the registered proprietor to do so and if the registered proprietor refuses or neglects to do so within two months after the registered proprietor's request.

As passing-off protects the goodwill and reputation attached to the goods or services that are supplied to the public by reference to the trademark, the owner of such mark is usually the owner of the goodwill. Accordingly, the owner of the goodwill has the standing to sue. While the owner of such goodwill is usually the manufacturer of goods or supplier of services, it is possible for an importer, distributor or licensee (subject to any agreements with the owner of the mark) to have goodwill that reflects the public trust in its ability, care or expertise in selecting and handling goods to a particular standard. In order for these importers, distributors or licensees to have a cause of action for passing-off in their own capacity, they must be able to establish the necessary elements.

A registered proprietor of the trademark or its licensee (who has been duly authorised by the proprietor on its behalf) can lodge a complaint with the ED.

## 22 Foreign activities

### Can activities that take place outside the country of registration support a charge of infringement or dilution?

The act of infringement or passing-off must be committed within Malaysia in order for a cause of action to arise there.

As indicated above, a registered trademark owner can apply to the Registrar of Trade Marks for an order to restrict the importation of counterfeit goods into Malaysia provided that the trademark in question is registered in Malaysia.

## 23 Discovery

### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

The plaintiff is advised to obtain as much evidence as possible relating to the acts of infringement prior to the commencement of the civil suit. The reason is that the plaintiff as the claimant bears the burden of proof. However, after the suit is filed, parties would still be required to undergo the discovery process, which forms part of the pretrial case-management process. As part of the discovery process, parties would be required to exchange all relevant evidence and documents relating to the issues that are raised in the suit, namely relating to the plaintiff's claims and the defendant's defences. In addition, parties seeking the disclosure of specific documents from the other side may file an application to ask for the specific documents to be disclosed.

## 24 Timing

### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

The plaintiff can file an inter partes application for interlocutory injunction when filing the writ of summons and statement of claim (ie, commencement of the suit). The inter partes application for interlocutory injunction is usually heard within three to four months from the filing of the application. During this period, parties would normally reply to each other's allegation by way of affidavits.

It would also be possible for the plaintiff to file an ex parte application for interlocutory injunction, which can be heard on an urgent basis with the filing of a certificate of urgency. The plaintiff would be required to offer an undertaking to pay damages as part of the application for the interlocutory injunction. A foreign plaintiff may be ordered to pay security for costs.

A trial would typically be heard within nine to 12 months from commencement of the suit. The suit would be filed in the High Court.

An appeal against the decision of the High Court can be filed with the Court of Appeal. The appeal in the Court of Appeal would typically be heard within 12 to 18 months from the filing of the Notice of Appeal. Thereafter, a further appeal to the Federal Court (ie, the highest court in Malaysia) may be pursued subject to leave being granted by the Federal Court. Leave would only be granted for appeals that involve 'a question of general principle decided for the first time or a question of importance upon which further argument and a decision of the Federal Court would be to public advantage' (pursuant to section 96(a) of the Courts of Judicature Act 1964).

## 25 Litigation costs

### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

The litigation costs involved from the commencement of the suit until the delivery of decision by the High Court would be in the region of US\$55,000 to US\$97,000 depending on the complexity of the issues involved. An appeal to the Court of Appeal against the decision of the High Court would be in the region of US\$15,000 to US\$25,000. An appeal to the Federal Court, if leave is obtained, would be in the region of US\$30,000 to US\$50,000. The winning party would be entitled to costs awarded by the court. However, the amount awarded is subject to the discretion of the High Court, Court of Appeal and Federal Court.



**26 Appeals****What avenues of appeal are available?**

An appeal against the decision of the High Court can be filed with the Court of Appeal. Thereafter, a further appeal to the Federal Court may be pursued subject to leave being granted by the Federal Court pursuant to section 96(a) of the Courts of Judicature Act 1964 (see question 24).

**27 Defences****What defences are available to a charge of infringement or dilution, or any related action?**

Typical defences raised by defendants include the following:

- challenging the locus standi of the plaintiff;
- challenging the trademark ownership of the trademark in question;
- alleging that the trademark in question is not distinctive and is descriptive or generic (usually also in the form of a counterclaim to seek the invalidation of the plaintiff's trademark registration);
- claiming that the alleged infringing mark is distinct from and not confusingly similar to the trademark in question; and
- alleging that there is bona fide use of the alleged infringing mark (eg, use of the defendant's name or honest concurrent use).

**28 Remedies****What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?**

The plaintiff can seek the following typical remedies against the defendant:

- declaration of the plaintiff's ownership of the trademark in question (especially for unregistered marks);
- declaration that the defendant's acts constitute acts of infringement or passing-off;
- injunctive relief to restrain the defendant from continuing with its infringing acts;
- delivery up or destruction upon oath of the infringing or counterfeit goods;
- disclosure of source of the infringing or counterfeit goods; and
- assessment of damages or account of profits.

In cases involving blatant infringement or counterfeit goods, the court has also granted relief in the form of a public apology by the infringer, but this is not a remedy granted as of right.

**29 ADR****Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?**

It has become recent practice for the presiding judge to encourage parties to attempt to settle the dispute through court-led mediation. To maintain neutrality, the mediation would be conducted before another judge, to be selected and agreed upon by both parties. In the event that mediation fails, the matter would proceed to trial before the presiding judge.

**30 Famous foreign trademarks****Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

A well-known mark is protected under the TMA even if it has not been used domestically. In order to qualify as a trademark that is entitled to protection under article 6-bis of the Paris Convention or the TRIPS Agreement as a well-known mark, the mark must be well known in Malaysia as being the mark of a person, whether or not that person carries on business or has any goodwill in Malaysia.

In determining whether the mark is a well-known mark in Malaysia, the following criteria under regulation 13B of the Trade Marks Regulation 1997 have to be taken into account:

- degree of knowledge or recognition of the mark in the relevant sector of the public;
- the duration, extent and geographical area of any use of the mark;
- the duration, extent and geographical area of any promotion of the mark, including advertising or publicity and the presentation, at fairs or exhibition, of the goods and services to which the mark applied;
- the duration and geographical area of any registrations, or any application for registration, of the mark to the extent that they reflect use or recognition to the mark;
- the record of successful enforcement of rights in the mark, in particular, the extent to which the mark was recognised as well known by competent authorities; and
- the value associated with the mark.

The proprietor of a well-known mark is entitled to restrain by injunction its use in the course of trade in Malaysia:

- without the proprietor's consent; and
- if it resembles essential parts or is identical to the proprietor's mark, in respect of the same goods and services, where the use is likely to deceive and cause confusion.

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# Malta

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## 1 Ownership of marks

### Who may apply?

Any natural or legal person may own a trademark.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

Under the Trademarks Act (Chapter 416 of the Laws of Malta) (TA), any sign that is capable of being represented graphically and that is capable of distinguishing goods or services of one undertaking from those of other undertakings may be registered as a trademark. A trademark may, in particular, consist of words (including personal names), figurative elements, letters, numerals or the shape of goods or their packaging.

In addition, for successful trademark registration, the trademark must not fall foul of the 'absolute grounds for refusal'. Absolute grounds for refusal include that the:

- mark is not a sign capable of graphical representation or distinguishing the goods or services claimed from those of other undertakings;
- mark is not distinctive;
- mark consists exclusively of signs or indications that may serve, in trade, to indicate the kind, quality, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics;
- mark consists exclusively of signs or indications that have become customary in the current language or established practices of trade in goods or services claimed;
- sign is a shape resulting from the nature of the goods;
- sign is a shape of goods that is necessary to obtain a technical effect;
- sign is a shape that gives substantial value to the goods;
- mark is contrary to public policy or accepted principles of morality;
- mark may or is likely to deceive the public as to the nature, quality or origin of goods or services;
- use of the trademark is prohibited in Malta by a rule of law;
- application was made in bad faith; and
- mark consists of the unauthorised use of a specially protected emblem in Malta, in Paris Convention countries or in international organisations.

The above-mentioned graphical representation requirement implies that it is not possible to register marks that are not capable of being represented graphically, including 'non-traditional' marks such as smells and tastes. However, upon the implementation into Maltese law of the Trademarks Directive (2015/2436; the Directive) (which amends the Trademark Directive 2008/95/EC), the graphical representation requirement will be removed from Maltese law and, as a result, it is expected that it may be possible to register non-traditional Maltese trademarks.

Further to the above, a trademark may not be registered if it falls foul of 'relative grounds for refusal'. Relative grounds for refusal included that the:

- mark is identical to an earlier trademark registered and the goods or services are also identical;
- mark is identical or similar to an earlier trademark registered for identical or similar goods or services, and a likelihood of confusion

exists on the part of the public, including the likelihood of association to the earlier trademark;

- mark is identical or similar to an earlier mark with a reputation in Malta and the use of the later trademark would take unfair advantage or be detrimental to the distinctive character or repute of the earlier mark; and
- use of the mark in Malta is liable to be prevented by virtue of the law protecting unregistered trademarks or other signs used in the course of trade, copyright or registered designs.

## 3 Common law trademarks

### Can trademark rights be established without registration?

Under the Commercial Code (Chapter 13 of the Laws of Malta), unregistered trademark rights may be established without registration on the basis of prior use. In this respect, the Commercial Code provides that regardless of whether a name, mark or distinctive device has been registered as a trademark in terms of the TA, traders may not make use of any name, mark or distinctive device capable of creating confusion with any other name, mark or distinctive device lawfully used by others.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

A trademark application that does not encounter any objections from the Malta Industrial Property Registrations Directorate (IPRD) would typically take around six months from filing of the application to be granted registration.

The fee of €116.37 is due to the Malta IPRD for every class of goods or services covered by a trademark application. Generally, applicants instruct lawyers to draft the specification of goods and services and to file the application on their behalf, and as result, professional legal fees would be incurred. Furthermore, if the trademark examiner raises any objections, then this is most likely to extend the time frame for registration and increase the costs associated with the registration.

It is to be noted that from the perspective of the Malta IPRD, no documentation is required to file a trademark application. Legal counsel generally request a power of attorney in order to file a trademark application on behalf of an applicant.

## 5 Classification system

### What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?

The Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks is implemented as a trademark classification system by the Malta IPRD by way of practice.

The Malta IPRD's online trademark application portal permits the submission of multi-class applications. However, the concept of a multi-class application is alien to Maltese trademark law. Each class covered by a trademark application is considered an individual trademark, attributed its unique trademark registration number and examined on a sole basis, and individual renewal procedures and fees would be due.

## 6 Examination procedure

**What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?**

Upon receipt of a trademark application, the Malta IPRD examines whether it falls foul of the absolute grounds for refusal or the relative grounds for refusal referred to in question 2.

In examining relative grounds for refusal, the Malta IPRD examines potential conflicts with other registered Maltese and European trademarks. In this respect, it should be noted that as opposed to the practice under the European Trademark Regulation (2015/2424) and the practice adopted in many European countries, in Malta, conflicts with other registered Maltese and European trademarks are a ground for refusal of trademark registration that is raised as an objection by the Malta IPRD itself and not by third parties. Letters of consent would typically be accepted to overcome an objection raised by the IPRD in relation to a third-party mark.

When applicants receive an objection to their application from the Malta IPRD, they are given the opportunity to make representations to the Malta IPRD or make amendments to the application.

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

Use of a trademark is not a prerequisite for successful trademark registration; however, it may assist in proving that the mark is to be registered, as it has acquired distinctiveness through prior use.

On application at the First Hall, Civil Court (Civil Court), third parties may successfully obtain revocation of a registered trademark on the basis that the registered trademark has not been put to genuine use in Malta within a period of five years following the date of its registration.

Further to the above, it should be noted that trademarks of a foreign country that is a member of the World Trade Organization or a party to the Paris Convention are granted a right to priority to trademark registration in Malta for a period of six months from the date of filing of the foreign trademark application.

## 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

A decision of the Malta IPRD that provides for a refusal of trademark registration of an application may be appealed before the Court of Appeal.

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

Third-party opposition proceedings during the trademark application process are not present under current Maltese law. Third-party

opposition proceedings are expected to be introduced upon the implementation of the Directive into Maltese law.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

A Maltese trademark registration initially remains in effect for 10 years, with the possibility to renew for further periods each of 10 years when due for expiry. Trademark use is not a requirement for trademark maintenance.

## 11 The benefits of registration

**What are the benefits of registration?**

Trademark registration confers various benefits, including:

- a prima facie presumption of its owner's exclusive rights to use the mark in connection with the goods and services covered;
- the option of applying symbols to goods and services covered by a trademark denoting that the mark is a registered trademark;
- in enforcement, a registration allows its owner to bring a civil court action for trademark infringement rather than just on the basis of unfair competition;
- allowing the owner of a registered trademark to record the mark with the Malta Customs Authority (Customs), the government agency in charge of preventing trademark counterfeiting by monitoring Malta's borders; and
- constituting a bar to later-filed applications on the basis of confusing similarity with the earlier trademark.

## 12 Licences

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

A licence may be recorded in the Malta IPRD trademarks register.

In order to be valid and in force between the parties thereto, a licence requires no formality other than being in writing under Maltese law. However, trademark licence rights may be enforced against third parties from the date of registration of the licence in the Malta IPRD trademarks register.

## 13 Assignment

**What can be assigned?**

Both unregistered and registered trademarks may be assigned under Maltese law. Furthermore, an assignment may cover all or some of the goods and services covered by the mark.

Upon the implementation into Maltese law of the Directive, a transfer of the whole of the undertaking includes the transfer of a trademark (unless there is an agreement to the contrary or circumstances clearly dictating otherwise).

## 14 Assignment documentation

**What documents are required for assignment and what form must they take?**

The only requirement for a valid trademark assignment under Maltese law is that the assignment must be in writing.

## 15 Validity of assignment

**Must the assignment be recorded for purposes of its validity?**

Assignment registration is not necessary for the purposes of its validity under Maltese law. However, the assignment becomes effective against third parties upon its recordal in the Malta IPRD trademarks register.

## 16 Security interests

**Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?**

Pledge and security by title transfer are recognised forms of security interests over trademarks in Malta. Security interests may not be recorded in the Malta IPRD under current Maltese law. However, they may be registrable in other (non-trademark-specific) public registers. Furthermore, upon the implementation of the Directive, it is expected that security interests will become registrable in the Malta IPRD's trademark register.

## 17 Markings

**What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?**

Markings such as the word 'registered' and any other symbol or word importing a reference to registration may be used to indicate that a good or service is protected by a trademark. However, use of such markings is not mandatory. Furthermore, there are no strict legal benefits in using the 'registered' or similar symbols; however, this may serve as a deterrent to potential infringers by making it evident that the mark is a registered trademark.

It is an offence to make use of these markings, or otherwise represent that a mark is registered, if it is not.

## 18 Trademark enforcement proceedings

**What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?**

Trademark proprietors may enforce their trademark rights in Malta at the suit of the Civil Court. The remedies available include destruction of infringing merchandise and recall of its circulation, injunctions to prevent continued infringement and awards of pecuniary damages. It may also be possible for a successful party to recover legal costs.

Customs also operates a very effective border enforcement programme against the circulation of counterfeit goods by seizing ex officio goods that are suspected to infringe trademark rights. In order to benefit from ex officio seizure by Customs, the trademark registration must also be recorded with the Customs IP database. Both Maltese and European trademarks may be recorded with Customs.

Following seizure, a civil action at the suit of the Civil Court would be necessary for the trademark owner to enforce its rights against such counterfeit goods.

In terms of criminal law provisions regarding trademark infringement, it should be noted that both the TA and the Criminal Code (Chapter 9 of the Laws of Malta) provide for an array of acts that may amount to criminal offences. Broadly, the acts that may amount to a criminal offence are those relating to intentional unauthorised use, false trademark representations, and commercial and industrial trademark fraud.

## 19 Procedural format and timing

**What is the format of the infringement proceeding?**

From a procedural perspective, the procedure adopted in civil trademark infringement proceedings is identical to the procedure adopted in the general Maltese civil litigation system. Live testimony, appointment of experts, submission of evidence orally or by way of affidavit and other documentary evidence are all possible. Civil trademark infringement cases are decided by a judge sitting in the Civil Court.

Infringement cases against counterfeit goods tend to be very expeditious, generally not requiring more than two sittings. Timing of other infringement actions may vary greatly depending on the subject matter or the merits of the case.

## Update and trends

At present, in order for a trademark to be registered in Malta, the trademark examiner must first perform a search for identical or similar trademarks on both national and European levels. Once this search has been carried out and no identical or similar trademarks are found, an applicant is notified on whether or not his or her trademark is registrable in accordance with the provisions of the TA. On the other hand, applicants applying for an EU trademark (EUTM) who would like a comparative search to be carried out to determine whether identical or similar trademarks have been previously registered must formally request the EUIPO to conduct such comparative search. Findings of similar trademarks as a result of this search do not disallow the registration of a similar EUTM per se. To prevent any similar trademarks being registered, opposition proceedings must be initiated following the publication of the EUTM on the basis of such EUTM being in conflict with the opposition's earlier mark. This approach implies that even if the applicant's EUTM is similar or identical to an existing EUTM, the EUIPO would still register such trademark, provided that the trademark satisfies the provisions of the applicable trademark law.

The local trademark registration process is therefore seemingly more cumbersome than the registration process at EU level because the comparative search is carried out automatically. This time-consuming process means that entities that cannot afford to register their mark at EU level or have no interest in registering their mark for protection on a European level are at a disadvantage because the IPRD will compare both national and EUIPO search results before an application for a trademark can be registered (or refused) in Malta.

For these reasons, the IPRD has proposed to eliminate the aforementioned search used in respect of local trademark applications. The IPRD proposes that local applications will be published for opposition, giving proprietors of earlier marks two months to initiate an opposition claim that, if proven, may result in the latter application of the identical or similar trademark to be refused.

In terms of the criminal enforcement mechanism in Malta, generally it is the police that prosecute an alleged infringer.

## 20 Burden of proof

**What is the burden of proof to establish infringement or dilution?**

In civil proceedings the burden of proof lies with the claimant and is established on a balance of probabilities. In criminal proceedings, the burden of proof also lies on the claimant; however, the criminal offence must be proved beyond reasonable doubt.

## 21 Standing

**Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?**

Trademark owners have the right to commence an action for trademark infringement, whereas a licensee is entitled, unless the licence specifically provides otherwise, to call on the owner of the trademark to take infringement proceedings in respect of any matter that affects its interests. If the owner refuses to do so or fails to do so within two months after being called upon by the licensee, then the licensee may bring the proceedings in its own name as if it were the proprietor. Further, an exclusive licence may provide that the exclusive licensee is entitled to bring infringement proceedings in its own name against any person other than the proprietor.

Criminal proceedings are generally initiated ex officio by the executive police. A complaint procedure is also in place whereby complaints may be filed against the executive police in order for the police to initiate criminal proceedings.



**22 Foreign activities****Can activities that take place outside the country of registration support a charge of infringement or dilution?**

Maltese trademarks confer protection only in Malta. However, the Maltese courts may take into consideration activities taking place outside Malta in support of a claim of infringement of a trademark in Malta.

**23 Discovery****What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?**

It is possible to request an order from the Civil Court to the effect that evidence that is in control of an opposing party be presented in court by the opposing party (subject to the protection of confidential information).

Provisional measures to preserve evidence are also available. Before the commencement of proceedings on the merits of the case, a person who has filed reasonably available evidence to support his or her claim that his or her trademark rights are infringed or about to be infringed, may request the court to order such prompt and effective provisional measures as it considers appropriate to preserve relevant evidence in respect of the alleged infringement. Such measures may include the detailed description, with or without the taking of samples, or the physical seizure of the infringing goods and, in appropriate cases, the materials and implements or distribution of the said goods and the documents relating thereto.

A right of information is also available. During proceedings concerning an infringement of a trademark, the Civil Court may order, on the basis of a justified and proportionate request by the claimant to this effect, that information on the origin and distribution networks of the goods or services that infringe a trademark be produced before the court by the infringer or by any person who has been:

- found in possession of infringing goods on a commercial scale;
- found to be using the infringing services on a commercial scale;
- has been found to be providing on a commercial scale services used in infringing activities; or
- has been indicated by any of the persons referred to above as being involved in the production, manufacture or distribution of the goods or the provision of the services.

**24 Timing****What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?**

Preliminary injunctions tend to be very expeditious, many times decided by no more than one court sitting. Trial levels and appeals tend to vary greatly in terms of timing depending on the complexity, subject matter and merits of the case. However, cases involving counterfeit

goods where the infringer does not present a defence and is represented by curators tend to be very expeditious and not involve more than two court sittings.

**25 Litigation costs****What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?**

The costs associated with trademark cases may vary greatly depending on the complexity of the case and therefore they are very difficult to predetermine. Cases involving counterfeits tend to be less expensive as typically only around two sittings would be required, given that the alleged infringer would not be opposing the case.

In terms of recovery of legal costs, it is generally possible for the successful party to recover such costs. However, in actions involving counterfeit goods, since the alleged infringer does not generally defend the case, the successful party would have to bear all costs associated with the proceedings.

**26 Appeals****What avenues of appeal are available?**

Decisions of the Malta IPRD and of the Civil Court may be appealed to the Court of Appeal. Decisions of the Criminal Court may be appealed to the Criminal Court of Appeal.

**27 Defences****What defences are available to a charge of infringement or dilution, or any related action?**

The defences available include:

- that the mark was not used as a trademark;
- that the mark was used in relation to goods or services that fall outside the remit covered by the registration;
- that the mark is not similar to the extent that there is no likelihood of confusion or association;
- use in relation to goods or services that are not covered by the trademark;
- use by a person of his or her own name or address;
- use of a sign that is descriptive or indicative of characteristics of goods or services that are necessary to indicate the intended purpose of a good or service; and
- acquiescence to infringing use for a continuous period of five years.

**28 Remedies****What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?**

The civil remedies available include the destruction of infringing merchandise and recall of its circulation, injunctions to prevent continued

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infringement (preliminary and permanent) and awards of pecuniary damages. It may also be possible for a successful party to recover legal costs.

In terms of criminal remedies, the Criminal Court may order both fines and imprisonment depending on the specific criminal offence.

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**29 ADR****Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?**

Recourse to arbitration proceedings is generally slowly gaining traction, largely because arbitration is seen to be a cheaper, faster and a more flexible form of dispute resolution. However, it is to be noted that Malta provides for concurrent jurisdiction of courts and arbitral tribunals.

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**30 Famous foreign trademarks****Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

A proprietor of a foreign trademark that is entitled to protection under the Paris Convention as a well-known trademark is entitled to restrain by injunction the use in Malta of another mark that is identical or similar to the proprietor's well-known mark (and in relation to identical or similar goods or services for which the mark is well known). In this respect, it must be proved that, on a balance of probabilities, the use of such mark is likely to cause confusion to the relevant public.

# Mexico

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## 1 Ownership of marks

### Who may apply?

According to the recent amendments to the Mexican Law of Industrial Property, which became effective from 10 August 2018, trademark registrations may be applied for individual and companies devoted to the manufacturing and sales of products or to the rendering of services.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

In Mexico, trademark protection is obtained once the trademark is registered before the Mexican Institute of Industrial Property. According to the aforementioned amendment, any sign that is perceivable by the senses and subject to be represented in a clear and precise manner which is capable of distinguishing products and services from others in the market may be registered as a mark. From 10 August 2018, Mexican law grants protection for non-traditional marks, specifically for sounds, scents, motions, colours and product design or configurations.

## 3 Common law trademarks

### Can trademark rights be established without registration?

While use of a mark may grant the individual or company certain rights, such as grounds for a cancellation action upon prior use or the possibility of opposing use performed in Mexico as an exception against an infringement action, exclusive rights over a trademark are only obtained by means of registration.

Moreover, a mark may only be enforced against alleged infringers if it is already registered before the Mexican Institute of Industrial Property.

The only exception to this general rule corresponds to notorious and famous marks, which may be enforced without a registration, provided that suitable and sufficient evidence demonstrating such privileged status is exhibited.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

According to the official document whereby the Mexican Institute of Industrial Property has established the terms in which a response in a trademark registration procedure should be issued, the examiner may issue his or her decisions in a file within a four to six-month period from the date on which the last petition is filed.

Thus, an application that does not encounter any requirement or grounds for refusal may become registered within a four to six-month period. Nowadays, electronic filing of trademark applications is available. This type of application may in some cases be assessed in a more expeditious manner.

Regarding designations deriving from an International Registration, the authority has up to 18 months to issue its first decision or letter. Generally, the examiners are taking advantage of this extended deadline.

The official fee for the study, revision and issuance of a certificate of registration is 3,126.41 Mexican pesos. If the application is filed online, the government grants a 10 per cent consideration.

If the application is objected to by the authority, then delays in obtaining the registration may be expected. Once a response to an official action is filed the examiner in charge will have another four to six months to issue a decision.

In the event that official actions are issued, additional official fees will have to be paid in the amount of between 377.89 Mexican pesos and 755.78 Mexican pesos per requirement or objection.

To file a trademark application, the following are required:

- the word or phrase to be registered and a black and white or colour specimen in the case of designed or combined marks; if dealing with applications for sounds, scents and product configurations, in light of the recent amendments, the applicant should provide a description of the mark to be protected.
- the law does not require the exhibition of the document upon which priority is claimed. Thus in order to claim priority rights it is only necessary to name the country of the base application with its filing date and the serial number, if possible;
- the products or services to be covered;
- the date of the first use of the trademark in Mexico, or confirmation that the mark has not been used;
- the domicile or registered business address of the applicant;
- the factory address or location of the main commercial establishment (street, number, city and country). This information is only required when an applicant claims a date of first use in Mexico; and
- a simplified power of attorney, which document must be executed by an authorised officer of the applicant company and by two witnesses.

The accuracy of this information is very important since Mexican law provides that a trademark registration may be cancelled if it is granted upon false statements contained in the application form.

## 5 Classification system

### What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?

Mexico follows the International Classification of Goods and Services under the Nice Agreement, 11th edition.

However, it is very important to verify the drafting of goods and services, as examiners tend to be very strict concerning goods not expressly contained in the classification as described.

According to the Mexican Law of Industrial Property, multi-class filing is not available.

Another issue to be taken into account is that according to the current criterion of the Trademarks Office, claiming the class heading of a class does not mean that all goods and services pertaining to said class are protected. Thus detailed descriptions are preferred.

## 6 Examination procedure

**What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?**

Trademark applications are subject to two different types of examination. Initially a formal examination is performed to make sure that all the required information has been provided and that the goods or services to be covered are properly drafted and classified.

In a second examination, the officer determines whether the proposed mark is subject to being registered, either due to its nature (absolute grounds) or in light of pre-existing registered marks or pending applications (relative grounds).

Applicants have a two-month term, counted from the date in which they are served with the official action, to respond to any objection, it being possible to obtain two extensions of one month each time.

The extensions do not need to be applied for, as they operate automatically provided that complementary fees of approximately 377 Mexican pesos per month are paid in a timely fashion.

Traditionally, the authority has disregarded documents of consent and coexistence agreements, upon the argument that beside having the obligation to protect the rights of brand owners, they had to protect consumers from being led into confusion or error when finding to identical or confusingly similar marks for identical or similar goods and services. However, due to the amendment to the law, the Mexican Institute of Industrial Property will have to accept documents of consent when dealing with confusingly similar marks.

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

When filing the application, the applicant must state whether the mark has been used. The amended law expressly states that the date of first use should refer to Mexican territory, something that had been argued back and forth for several years. Now that the amendments have come into effect the controversy will disappear as the date to be claimed as of first use should refer to Mexico. The other issue is that if no mention is made of the date of first use, the law provided it should be presumed that the mark has not been used. Now, with the commented amendment it is stated that if no date of first use is claimed, then it will be understood that the mark has not been used.

In Mexico, trademarks may be registered even if their use has not commenced.

The ownership of a foreign registration does not grant any right of priority on behalf of the applicant except that provided by the Paris Convention.

Mexican law did not expressly provide the time in which use of a mark must begin. However, in light of the amendments that came into effect from 10 August 2018, registrants will have to file a declaration of use within the three-month period following the third anniversary of the corresponding registration. If said declaration is not filed, the registration will automatically lapse.

## 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

The decision to deny an application may be challenged either by means of an administrative recourse before the Mexican Institute of Industrial Property or through a nullity action that must be filed before the Federal Court of Fiscal and Administrative Justice, which has a specialised chamber for intellectual property matters.

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

Accordingly to Mexican law, applications will be published for opposition purposes within a 10 working-day period, counted from its filing date. The deadline to file an opposition is one month following the date of publication. This deadline is non-extendable. The Mexican Institute of Industrial Property publishes listings detailing the trademark applications that have been opposed. Upon the corresponding publication, an applicant has a one-month term in order to file its response to set out the grounds of opposition.

Since 10 August 2018, once the term granted to the applicant to respond to the opposition expires, the authority will grant two days for both parties to submit their final allegations.

The amendments now allow the filing of oppositions on the ground of bad faith, namely, in those cases where the marks is applied for against good practice or when the applicant intends to obtain a benefit against the interests of the rightful owner of the corresponding mark.

The grounds for opposition are not limited to pre-existing rights, but include other absolute grounds, such as the descriptiveness of a proposed mark.

The opposition process as outlined in law does not suspend or interrupt the registration process and thus should not delay the study and ruling of trademark applications.

The examiners still carry out the formal and novelty exams and thus are able to object to applications on both relative and absolute grounds.

Once the registration process is concluded the examiner will determine whether the application should be granted into registration, in which case the certificate of registration will be issued.

Aside from the opposition system, it is still possible to expunge a trademark registration by lodging a cancellation action, which may be grounded upon the following causes of action:

- the registration was granted against the applicable provisions;
- a third party claims to have rights over the mark derived from prior use in connection with the same or similar goods;
- the registration was granted upon false statements contained in the application form;
- the registration should not have been granted in the light of a pre-existing mark covering the same or similar goods or services; or
- the registration was obtained in bad faith, namely by a distributor, licensee or agent of a foreign registered mark.

Costs related to oppositions and cancellation actions depend on many factors, such as the type of evidence to be rendered and whether certification, legalisation and translation of documents will be required. On the other hand, in Mexico there are no standardised tariffs or guidelines regarding professional fees, which may vary depending on the engaged firm.

Thus, it is of the utmost importance to work closely with counsel to come up with a time and cost-effective strategy.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

In Mexico, a trademark registration is in full force and effect for a 10-year period, it being possible to file subsequent renewals for 10 years. The 10 years are counted from the filing date of the corresponding application.

An important issue incorporated by the amendment of the Law is that declarations of use became compulsory, being necessary to file them at two different moments:

- within the three-month window following the third anniversary of a registration; and
- along with renewal petitions.



If the third anniversary declaration of use is not filed, the corresponding registration will automatically lapse. The official fee regarding the commented declaration of use are 1,143.38 Mexican pesos.

While Mexican legislation does not provide a guideline on the use that suffices to defend a registration (eg, if token use is enough), the law's administrative regulation states that the use of a mark should be performed in accordance with the practices of the relevant market.

#### 11 The benefits of registration

##### What are the benefits of registration?

The benefits of registering a mark may be summarised as the possibility of using the mark without infringing the rights of a third party and the possibility of stopping a third party from using the mark.

Obtaining the registration of a mark provides the brand owner with a title that may be opposed if, for example, the use of an evocative mark were alleged as an infringement to a third-party registered mark.

Additionally, the Mexican Law of Industrial Property expressly provides that the exclusive right to use a mark and thus the right to enforce it against third parties is obtained by its registration before the Mexican Institute of Industrial Property.

Accordingly, actions to prevent unauthorised use, provisional measures and border enforcement are only available to owners of registered marks.

#### 12 Licences

##### May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?

According to domestic legislation, licence agreements may and must be recorded before the Mexican Institute of Industrial Property in order to produce legal effects against third parties.

While Mexico is a signatory to international treaties that provide that use of a mark should inure on behalf of its owner if the owner controls such use, it is advisable to record licence agreements.

For many years the federal courts held that domestic law had a preferential effect with regard to international treaties. Consequently, recordal of a licence agreement was considered as the only manner in which use performed by a licensee could inure to the benefit of a registrant.

At present, the Federal Court's criterion is different as they have considered that international treaties have the same constitutional rank as domestic law and thus there are many judgments that have recognised controlled use in light of NAFTA or TRIPS.

Notwithstanding the above, in order not to depend on a criterion that could change at some point, it is advisable to record licence agreements.

#### 13 Assignment

##### What can be assigned?

Rights derived from trademark applications and registrations may be assigned.

While the Mexican Institute of Industrial Property had sustained that benefits derived from the use of a mark and, in turn, goodwill were not transferred in an assignment, there are some judicial precedents where this criterion has been reversed.

Assignments may be total or partial depending on whether the mark is entirely transferred or if only a portion of the property rights is assigned. In the latter case, the mark will be understood as being in joint ownership.

When negotiating the assignment of a mark it is important to verify that no other marks may be considered as linked. According to Mexican law, linking of a mark takes place when there are identical or confusingly similar marks covering products or services of a similar nature that pertain to the same owner. If linked marks are detected, the authority will not allow the assignment of only one application or registration and therefore all of the marks should be included in the assignment document.

#### 14 Assignment documentation

##### What documents are required for assignment and what form must they take?

In order to record an assignment, an original document of assignment, preferably depicting the involved registrations, or a duly certified and legalised copy, should be submitted along with a completed form. All documents drafted in languages other than Spanish should be accompanied by their translation. The translation does not need to be certified.

#### 15 Validity of assignment

##### Must the assignment be recorded for purposes of its validity?

The assignment of a mark must be recorded in order for it to produce legal effects against third parties.

#### 16 Security interests

##### Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?

Mexican law recognises security interests over registered marks. The security interest should be recorded before the Mexican Institute of Industrial Property to produce legal effects against third parties.

In order to proceed with such a recordal, an original document or a certified and legalised copy thereto must be exhibited along with the corresponding translation into Spanish, if applicable.

#### 17 Markings

##### What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?

Marking in Mexico is mandatory since it enables the registrant to pursue civil or criminal actions against an infringer.

Moreover, under the criteria of the Mexican Institute of Industrial Property, use of markings is necessary in order to obtain preliminary and precautionary measures, such as seizures of infringing merchandise and others.

The only symbols accepted by Mexican law are: ®, MR or *marca registrada*. The display of the words 'registered trademark' (*marca registrada*), the letters MR or the symbol ® may be used only in connection with the products or services for which the mark was registered.

#### 18 Trademark enforcement proceedings

##### What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?

The enforcement of trademark registrations should be made before the Mexican Institute of Industrial Property by means of infringement action.

In these types of actions, the plaintiff can claim unauthorised use of an identical or a confusingly similar mark, it being always necessary that such use is performed in connection with goods or services that are identical or similar to those covered by the corresponding registration.

Additionally, manufacturing, transportation, distribution and commercialisation of counterfeit goods are activities that constitute felonies that may be pursued by means of criminal actions before the Federal Prosecutor's Office.

#### 19 Procedural format and timing

##### What is the format of the infringement proceeding?

The administrative infringement procedure commences with the filing of a claim before the Mexican Institute of Industrial Property. Along with the claim, the plaintiff must exhibit and attach all documents

offered as evidence. Documents must be submitted in the original or as certified and legalised copies and accompanied by their Spanish translation if they are drafted in a different language.

The Mexican Law of Industrial Property allows submission of all types of evidence. The only particular requirement is that confessions and witness proof should be rendered in writing.

Once the plaintiff's writ is admitted, the Institute orders the service of the alleged infringer, who will have a 10-working-day period in order to file its responsive brief and supporting evidence.

According to Mexican procedural law, the plaintiff has a three-day term in order to rebut the exceptions and evidence submitted by the alleged infringer.

Thereafter, the Institute will grant both parties a five to 10-day term in order to submit final allegations. Once this term expires the Institute will be able to commence with the drafting of its decision.

Prosecution of an infringement procedure may typically last seven to 12 months, depending on the amount and nature of the evidence submitted by the parties.

## 20 Burden of proof

### What is the burden of proof to establish infringement or dilution?

As a general rule, it is the plaintiff who has the burden of proof to demonstrate the fact upon which an infringement is alleged.

However, the alleged infringer also has the burden of proof to demonstrate the facts upon which exceptions are opposed, for example, the existence of a parallel imports status for the infringing goods.

## 21 Standing

### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

According to the Law of Industrial Property the owner of a trademark registration and duly recorded licensees may initiate infringement and criminal actions.

If a registrant wants to prevent licensees from seeking remedy for an alleged trademark violation, then such a prohibition must be expressly contained in the corresponding licence agreement.

## 22 Foreign activities

### Can activities that take place outside the country of registration support a charge of infringement or dilution?

Only activities performed within Mexican territory may be alleged as infringing conduct as the legal effects of trademark registrations are limited to Mexico.

## 23 Discovery

### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

Mexican legislation does not recognise or regulate discovery as it is understood in other jurisdictions.

However, a particular provision in the Law of Industrial Property provides that if a plaintiff or an alleged infringer has offered all the evidence they have under their control and states that a certain piece of evidence is in the power of their counterpart, the authority may order the exhibition of such documents or object.

In such cases, the authority should take all the necessary steps to protect the disclosure of documents or information that may constitute confidential material.

## 24 Timing

### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

The typical time frame for an infringement action before the Mexican Institute of Industrial Property is seven to 12 months depending upon the amount and nature of evidence that is submitted.

## Update and trends

The Mexican Law of Industrial Property has been revised and the corresponding amendments came into effect from 10 August 2018. The amendments primarily affected and or incorporated the following issues:

- the definition of trademark was modified to introduce 'non-traditional trademarks', such as scent, sound, holographic and trade dress;
- the doctrine of 'secondary meaning' has been introduced. This will allow descriptive trademarks to be registered as long as they have acquired distinctiveness derived from the use in commerce;
- broad descriptions will no longer be allowed. The products or services to be covered by a new application must be strictly specified. Consequently, practices such as including the class heading will no longer be acceptable;
- one of the main changes is the introduction of the definition of 'bad faith', described as when an application is filed contrary to good uses, commercial practices and obtaining an undue benefit, which will cause the automatic cancellation of the registration;
- trademark renewal will only proceed if a declaration of use is filed. A declaration under oath will no longer be sufficient;
- the statute of limitations for cancellation actions was extended; and
- the need to file declarations of use on the third anniversary of the granting of a registration.

At this point we are waiting for the Mexican Institute of Industrial Property to issue the Administrative Regulation, which will clarify some issues, particularly concerning the way in which the recently incorporated non-traditional marks should be represented and whether evidence of use will need to be attached to the declarations of use that must currently be filed. At the time of writing this Regulation has yet to be published.

Still awaited is the tariff that will be charged for the declarations of use to be filed.

Once a decision is rendered, its revision before the Federal Court of Fiscal and Administrative Justice may take anywhere from eight to 12 months.

Finally, the decisions rendered by the Federal Court may be contested by means of a judicial appeal (amparo) that can be ruled within a six to eight-month period.

## 25 Litigation costs

### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

Costs related to infringement litigation depend on many factors such as the location of the premises of the alleged infringer, the number of premises, travel expenses, the type of evidence to be rendered and whether or not provisional measures are requested. Thus a bond must be submitted if the alleged infringer appears before the Institute or not, as well as government fees.

On the other hand, in Mexico there are no standardised tariffs or guidelines regarding professional fees, which may vary depending on the engaged firm.

Thus it is of utmost importance to work closely with counsel to come up with a time and cost-effective strategy.

## 26 Appeals

### What avenues of appeal are available?

The decisions of the Mexican Institute of Industrial Property may be challenged either by an administrative recourse before the same Institute or by means of a nullity action before the Federal Court of Fiscal and Administrative Justice, which has a chamber specialised in intellectual property matters.

Thereafter, the decisions rendered by the Federal Court may be contested by means of a judicial appeal (amparo) that has to be filed before a circuit court.

**27 Defences****What defences are available to a charge of infringement or dilution, or any related action?**

An alleged infringer could structure a defence upon parallel imports if the involved goods were legally introduced into the Mexican market by the brand owner or a licensee.

Another line of action would be to oppose prior use of the same or a confusingly similar mark within Mexican territory in connection with goods or services identical or similar to those covered by the registration upon which the infringement is alleged.

Additionally, the alleged infringer could challenge the validity of a trademark registration or oppose its name or corporate name if the same was adopted prior to the filing date of the registered mark or the one stated as of first use.

**28 Remedies****What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?**

During the prosecution of the infringement action, the plaintiff may request the adoption of provisional measures to prevent the infringement conduct persisting during the time of litigation.

These provisional measures may consist in seizure of goods, closing of premises, orders for suspending commercial or service activities related to the infringing conducts or even retrieval of goods alleged to be infringing.

Once there is a final and conclusive decision declaring the existence of a trademark infringement, the plaintiff may claim damages, for which purpose an action would have to be lodged before a civil court.

According to Mexican law, damages are awarded in an amount equivalent to at least 40 per cent of the public selling price of each product or the price of the rendering of services involved in the alleged infringement.

**29 ADR****Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?**

Depending on the nature of the involved goods, services, individuals or companies, the owner of a registered trademark can submit its case to a non-governmental association such as an industrial chamber.

However, the decisions rendered by such associations are not enforceable beyond the association's sphere and thus would not have legal effect.

Moreover, in order to be able to claim damages it is essential to obtain a decision from the Mexican Institute of Industrial Property declaring the existence of the alleged infringements.

**30 Famous foreign trademarks****Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

Mexican law recognises and protects notorious and famous trademarks even if they are not registered in Mexico.

However, the statute of notoriety and fame is in reference to Mexico and thus the protection of such trademarks derives from commercial and advertising activities of which Mexican consumers may have been aware.

Accordingly, suitable evidence to argue the notoriety or fame of a mark would consist of invoicing material showing sales to Mexican consumers and advertising material with a circulation within Mexican territory or that has been available to Mexican consumers.




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# Mozambique

Patrícia Rodrigues

RCF – Protecting Innovation SA

## 1 Ownership of marks

### Who may apply?

Any person or legal entity having a legitimate interest, in particular, a manufacturer or trader, may apply for trademark registration.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

The following may be registered as a mark: words and devices or a combination thereof.

The following are excluded from protection:

- marks that are contrary or offensive to law or public order or accepted principles of morality;
- marks that are susceptible of misleading the consumer or the public on the specific features of the product or service to which the mark relates, namely, their geographical origin, nature or feature;
- marks that reproduce, imitate or contain elements of arms, flags or emblems, signals, or any other symbol of official use from one state or intergovernmental organisation created by that state or organisation;
- marks that are identical or similar to a mark or trade name that is well known or highly renowned in Mozambique;
- marks that are identical to a trademark already registered or having a prior date of filing or priority belonging to another holder for the same goods or services similar to the mark, which is sought to be protected and is likely to mislead or create confusion;
- marks that contain official, fiscal or guarantee badges, stamps or seals, or exclusive emblems or the name of the Red Cross or any other body of a similar nature;
- marks that reproduce or imitate the characteristic elements of other commercial distinctive signs registered in Mozambique; and
- marks that constitute a sign of generic, common, ordinary nature or merely descriptive of the products or services to be protected.

Colours may be registrable as a mark only if arranged in an original and distinctive manner.

Collective marks may be registered. Certification marks may also be registered.

## 3 Common law trademarks

### Can trademark rights be established without registration?

A provisional protection is given to the trademark application. The total protection is given as from the grant of the trademark registration. Thus the trademark rights are not established without registration.

Only registration confers proprietary rights. The effect of registration therefore is attributive of ownership.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

If the application of the trademark is filed with all the required documents, it usually takes two months to be published. Thus, once no opposition is filed against the trademark application, the granting decision is published in about five months. After proceeding with the payment of the fees regarding the issuance of the certificate of registration, the document takes a few months to be issued.

However, the new IP Law of Mozambique, approved by the Decree No. 47/2015 and published in the Official Gazette of 31 December 2015, foresees that the delivery of the registration titles and certificates of industrial property rights shall be carried out within 15 days from the date of the application submission.

The requirements for filing a trademark application in Mozambique are as follows:

- applicant's full name, nationality, occupation, address or place of business;
- copy of the mark (in the case of a device mark);
- certified copy of the home application, if a priority is claimed;
- list of products and services; and
- power of attorney signed by the applicant and legalised by a Mozambican consulate.

All documents must be translated into Portuguese and duly legalised.

## 5 Classification system

### What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?

The applicable classification is the 11th edition of the International Classification of Goods and Services under the Nice Agreement.

There is no multi-class registration system in Mozambique.

## 6 Examination procedure

### What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?

If the opposition period lapses without any opposition having been filed or the opposition proceedings have been terminated, the application will be examined as to form, registrability per se and prior conflicting registrations. The filing of letters of consent is foreseen in the Mozambican IP Law.



## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

There is an obligation of use of the trademarks in order to maintain the registration.

However, every five years, it is necessary to file a declaration of intent to use. Those marks for which the declaration of intent to use has not been filed may not be invoked against third parties and forfeiture thereof shall be declared by the Director-General of the Institute of Industrial Property upon request of any interested party or whenever there is damage to third-party rights when granting other registrations.

If cancellation of the registration has not been requested or declared, the same shall be deemed again in full force provided that the owner thereof files the declaration of intent to use and produces evidence of use of the mark.

## 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

There is an administrative appeal for the decisions of the Mozambique Patent and Trade Mark Office (PTMO), which must be filed within 30 days as from the notification of the decision or its publication in the Industrial Property Official Bulletin.

There is also a judicial appeal for the decisions of the PTMO.

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

Within 30 days of the publication (term extendable for 60 more days), any third party considering itself prejudiced by the possible grant of the registration may file an opposition. The applicant may file a counter statement within 30 days (term also extendable for 30 additional days).

The opposition or the party seeking cancellation of a trademark can request cancellation in the following circumstances:

- the person in whose name the registration of a mark was made was not entitled to acquire it;
- the registration concerns a mark that was not registrable;
- the grant of the registration infringes third-party rights based on priority or other legal title, and, in particular, that the grant infringes upon rights to an earlier mark, provided the use requirement in respect of that mark is complied with. Note, however, that no cancellation on this ground may be requested in the case of acquiescence in the use of the later mark during five years;
- the mark being the subject of the registration wholly or partly is an imitation, translation or reproduction of a mark that is well known in and is used for the same or similar articles and there is danger of confusion. In this case the cancellation is to be requested by the person to whom the well-known mark thus belongs, and such a person shall, when requesting cancellation, furnish evidence that he or she has applied for the registration of the mark in Mozambique;
- the mark being the subject of the registration is graphically or phonetically identical or similar to an earlier mark being highly renowned in Mozambique or in the world, irrespective of the goods or services for which it is applied, if use of the later mark without due cause takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the earlier mark;
- the grant of the registration infringed provisions requiring authorisation or consent and this has not been given; or

- the registration was granted to an agent or representative without consent of the owner provided that the owner resides in Mozambique.

The cancellation procedure may be started before the competent court within 90 days of the date of grant or refusal of the registration of the mark.

A brand owner that does not yet have its trademark protected in Mozambique cannot oppose a bad-faith application.

Costs associated with a third-party opposition or cancellation proceeding are given upon request.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

The duration of registration of a trademark is 10 years from the application date and is indefinitely renewable for further 10-year periods.

A declaration of intent to use must be filed every five years in order to maintain a registration.

## 11 The benefits of registration

**What are the benefits of registration?**

Only registration confers exclusive rights on a mark.

Only registration confers proprietary rights. The effect of registration therefore is attributive of ownership.

The following acts performed without the consent of the owner of a registered mark are deemed infringement:

- use in the course of trade in Mozambique of any sign that is identical or confusingly similar to the registered mark for goods or services being identical or similar to those for which the mark is registered; and
- use in the course of trade in Mozambique of any sign that, due to the identity or similarity of that sign and the mark or the affinity between the goods or services, creates in the consumer's mind a risk of confusion, including the risk of association of the sign with the mark.

The following acts done by a person with the intention to cause damages or to obtain illegal benefits, shall be deemed a criminal offence punishable with imprisonment or a fine:

- entirely or partially counterfeiting or in any way reproducing a registered mark without the consent of its owner;
- imitating a registered mark, either entirely or in any of its characteristic elements;
- using counterfeit or imitated marks;
- using, infringing or imitating a well-known mark or a highly renowned mark whose registration has been applied for in Mozambique;
- displaying on his or her products a registered mark belonging to another party; and
- using his or her own registered mark on products belonging to other parties in such way as to deceive the customer with regard to the origin of the products.

## 12 Licences

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

The registration holder may sign a licence agreement for the use of the mark, without prejudice to its right to exercise effective control over the specifications, or the nature and quality of their products or services.

The holder may also give the licensee the power to act in defence of the mark, without prejudice to their own rights.

The licence agreement must be recorded at the PTMO to be effective against third parties.

**13 Assignment****What can be assigned?**

The rights to an applied-for or registered mark may be assigned independently of the goodwill of the business. Although not compulsory, however, an assignment must be registered in order to be effective as against third parties.

**14 Assignment documentation****What documents are required for assignment and what form must they take?**

The requirements for registration of an assignment are as follows:

- deed of assignment in Portuguese, signed by the assignor and the assignee, and legalised at the Mozambican consulate; and
- power of attorney in Portuguese, signed by the assignee, legalised by the Mozambican consulate.

**15 Validity of assignment****Must the assignment be recorded for purposes of its validity?**

The recordal of the assignment is required in order to be valid.

**16 Security interests****Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?**

Security interests are recognised and they must be legalised by the Mozambican consulate. They must be recorded for purposes of its validity in Mozambique.

**17 Markings****What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?**

Marking is optional. Possible markings are 'Marca Registada', ® or, in English, 'Registered Trademark'.

**18 Trademark enforcement proceedings****What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?**

The owner of a trademark can ask for enforcement of the rights of its trademark against an alleged infringer. The civil court has a commercial section that deals with intellectual property matters. The trademark enforcement is previewed in the criminal law.

**19 Procedural format and timing****What is the format of the infringement proceeding?**

Only registration confers exclusive rights to a mark.

The following acts performed without the consent of the owner of a registered mark are deemed infringement:

- use in the course of trade in Mozambique of any sign that is identical or confusingly similar to the registered mark for goods or services being identical or similar to those for which the mark is registered; and
- use in the course of trade in Mozambique of any sign that, due to the identity or similarity of that sign and the mark or the affinity between the goods or services, creates in the consumer's mind a risk of confusion, including the risk of association of the sign with the mark.

The exclusive right to a mark does not include the right for the owner to prevent a third party from using in the course of trade his or her own name or address, or any indication concerning the kind, quality,

quantity, intended purpose, value, geographical origin, time of production of the goods or of rendering of the services, or any other characteristics of goods or services, or even the mark itself if this is necessary to indicate the intended purpose of a product or service, in particular as an accessory or spare part, provided that in any such case such use is in accordance with honest practices and good customs in industrial and commercial matters.

Not considered as infringement is use of a protected mark for goods that have been brought into the trade under the mark by the owner or with his or her consent in Mozambique, except if there are legitimate grounds that justify that the owner of the mark opposes the further commercialisation of the goods, in particular if the condition of the goods has been altered or deteriorated after they were brought into the trade.

The following acts done by a person with the intention to cause damages or to obtain illegal benefits, shall be deemed a criminal offence punishable with imprisonment of up to three years or a fine:

- entirely or partially counterfeiting or in any way reproducing a registered mark without the consent of its owner;
- imitating a registered mark, either entirely or in any of its characteristic elements;
- using counterfeit or imitated marks;
- using, infringing or imitating a well-known mark or a highly renowned mark whose registration has been applied for in Mozambique;
- displaying on his or her products a registered mark belonging to another party; and
- using his or her own registered mark on products belonging to other parties in such way as to deceive the customer with regard to the origin of the products.

**20 Burden of proof****What is the burden of proof to establish infringement or dilution?**

The burden of proof lies with the plaintiff, who has the burden of proving that its mark has been infringed.

**21 Standing****Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?**

Both the trademark owner and the licensee may seek remedies. The trademark owner must have the mark registered before the Trademark Office and the licensee can only intervene if the registered user agreement (licence to use) is recorded before the office.

**22 Foreign activities****Can activities that take place outside the country of registration support a charge of infringement or dilution?**

Only activities that take place on Mozambican territory may be taken into account. However, this is not applicable to goods made outside the country from the moment that they are imported into Mozambique.

**23 Discovery****What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?**

Adverse or third parties (including state entities) may be required to submit documents or exhibit goods. If they resist, a court order may be sought.

**24 Timing****What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?**

Unfortunately there is no typical time frame for infringement or dilution actions. They are lengthy and can last for years.

**25 Litigation costs**

**What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?**

There is no typical range of costs. These depend mainly on the professional fees that are charged.

**26 Appeals**

**What avenues of appeal are available?**

An appeal against a decision of grant or refusal may be lodged with the Administrative Court or Civil Court. An appeal may be lodged by the applicant in the case of refusal, by the opposing party in the case of rejection of opposition or by any interested party in the case of grant.

**27 Defences**

**What defences are available to a charge of infringement or dilution, or any related action?**

The defendant or alleged infringer has the legal right to participate in the proceedings by responding to the complaint and submitting evidence.

**28 Remedies**

**What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?**

The IP Code contains provisions regarding the penalties imposed on an infringer but is silent regarding the apportionment of monetary relief. Injunctive relief is available permanently if there is an immediate danger to the complainant.

**29 ADR**

**Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?**

ADR techniques are not available in Mozambique.

**30 Famous foreign trademarks**

**Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

The owner of a well-known mark in Mozambique, even if not registered, may oppose the registration of an identical or similar mark for the same or similar goods or services, provided that he or she applies for registration of the mark. Marks having reputation in Mozambique are extra protected in this, that the owners of such mark may oppose the registration of an identical or similar mark even if registration is applied for in respect of different goods or services, if use of the mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the renowned mark.

The evidence that is required include market studies that reveal the reputation of the mark to the relevant public, costs with marketing companies, sales volume and other factors relevant to the reputation of the mark.



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# Nigeria

Fred Onuobia, Solomon Ezike and Blessing Akunebu

G Elias & Co

## 1 Ownership of marks

### Who may apply?

Any natural or artificial person who is a proprietor, joint proprietor, or an assignee or licensee of a mark can apply to the Trademark Registrar for registration of his or her interest in a mark.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

A device, brand, heading, label, ticket, name, signature, word, letter, numeral or any combination thereof can be registered and are protected as trademarks. Non-traditional marks, such as sound, smell, taste, texture and moving images, are not registrable in Nigeria as trademarks. Deceptive or scandalous matters or designs or any matter that is likely to cause confusion are prohibited by law from being registered as trademarks. Names of chemical substances and geographical names in their ordinary signification are not registrable. Service marks, though not provided for in the Trademarks Act 1967, are registrable in Nigeria. Registration of service marks is carried out pursuant to a regulation issued by the Minister of Commerce and Industry on 19 April 2007, which extends the classification under the Fourth Schedule of the Trademarks Act 1967, which initially covered 34 classes to cover both goods and services as in the Nice Classification to cover 45 classes of goods and services.

## 3 Common law trademarks

### Can trademark rights be established without registration?

Yes, a trademark right can be established without registration. The owner of the unregistered trademark can maintain a passing off action upon infringement of his or her trademark. The following will have to be established by him or her:

- goodwill or reputation attaching to the goods or service in question and the identifying 'get up' under which the goods and services are offered to consumers;
- a misrepresentation by the defendant who has caused or has the potential of causing the members of the public to believe that goods or service emanate from the claimant; and
- the loss he or she has suffered or is really likely to suffer by the reason of the defendant's misrepresentation as to the source of defendant's goods or services, which seems to suggest that they emanate from the claimant.

## 4 Registration time frame and cost

**How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?**

Typically, the entire process of registering a trademark usually takes about 12 to 18 months. In recent times, the process has taken as long as 24 months owing to the repeated personnel changes in the office of the

Trademarks Registrar. At the current exchange rate of 305 naira to US\$1, on average it could cost between US\$900 to US\$1,000 to obtain a trademark registration in Nigeria in a single class. Delay by the Trademarks Registry in publishing the Trademarks Journal and repeated changes in the personnel of the Trademarks Registry, as well other administrative bottlenecks, usually increase the estimated time of registering a trademark. A power of attorney is required to register a trademark in Nigeria with no legalisation or notarisation. A translation document may also be required where the trademark is in a language other than English.

## 5 Classification system

**What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?**

Trademarks are registered in Nigeria in accordance with the Nice Classification of goods and services under the internationally recognised class headings. Trademarks are registered by single-class applications with no cost savings for official fees. In practice, however, attorneys provide discounts for multiple applications.

## 6 Examination procedure

**What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?**

The Trademarks Office conducts an examination to ascertain:

- that there are no identical or nearly identical trademarks;
- whether the mark is distinctive; and
- whether the mark is deceptive, scandalous or in any way prohibited by law.

If the Trademarks Registrar is satisfied with the application based on the above grounds, a Notice of Acceptance will be issued to the applicant. Otherwise, a Notice of Refusal will be issued to the applicant. Although not provided for by law, the Trademarks Registrar, in practice, accepts letters of consent to overcome objections based on a third-party mark. Applicants may respond to rejections by applying for a hearing or making a considered reply in writing to the rejection within two months.

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

Use of a trademark is not required before the trademark can be accepted for registration. However, there must be a bona fide intention to use at the time of application. The applicant does not have to submit



any proof of use when an application for registration is filed. As of the date of this publication, foreign registrations are not granted any rights of priority in Nigeria even though provision is made for priority applications in the Trademarks Act 1967. It is instructive to note that the necessary executive order that would specify countries to be recognised in Nigeria as Convention countries for the purpose of claiming priority for trademark registrations is yet to be made. A registered trademark must have been used at least one month before the date of application and within a period of five years of its registration to defeat a third-party challenge on grounds of non-use.

## 8 Appealing a denied application

### Is there an appeal process if the application is denied?

Yes. An applicant is allowed to apply for a hearing or make a considered reply in writing to the objections raised by the Registrar of Trademarks within two months of the Registrar's objection. Where an applicant does not respond as required above within two months, the application is deemed to be withdrawn. Afterwards, the Registrar may then choose to conditionally accept the application or still reject it. The decision of the Registrar here is subject to a right to appeal to the Federal High Court and thereafter to the Court of Appeal, and finally to the Supreme Court.

## 9 Third-party opposition

### Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?

After the application for registration is accepted by the Trademarks Registry, the application is advertised or published in the Trademarks Journal. Any interested party who may have an objection to the registration of the trademark may within a period of two months thereafter file a notice of opposition. This period cannot be extended.

Where a person decides to challenge an application, a notice of opposition stating the grounds of opposition of the registration is filed using the prescribed form. The official cost of filing the notice of opposition is about US\$30, and in total costs US\$500 to US\$800. Upon receipt of the notice of opposition, the Registrar sends a copy of such notice to the applicant. The applicant is required to file a counterstatement, enumerating the grounds upon which he or she relies for his application, within one month of receipt of the notice of opposition. An application will be deemed abandoned where an applicant fails to file a counterstatement. The official cost of filing a counterstatement is about US\$30, and in total it costs US\$500 to US\$800.

Where the applicant files a counterstatement, the Registrar shall send a copy of the same to the opponent and the opponent shall thereafter file evidence supporting his or her opposition by way of a statutory declaration. The official cost is about US\$30, and in total costs US\$500 to US\$1,000. Upon receipt of the opponent's statutory declaration, the applicant is also given the opportunity to file his or her own statutory declaration, adducing evidence upon which he or she relies for his or her application, following which, the opponent may also file a reply by way of statutory declaration within one month of receipt of the same. Thereafter, no further evidence shall be left on either side. However, extensions may be granted at the leave of the Trademarks Registrar to either of the parties to file additional evidence by way of statutory declaration. The Registrar shall subsequently give notice of a hearing and the matter shall be decided. All copies of documents submitted to the Registrar with regard to opposition proceedings must be in duplicate. A third party may institute opposition proceedings.

Cancellation proceedings may be instituted against registered trademarks in the prescribed form. A cancellation proceeding may be commenced either on the ground of non-use or other grounds. These other grounds are that the trademark:

- is not distinctive;
- is misleading, deceptive or scandalous;
- consists of a geographical indication;

- is against public policy or principles of morality;
- application was made in bad faith;
- is similar to an earlier application or registered mark; or
- is similar to a famous or well-known trademark.

A brand owner may apply to the Registrar or the Federal High Court for a cancellation of a registered trademark on the ground of bad faith. Cancellation proceedings are charged on a case-by-case basis.

## 10 Duration and maintenance of registration

### How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?

A trademark registration is valid for a period of seven years from the filing of the application, and is renewable thereafter for subsequent periods of 14 years. The use of a trademark is not required for its maintenance. However, if the trademark is not used for a continued period of five years (as discussed in question 7), it becomes susceptible to revocation for non-use.

## 11 The benefits of registration

### What are the benefits of registration?

Registration confers an exclusive right to use the trademark in relation to the goods and services for which it was registered and to institute an action for infringement of the trademark.

## 12 Licences

### May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?

Yes, a licence can be registered against a trademark in Nigeria. A licensee is recognised as a registered user under the Trademarks Act 1967. Use of a registered trademark by a licensee is deemed to be use by the proprietor for the purpose of establishing use. Also, the licensee can join the proprietor as a co-claimant in an action for infringement of the registered trademark.

## 13 Assignment

### What can be assigned?

Registered trademarks (including applications) can be assigned or transferred in respect of all the goods and services in respect of which they are registered or in respect of some (but not all) of those goods and services. It may be assigned with or without goodwill. Other business assets need not be assigned to make the assignment of trademark a valid transaction.

## 14 Assignment documentation

### What documents are required for assignment and what form must they take?

A duly stamped deed of assignment suffices for an assignment of trademark. Notarisation or legalisation is not required to make the assignment valid. The prescribed form is also required to be completed and lodged at the Trademarks Registry. Also, an authorisation of agent (power of attorney), one each from the registered proprietor and the assignee, is required for the registration.

## 15 Validity of assignment

### Must the assignment be recorded for purposes of its validity?

Yes. Where an assignment is not recorded at the Trademarks Registry, an assignee cannot furnish the assignment agreement as proof of its title to the registered trademark.

**16 Security interests**

**Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?**

There are no provisions for the registration of a security interest on a trademark at the Trademarks Registry and under the Trademarks Act 1967. However, a security interest on a trademark owned by a Nigerian company must be registered at the Corporate Affairs Commission within 90 days of the creation of the security interest. Registration at the Corporate Affairs Commission ensures the security interest is enforceable against the company by the creditor. Where the security interest on a trademark is not registered at the Corporate Affairs Commission, the security interest will be void against the creditor.

**17 Markings**

**What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?**

Under the Trademarks Act 1967, the use of the word 'registered' or any other word referring expressly or by implication to registration is taken to mean a reference to registration in the Trademarks Register. Marking is, however, not mandatory.

**18 Trademark enforcement proceedings**

**What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?**

The Trademarks Act 1967 confers a civil right of action on the trademark owner to seek redress. The Federal High Court is vested with the exclusive jurisdiction to entertain trademark infringement-related issues.

The Merchandise Marks Act, Cap M10, Laws of the Federation of Nigeria 2004, prescribes a prison term of two years or a fine or both imprisonment and a fine for offences established under the Act. On conviction, the offender is liable to forfeit all chattel, articles or instruments by means of or in relation to which offence has been committed. The Counterfeit and Fake Drugs (Miscellaneous Provisions) Act Cap C34, Laws of the Federation of Nigeria 2004 imposes penalties for dealing in counterfeit trademarked goods.

The Nigerian Customs Service is empowered to search for, seize, detain and destroy infringing goods brought into Nigeria. A trademark owner may take advantage of this route by a petition to the Comptroller General of the Nigerian Customs Service.

In addition, the Trade Malpractices (Miscellaneous) Offences Act, Cap T12, Laws of the Federation 2004, prescribes a fine of 50,000 naira (approximately US\$163) for the offence of labelling, packaging, selling, offering for sale or advertising any product in a manner that is false or misleading or likely to create a wrong impression about the quality, character, brand name, value, composition, merit or safety of such a product.

**19 Procedural format and timing**

**What is the format of the infringement proceeding?**

Infringement proceedings are required to be commenced by writ of summons. There is no time limit for commencing an action for the infringement of trademark. Discovery, live (oral) testimony and the use of expert witnesses are allowed. The action is decided by a single judge and it may take up to three years to complete the proceedings.

**Update and trends**

The Industrial Property Commission (IPCOM) Bill, 2016 (the IPCOM Bill) passed its second reading at the Nigerian House of Representatives on 8 January 2017. The IPCOM Bill seeks to harmonise the various intellectual property legislations and bodies by establishing a single law and body for the administration of trademarks, patents and designs in Nigeria, among other improvements. The IPCOM Bill further seeks to repeal the Trademarks Act 1967 and the Patents and Design Act 1971. It also makes provisions for the protection of trademarks, patents, designs, plant varieties, and animal breeders' and farmers' rights. If passed into law, IPCOM will take over the functions of the currently existing Trademarks, Patents and Designs Registry. The IPCOM Bill now awaits further legislative action and input by stakeholders.

**20 Burden of proof**

**What is the burden of proof to establish infringement or dilution?**

The onus is on the trademark owner to prove an alleged infringement. As with every other civil proceeding, the case is decided on the preponderance of evidence.

**21 Standing**

**Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?**

A proprietor (owner) or registered user or licensee of a trademark has the standing to seek remedy for an alleged trademark violation. The applicable conditions arise where a person:

*not being the proprietor of the trade mark or a registered user thereof using it by way of permitted use, uses a mark identical with it or so nearly resembling it as to be likely to deceive or cause confusion, in the course of trade, in relation to any goods in respect of which it is registered, and in such manner as to render the use of the mark likely to be taken either: (a) as being use as a trade mark; or (b) in a case in which the use is upon the goods or in physical relation thereto or in an advertising circular or other advertisement issued to the public, as importing a reference to some person having the right either as proprietor or as registered user to use the trade mark or to goods with which such a person as aforesaid is connected in the course of trade.*

Power of prosecution for a criminal complaint lies in the police and the Attorney General of the Federation.

**22 Foreign activities**

**Can activities that take place outside the country of registration support a charge of infringement or dilution?**

No. Nigerian trademark law and criminal law do not have extra-territorial effect. The alleged infringement must have been committed in Nigeria.

**23 Discovery**

**What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?**

A party may be compelled to disclose relevant documents or materials to an adversary through procedures called 'interrogatories' (to provide information) and 'discoveries' (to provide documents). Interrogatories and discoveries are employed.

**24 Timing**

**What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?**

Obtaining a preliminary injunction could take between four days and two weeks from date of filing of the action; trial to obtention of judgment could take between two to three years and a final appeal to the Supreme Court could take between eight and 10 years.

**25 Litigation costs**

**What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?**

The usual costs are government filing fees, which are assessed on the amount of claim and lawyer's fees. Costs are usually awarded in favour of a successful party and there are a plethora of decided cases on this. A specific amount may be recovered where specifically proven (eg, filing fees). Otherwise the quantum of costs recoverable is usually at the discretion of the court.

**26 Appeals**

**What avenues of appeal are available?**

Appeal against the decision of the Federal High Court (the trial court) is made to the Court of Appeal at the first instance, and finally to the Supreme Court from the Court of Appeal.

**27 Defences**

**What defences are available to a charge of infringement or dilution, or any related action?**

Fair use, honest concurrent use, proprietor's abandonment of the trademark or non-use, as well as non-renewal etc, can all be raised as defences. According to Order 53 Rule 7 of the Federal High Court (Civil Procedure) Rules, the party against whom the claim is made may, in his or her defence, put in issue the validity of the registration of that trademark or may counter-claim for an order that the register of trademarks be rectified by cancelling or varying the relevant entry or both.

**28 Remedies**

**What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?**

The following remedies are available: orders of injunction restraining current and future acts of infringements; delivery of infringing articles and items; accounts for profits; and costs and damages.

**29 ADR**

**Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?**

ADR techniques such as arbitration, mediation, negotiation and conciliation are available. Save for arbitral awards, the outcome of the other ADR techniques are only enforceable if entered as a judgment of court. ADR techniques save costs and time.

**30 Famous foreign trademarks**

**Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

Famous and well-known trademarks are allowed to be registered under the Trademarks Act 1967 as defensive trademarks. This affords the proprietor registration without the need to establish use in respect of the goods and services for which the trademark is registered.

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# Pakistan

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## 1 Ownership of marks

### Who may apply?

Any legal person, a national of any country, may apply for the registration of a trademark.

A proprietor or owner of a mark means a person who has been entered in the register at the Trade Marks Registry as having the rights to use the mark in any manner it so deems fit.

A person who is already using the trademark or service mark or has intention to use the trademark or service mark in future may file an application for registration under the Trade Marks Ordinance 2001 as sole proprietor of the trademark or service mark.

In the event that two or more persons are co-proprietors of a trademark or service mark, the said mark would be jointly applied, having an equal, undivided share in the trademark or service mark, subject to an agreement to the contrary.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

Any mark may be protected and registered as a trademark if it is capable of being represented graphically and is for distinguishing the goods or services of one undertaking from that of another. A mark in this regard includes a device, brand, label, ticket, name (including personal name), slogan, signature, word, letter, numeral or figurative element, or any combination thereof.

In addition to the above, non-traditional marks, including colour, sound and three-dimensional designs, may also be protected through trademark registration. There is, however, some ambiguity regarding the protection of smells, owing to the problems of graphical representation.

A mark may not be protected and registered if it does not satisfy the definition of a trademark as set out in clause xlvii of section 2 of the Ordinance. Moreover, the Ordinance clearly sets out the absolute and relative grounds for refusal of a trademark in sections 14 and 17 of the Ordinance respectively.

A mark shall not be registered and protected as a trademark if the mark:

- is devoid of any distinctive character;
- consists exclusively of indications that may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services or other characteristics of goods or services; and
- consists exclusively of indications that have become customary in the language or in the bona fide and established practices of the trade.

Rights pursuant to registration confer the legal right upon the registered proprietor to initiate an action for infringement, passing off and unfair competition. The proprietor of an unregistered trademark, on the other hand, can only initiate action for passing off.

Broadly speaking, a person has no right to pass off their goods as the goods of somebody else, and therefore an action for passing off is enforceable in respect of registered as well as unregistered trademarks. In this regard, the key element is deception and confusion; therefore, if

any mark, even one that is not entitled to registration, is used in manner so as to cause deception or confusion, the prior user may institute proceedings under common law.

## 3 Common law trademarks

### Can trademark rights be established without registration?

Unregistered trademark rights can be protected under the tort of passing off. However, a plaintiff bringing a claim for passing off must produce evidence establishing the following three-part test:

- goodwill and reputation attached to the goods and services supplied in association with the trademark;
- a misrepresentation by the defendant to the public leading, or likely to lead the public to believe that the goods and services supplied by the defendant are those of the plaintiff, whether or not that misrepresentation is intentional; and
- the plaintiff is suffering, or there is a likelihood that it will suffer, damage as a consequence of the misrepresentation by the defendant.

Owing to the level of evidence required to substantiate a claim for passing off, it can be an expensive and lengthy process.

Similarly, as per section 86 of the Ordinance, well-known trademarks can be protected without requiring any registration. Pakistan is a signatory to the Paris Convention and affords protection to an owner of a well-known trademark who is domiciled in a Convention country or has a real and effective industrial or commercial establishment in a Convention country, whether or not that person carries on the business or has any goodwill in Pakistan, and references to the proprietor of such a mark shall be construed accordingly.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

It takes around two years to obtain a trademark registration, barring an opposition. The official cost for filing one application in one class is approximately US\$10. The total cost, including professional fees, of a legal practitioner and expenses can range between US\$400 and US\$600, but may increase in the event of office objections.

The estimated time and cost in the registration process may increase due to office action or objections by the Trade Marks Registry.

The costs may further increase if the trademark application is opposed by a third party.

Documents such as power of attorney and trademark representation (namely, product labels or packaging materials) are required. The Registry will also require evidence of bona fide use by the applicant if prior use is claimed.

Moreover, as per section 25 of the Ordinance, where a person has duly made a convention application in respect of a trademark and within six months from the date of such a Convention application that person or his or her successor in title applies to the registrar in Pakistan for the



registration of the same trademark under the Ordinance in respect of some or all of the same goods or services (or both) in respect of which registration was sought in the Convention country, in such a case the person or his or her successor in title may claim priority for registration of the trademark in Pakistan. The effect of such priority is that the relevant date for the purpose of establishing precedence of right is the date of filing of the first Convention application and the registrability of the trademark shall not be affected by any use of the mark in Pakistan for a period between the date of first application in the Convention country and the date of application for registration in Pakistan.

## 5 Classification system

**What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?**

Pakistan is a convention country and in accordance with section 12 of the Trade Marks Ordinance 2001, both goods and services are included in the prescribed classification of goods and services in accordance with the Nice Classification. There are 45 classes for goods and services with 1 to 34 being for goods and 35 to 45 for services.

Multi-class applications are not available for either searches or registration.

## 6 Examination procedure

**What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?**

The proprietor of a trademark needs to file form TM-1, on which the registrar would assign an application number. The mark is then examined by the Registry to determine whether it falls within the definition or ambit of a trademark and whether there are any conflicting marks on the register.

In the event that the trademark does not fulfil the requirements, the registrar issues an examination report with his or her objections and the proprietor of the trademark is required to file a written statement contesting the objections within a period of one month. The application is then listed for hearing, after which the registrar may either accept the mark to be advertised in the Trademarks Journal or reject the application. In the event that the application is rejected an appeal may be filed with the High Court of the competent territorial jurisdiction. In the event that the application is accepted, the mark is accepted for advertisement and published in the Trademarks Journal.

Letters of consent are usually accepted by the Registry if the objection pertains to the same third-party mark since the basis of the objection is negated through obtaining the third party's consent.

Once the mark is advertised in the Trademarks Journal, persons who can potentially be affected by the registration of the trademark are invited to file oppositions, to which the proprietor of the trademark files a response. The opponent is bound to file evidence to which the proprietor of the trademark responds and is finally heard by the registrar, after which the registrar can decide whether to grant registration or not.

Any decision taken by the registrar in the opposition proceedings can be appealed to the High Court having competent jurisdiction.

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

The use of a trademark or service mark may be claimed before registration is granted or issued. Proof of bona fide use may have to be

submitted on the request of the registrar. However, the proprietor may also express its intention to use the mark in the future by stating that the mark is proposed to be used.

Pakistan is a signatory to the Paris Convention and priority can be claimed if the application is filed within six months of the application in the convention country.

If registration is granted without use, the proprietor of the trademark must use the mark within five years from the date of registration to either maintain the registration or to defeat a third-party challenge on grounds of non-use. No bona fide use for a period of five years from the date of registration can attract the claims of 'trafficking in trademarks', which can be highly prejudicial to the trademark in question.

## 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

The decision of the registrar must be communicated to the applicant in writing. If the applicant intends to appeal the decision, he or she must do so within one month from the date of application in the form as set out in form TM-15 to the registrar, requiring him or her to state in writing the grounds of and the materials used by him or her in arriving at his or her decision. An appeal to the High Court having competent jurisdiction from any decision of the registrar under the Trade Marks Ordinance 2001 or the Trademark Rules 2004 must be made within two months from the date of such a decision or within such further time as the court may allow. The appeal procedure in the High Court is the same as that of a civil case.

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

Applications are published and advertised in the Trademark Journal for opposition. As per section 28(2) of the Ordinance, any person may, on application made to the registrar in the prescribed manner and on payment of the prescribed fee, give notice of opposition to the registrar.

A third party may oppose the registration of a trademark after the mark is accepted and advertised in the Trademark Journal.

The primary bases of such challenges or oppositions are prescribed in section 29 of the Ordinance. Upon receiving the notice of opposition from the third party, the applicant must file a counter-statement within two months, as failing to do so would result in the application being abandoned. In the event that the applicant files a counter-statement, the matter is taken up for evidence and subsequently a hearing takes place. Upon completion of the hearing, the registrar passes the orders for grant or denial or refusal of registration.

Moreover, as per section 80(5) of the Trade Marks Rules 2004, a request for the extension of time for filing the opposition after the time has expired can be made to the registrar, who at his or her discretion can extend the period or time if he or she is satisfied with the explanation for delay and is satisfied that the extension would not disadvantage any other person or party affected by it.

Another interesting trend is for a third-party proprietor who believes that the proposed application is identical or very similar to their mark, to write to the applicant stating the basis of its claims and calling for an amicable settlement. However, the party is not obliged to do so. This is termed a 'pre-opposition' letter, and we have seen many cases resolved at this stage with no need to proceed with a formal opposition.

In accordance with section 73(4), an application for revocation or cancellation may be made by an interested party, including a brand owner, who does not have protection, provided that it is a bad-faith application, either before the High Court or the registrar. The official cost for filing a notice of opposition for one application is US\$60. The total cost, including the professional fees of the legal practitioner and expenses, can range between US\$1,700 and US\$2,000.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

A trademark shall be registered for a period of 10 years from the date of registration and may be renewed under section 35 of the Ordinance for a further period of 10 years at the request of the proprietor, subject to payment of such a renewal fee as may be prescribed. In order to maintain registration, the proprietor must show bona fide use of the trademark in Pakistan and pay the prescribed fee for its renewal. Bona fide use can be evidenced in the form of invoices, packaging and advertising and promotional material.

## 11 The benefits of registration

**What are the benefits of registration?**

The registration of a trademark provides prima facie certification of ownership, allowing the registered proprietor to initiate action for infringement against unauthorised use. The burden of proof lies on the defendant and infringer to prove that he or she has not infringed upon a registered trademark. Infringement may only be claimed if the trademark is registered.

Border enforcement measures have been further strengthened by recent amendments to the Customs Rules 2001, which protect registered trademark owners by prohibiting the import or export of products bearing infringing trademarks. A complaint may be filed with the customs authorities in this regard in accordance with the new additions (as detailed in question 18).

## 12 Licences

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

A licence to the trademark may be recorded with the Trade Marks Registry, though this is not a requirement. A registered licence establishes the rights of a licensee, making it easier for a licensee to protect the trademark against misuse. As per section 77 of the Trade Marks Ordinance 2001, a licensee is entitled to initiate infringement proceedings in respect of any matter that affects his or her interest if the proprietor of the registered trademark refuses to act or fails to act within two months after being called upon to do so by the licensee.

## 13 Assignment

**What can be assigned?**

A registered trademark, being personal or moveable property, can be transmitted by assignment. Any mark may be assigned, with or without goodwill. The assignment may be for some or all of the goods and services. The assignment may also be limited in relation to use of the trademark in a particular manner or a particular locality. There is no requirement to include other business assets.

## 14 Assignment documentation

**What documents are required for assignment and what form must they take?**

A registered trademark shall be transmissible by assignment in the same way as other personal or moveable property. An application to register the title of a person who becomes entitled by assignment to a registered trademark is made by way of form TM-23 or TM-24 along with the prescribed fee. The registration certificate may have to be produced at the time of application.

## 15 Validity of assignment

**Must the assignment be recorded for purposes of its validity?**

The assignment of a trademark must be recorded with the registrar of trademarks for the purposes of its validity. Upon being satisfied that all the correct documents have been submitted and no third-party interests shall be affected because of the assignment, the registrar of trademarks

issues a certificate of assignment validating the assignment of the trademark in the name of the assignee.

## 16 Security interests

**Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?**

A trademark is intangible property. The Financial Institutions (Recovery of Finances) Ordinance 2001 regulates the enforcement of security interests for financial institutions and recognises tangible as well as intangible property for the purposes of creating a security interest. Intangible property, such as trademarks, patents and other intangible assets, can be subjected to a charge. However, it would be beneficial if the security interest is recorded for purposes of its validity and enforceability.

## 17 Markings

**What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?**

The marks <sup>TM</sup> or <sup>SM</sup> are used when an application is pending with the registrar of trademarks and ® is used when the mark is registered. Although markings are not mandatory, their use is beneficial as it reduces the risk of the infringer claiming innocence of not being aware of the status or existence of proprietary rights over the mark. Moreover, the marking declares the rights of the proprietor over the registered or pending marks.

## 18 Trademark enforcement proceedings

**What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?**

The Trade Marks Ordinance 2001 makes provision for civil and criminal remedies against infringement of a trademark for relief in a suit for infringement or passing-off, a penalty for falsely representing a trademark as registered, falsification of entries in the Register and applying a false trade description.

Under the Intellectual Property Act 2012, specialised IP tribunals had been devised at the provincial as well as federal level with exclusive jurisdiction to deal with IP matters. All the tribunals are now operational and all IP cases from all the courts have been transferred to the tribunals. However, IP cases in Sindh, for which the pecuniary jurisdiction vests with the Sindh High Court in Karachi, continue to be filed before the said court.

Moreover, as per the Trade Marks Ordinance 2001, the proprietor of the registered trademark may give notice in writing to the Collector of Customs to treat the infringing goods, material or articles as prohibited goods. As a result, the Collector of Customs shall seize and destroy such goods from the customs authorities as per the prescribed procedures.

Recently, Pakistan has added a new chapter to the 2001 Customs Rules pertaining to intellectual property that is the result of the ongoing reforms to enhance IP rights protection in Pakistan and has some notable features. First, the new chapter also stipulates that the database maintained by the Trademarks Registry, Copyright Office and Patent Office containing the details of the IP rights registered or applied for by rights holders will be shared with the Directorate General of IP Rights (IPR) Enforcement. Second, the new provisions enable brand owners to notify the customs authorities of potential goods being imported into Pakistan that may infringe their trademark rights. Once this application has been made with the Directorate General of IPR Enforcement, it would then verify the rights claimed with the relevant database and if validated, the directorate will order appropriate action to be taken. Moreover, the chapter further requires customs officials to inform the directorate in the event they suspect (ie, 'have reasons to believe') that goods being imported into Pakistan infringe the Trademarks Ordinance 2001 or the Copyright Act 1962.

## 19 Procedural format and timing

### What is the format of the infringement proceeding?

A suit for infringement is civil in nature and the format is laid down in the Code of Civil Procedure 1908, while a criminal complaint may be filed in accordance with the Criminal Procedure Code 1898.

### Civil proceedings

The plaintiff must be filed in the tribunal or court possessing territorial and legal jurisdiction. The plaintiff may be, and usually is, accompanied by applications seeking an urgent hearing and interlocutory relief. After institution of a plaintiff, the tribunal or court conducts a preliminary hearing as to the maintainability of the suit.

If the tribunal or court finds that the plaintiff raises triable issues, the tribunal or court orders the summoning of the defendant on a particular date and also mentions in the order the manner and the mode by which the summons or notices must be served upon the defendant.

The defendant, upon appearance in the tribunal or court, either personally or through counsel, is usually granted time, which may extend to one month or more, to file its defence to the proceedings, in the form of a written statement as well as defence to any application for an interlocutory injunction. The time granted for filing a defence to an interlocutory injunction application is usually shorter. Once the defence has been filed, the tribunal or court sets a date for the hearing of arguments and a decision on the grant of an interlocutory injunction or orders. Parallel to this, the tribunal or court conducts proceedings on the main suit so that the main defence is filed by the defendant.

Once the main defence has been filed, but usually after the decision on any interlocutory injunction application, the tribunal or court sets down a date for framing the issues. After the issues have been framed, the plaintiff is first required to produce its evidence through witnesses, and thereafter the defendant. The evidence must be submitted by both the parties. Discovery is allowed and testimony as a rule is live. Expert witnesses are also allowed but their evidence must be limited to the matters in which they have expertise. Upon completion of the examination and cross-examination of witnesses of the parties, the case is set down for final arguments and judgment on the main legal proceedings.

The time frame for an injunction in a civil suit is approximately two to six months. Nevertheless, the final hearing of a suit might take around two to six years.

### Criminal proceedings

The criminal enforcement mechanism is governed by the Criminal Procedure Code 1898. The complainant may either file a private complaint before the judicial magistrate or a formal complaint with the police.

The private complaint before the judicial magistrate is examined, and on being satisfied over its admissibility, the magistrate issues summons to the accused infringer to appear in front of the magistrate.

A complaint with the police results in the drawing up of the first information report by the police and thereafter the police institute an action and remand the infringer into custody, producing him or her before a judicial magistrate. The police thereafter prepare a final report and file it before the judicial magistrate, whereupon trial will commence.

The conclusion of a criminal case cannot be speculated on, as that depends on the conclusion of various procedural compliances.

## 20 Burden of proof

### What is the burden of proof to establish infringement or dilution?

The certificate of registration is the most substantial proof of title in an action for infringement of trademark or dilution of reputation, and the proprietor of a registered trademark can rely on the certificate of registration to establish their case. However, it is also necessary to show that the unauthorised use of the mark by the defendant constitutes an infringement as laid down in section 40 of the Trade Marks Ordinance 2001.

With regard to passing off proceedings, the burden of proof is upon the claimant to show that there is an equitable interest or right, such interest is being violated and the violation is causing confusion or deception, or both, among consumers.

## 21 Standing

### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

A proprietor of the registered trademark, a licensee or registered user, and a proprietor of an unregistered trademark may seek remedy for an alleged trademark violation by way of an infringement or passing-off action.

A licensee may not be able to sue for an action for trademark violation unless the licensor refuses to do so or does not do so within two months of being notified of the infringement as laid down in section 75 of the Ordinance, or unless the licence specifically grants a licensee with the right to initiate infringement proceedings.

The proprietor of the registered trademark and registered user under the registered user agreement may bring a criminal complaint, but the proprietor of an unregistered trademark may only bring an action in passing off, which is a common law remedy.

## 22 Foreign activities

### Can activities that take place outside the country of registration support a charge of infringement or dilution?

Activities that take place outside the country of registration can support a charge of infringement or dilution. In the event that infringement is occurring outside Pakistan, factors such as where the goods are being manufactured, sold or advertised need to be taken into account. In other words, the cause of action needs to be established to bring about a case in Pakistan. If no such evidence can be produced, the proprietor of a trademark may bring about an action in the country where infringement is taking place provided that the country is a signatory to the TRIPS Agreement and the Paris Convention. As mentioned above, Pakistan can also implement border enforcement mechanisms allowing the proprietor of the trademark to inform the customs authorities of the infringement of the trademark in order to suspend the clearance of counterfeit or infringed goods in accordance with the new rules. The Customs Act and subsequent amendment to the 2001 rules empower customs officers in Pakistan to take action against the import and export of counterfeit goods by seizing or confiscating the goods.

## 23 Discovery

### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

Pakistani law on discovery envisages two kinds of discovery: discovery as to facts and discovery as to documents. The law concerning discoveries as to questions of fact permits the plaintiff or the defendant to deliver, with the leave of the tribunal or court, its interrogatories in writing to the other side and must also specify as to which interrogatories have to be answered by which person. The parties may also seek documents for inspection from the other party that are or have been in the possession of such a party. It is in the tribunal or court's discretion to grant such a request for the production of a document based upon the relevance of the document to the subject of the case.

The law restricts the scope of interrogatories to the extent that such interrogatories must relate to a real matter at issue between the parties in the proceedings; hence, no room is left for any irrelevant interrogatories. All the interrogatories must be answered through an affidavit and the tribunal or court has the authority to direct a party under interrogation to answer in more detail any of the interrogatories that have either been insufficiently answered or where the answer has been omitted.

Before any document can be directed by the tribunal or court to be produced for inspection by the applicant, the law requires that such a document should either have been referred to in the pleadings of the party or have been relied upon by such a party. In certain cases, the tribunal or court may, in its discretion, direct that a duly verified copy of the document be produced for inspection instead of the original record.

Upon the failure of any party to answer interrogatories in the manner directed by the tribunal or court or produce the document, the tribunal or court may, in the event of non-compliance with its directions, if the defaulting party is the plaintiff, dismiss its suit; otherwise, if the defaulting party is a defendant, its right to defend the suit may be closed.



Moreover, the party defaulting to comply with the direction of the tribunal or court to produce document shall not be entitled either to rely on such a document in future or otherwise cannot derive any benefit from such a document in the proceedings of the suit.

#### 24 Timing

##### **What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?**

There is no fixed time frame for an infringement or dilution or related actions for cases being dealt at the trial court level, as much depends on the individual case. A preliminary injunction takes approximately two to six months, whereas the finality of the lawsuit is attained within two to three years. The time frame for an appeal against an order against the preliminary or permanent injunction is not fixed, but may take around the same two to three-year period.

#### 25 Litigation costs

##### **What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?**

The costs associated with an infringement or dilution action, including trial preparation, trial and appeal, depend on the nature of the case and the costs of legal participants involved and may range from US\$5,000 to US\$25,000, or more.

Technically, a successful plaintiff may be able to recover reasonable costs depending on the tribunal or court's assessment of the matter and the losses suffered by the successful plaintiff. However, Pakistani tribunals and courts are extremely reticent to grant costs or pecuniary relief in IP matters; in rare cases where damages or costs have been granted, they are limited to a small fraction of the cost.

#### 26 Appeals

##### **What avenues of appeal are available?**

As per the Intellectual Property Act 2012, a suit for infringement of a trademark is to be instituted in the tribunal exercising jurisdiction.

Any judgment, decree or order passed by the tribunal or district court is appealable before the High Court exercising jurisdiction over the tribunal. If the appeal is filed against an order, the appeal will be heard by a single judge, but if the appeal challenges the judgment or decree passed by the district court, it shall be heard by a division bench of the High Court.

Subject to the provisions of the Constitution of Pakistan, any judgment, decree or order passed by the High Court can be appealed before the Supreme Court of Pakistan, provided special leave to appeal is granted by the Supreme Court. Any decision on such an appeal by the Supreme Court is final.

An important exception to the above is the unique jurisdiction of the High Court of Sindh at Karachi, owing to the status of Karachi as the country's commercial hub. Civil suits valued at over US\$150,000, including trademark infringement proceedings, can be filed directly before the single judge of the High Court of Sindh exercising original jurisdiction. Any order, judgment or decree passed by a single judge shall be appealable before a division bench of the High Court of Sindh comprising two judges. Any order, judgment or decree passed by the division bench of the High Court shall be appealable before the Supreme Court of Pakistan in the same manner as described earlier.

#### 27 Defences

##### **What defences are available to a charge of infringement or dilution, or any related action?**

The plaintiff may at any time, but within the limitation period, challenge the defendant's title to the registered mark or the validity of registration of the mark and accuse the defendant of engaging in illegal activities of infringement, dilution or any related action. In a charge of infringement or dilution or any related action, the Trade Marks Ordinance 2001 provides several defences for the person being accused of such activity. The defendant may claim prior use and honest concurrent use; that the use of the mark is not an infringement, as the

#### **Update and trends**

It is worth highlighting that the office of the Directorate General of IPR (DG IPR) Enforcement has assumed a proactive role with regard to the import and export of counterfeit goods. The office of the DG IPR and that based particularly in the region of Sindh, in accordance with SRO 170(1) 2017, actively informs brand owners when it identifies consignments bearing counterfeit or infringing goods from the Weboc System, who may then choose to take action against the owner of the counterfeit goods. This initiative has been commended by many brand owners and has furthered the enforcement of IPR in Pakistan.

use does not fall under the provisions of section 40 of the Trade Marks Ordinance 2001; or that the plaintiff is not entitled to relief by reason of estoppels, such as acquiescence or abandonment of the disputed mark. The defendant may also claim that the mark under challenge contains a personal name or the name of the place of business or descriptive words without the use of which the defendant would have faced difficulty in describing their goods or services.

#### 28 Remedies

##### **What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?**

In an action for infringement or dilution, a successful party can seek preliminary or permanent injunction, damages and account for profit. Damages may be apportioned based on the actual loss, loss of business opportunity, future profits and loss of reputation. Injunctive relief is available, preliminary or permanently, upon the fulfilment of three conditions: the existence of a prima facie case in favour of the applicant, an irreparable loss, damages or injuries, which may occur to the applicant if injunction is not granted, and that the balance of convenience should be in favour of the applicant.

Criminal action may also be taken for applying a false trade description and falsely representing a trademark as registered, which can result in imprisonment or a fine, or both.

#### 29 ADR

##### **Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?**

ADR techniques such as mediation and arbitration are available in Pakistan. Although not commonly used, in some cases it is a cheaper and a relatively quicker way than using litigation and is therefore encouraged. Decisions for settlements are binding upon the parties and cannot be challenged. However, enforcement of the settlement is, on some occasions, problematic if one of the parties refuses to accept the decision of the mediator or the arbitrator for settlement. The court would then have to be approached to enforce the decision of the arbitrator, which can sometimes be a lengthy process.

There is no compulsion on the parties to enter into mediation. However, if a pre-existing agreement between the parties in a dispute stipulates that the matter is to be referred to arbitration, then the courts are expected to refer the matter to arbitration rather than allowing civil proceedings to be entertained in the court.

#### 30 Famous foreign trademarks

##### **Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

Well-known marks, including famous foreign trademarks, are afforded statutory protection under Pakistani law, even where the trademark is not registered or used in Pakistan. Pakistan is a signatory to the Paris Convention and affords protection to an owner of well-known trademark who is domiciled in a Convention country or has a real and effective industrial or commercial establishment in a Convention country, whether or not that person carries on the business or has any goodwill



in Pakistan, and references to the proprietor of such a mark shall be construed accordingly.

As per section 86 of the Trade Marks Ordinance, the owner of a trademark that is entitled to protection under the Paris Convention as a well-known trademark shall be entitled to restrain by injunction the use in Pakistan of a trademark, which, or the essential part of which, is identical or deceptively similar to the well-known trademark:

- in relation to identical or similar goods or services, where the use is likely to cause confusion; or
- where such use causes dilution of the distinctive quality of the well-known trademark.

In determining that a trademark is well known, without having to require registration or actual use in the form of sales of goods or services under the trademark in Pakistan, the following factors shall be considered as relevant criteria for establishing the well-known status of the trademark, namely:

- the amount of Pakistani or worldwide recognition of the trademark;

- the degree of inherent or acquired distinctiveness of the trademark;
- the Pakistani or worldwide duration of the use and advertising of the trademark;
- the Pakistani or worldwide commercial value attributed to the trademark;
- the Pakistani or worldwide geographical scope of the use and advertising of the trademark;
- the Pakistani or worldwide quality and image that the trademark has acquired; and
- the Pakistani or worldwide exclusivity of use and registration attained by the trademark and the presence or absence of identical or deceptively similar third-party trademarks validly registered or used in relation to identical or similar goods and services.

Further, it may be noted that Pakistan also provides broad-ranging rights against unfair competition and under common law provisions, which may be used by owners of famous foreign trademarks to protect their interests.

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# Peru

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## 1 Ownership of marks

### Who may apply?

Any individual or legal entity, public or private, Peruvian or foreign, may apply for a trademark with the National Institute for the Defence of Competition and Intellectual Property Protection (INDECOPI). An application in the name of more than one person is possible. If the applicant has no domicile in Peru, a Peruvian representative must be appointed.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

According to the Peruvian Trademark Law (Andean Decision 486), a trademark is a distinctive sign capable of graphic representation, so that both are essential requirements for its registration.

In accordance with current legislation (articles 134 and 135 of Decision 486) and Andean Prejudicial Interpretation (Process 032-IP-2014, page 23) distinctiveness is the capacity of a sign to individualise, identify and differentiate in the market the goods or services, making it possible for consumers to request them. This is the essential characteristic that all signs should meet in order to be registered as a trademark.

Distinctiveness refers to the fact that a trademark cannot be confused with the goods or services it distinguishes, indicate its qualities or be confusingly similar to another registered trademark in the same field. In Peruvian legislation the registration of evocative trademarks is allowed because such trademarks have sufficient distinctiveness.

According to article 134 of Decision 486, the following signs, among others, may constitute a trademark:

- words or combinations of words;
- pictures, figures, symbols, graphic elements, logotypes, monograms, portraits, labels and emblems;
- sounds and smells;
- letters and numbers;
- a colour with borders to generate a specific shape, or a combination of colours;
- the shape of a product, its packaging or wrappings; and
- any combination of the signs or means indicated in the items above.

In Peru, the following non-traditional trademarks can be protected: olfactory, tactile and taste marks, despite not being expressly mentioned, but since the legislation contains a declarative enumeration of the signs that can constitute marks, such signs could be registered. Sounds and smells are expressly mentioned as being able to constitute trademarks. Three-dimensional trademarks are also protected.

Likewise, the legislation permits the registering of evocative signs as trademarks.

Signs that are constituted by a prefix of common use or usual particles may be also registered as trademarks provided that the other element grants it sufficient distinctiveness.

Signs in other languages that are unknown to the Peruvian consumer may also be registered as trademarks.

Article 50, paragraph (b) of Legislative Decree 1075 (domestic law), states the requirement of graphic representation for the non-perceptible

marks. In the case of sound marks, a graphic representation is required by submitting, in the case of a melody, the stave representing it, and when dealing with other sounds, the spectrogram.

Signs that are included in the absolute and relative prohibitions related to third-party rights cannot be registered as trademarks.

Absolute prohibitions are included in article 135 of Decision 486 and are referred to as words of the language that do not fulfil the distinctive function as they mention the goods or services or a characteristic or quality thereof. That is, it is not possible to register as trademark a term of the language that is generic (name of the good), descriptive (mentioning any characteristic of the sign), or usual (in common business language).

Paragraph (b) mentions the prohibition concerning lack of inherent distinctiveness and paragraphs (i) and (j) signs that may mislead consumers.

Signs cannot be registered as trademarks if they contain a protected appellation of origin for wines and spirits (paragraph (k)) or consist of a national or foreign geographical reference that is liable to create confusion in respect of its application to products or services (paragraph (l)).

Likewise, signs reproducing or imitating heraldic elements, such as coats of arms, flags and emblems, and official signs and stamps used for the purposes of government control and guarantee and the coats of arms, flags and other emblems, initials or designations of any international organisation, without the permission of the competent authority of the state or international organisation concerned, may not be registered as trademarks (paragraph (m)).

Further, signs reproducing or imitating signs denoting conformity with technical standards may not be registered as trademarks unless such signs are applied for with the national body responsible for standards and quality requirements in member countries (paragraph (n)).

Signs reproducing, imitating or including the indication of a plant species protected in an Andean country or any other country when the application to goods or services relating to such species or its use is likely to cause confusion or a mistaken association with that variety, may also not be registered as trademarks (paragraph (o)).

Signs that are contrary to law, morality, public order or good manners may not be registered as trademarks (paragraph (p)).

Relative prohibitions to third-party rights are included in article 136 such as signs that are identical or similar to a trademark filed for registration or registered earlier by a third party, a protected trade name, label or emblem, a registered advertising slogan when use of such signs are likely to lead to confusion or mistaken association.

Signs that are similar or identical to a distinctive sign belonging to a third party may not be registered as trademarks when the applicant has been or is a representative or distributor of the owner of the protected sign and where use of the mark would result in a likelihood of confusion or mistaken association.

Likewise, signs affecting the identity or prestige of legal entities (non-profit or not, or natural persons other than the applicant or identifiable by the general public as being such a different person), particularly with regard to a given name, family name, signature, title, nickname, pseudonym, image, portrait or caricature without consent from that person or, if deceased, the declared heirs of that person, may also not be registered as trademarks.

Further, signs that may violate the intellectual property right or copyright of a third party without consent of that party, signs consisting

of the name of indigenous, African American or local communities not filed by the community itself or without its express consent and signs consisting of a total or partial reproduction, imitation, translation, transliteration or transcription of a well-known sign belonging to a third party may not be registered as trademarks.

Article 137 states that the Trademark Office Authorities may refuse the registration of a trademark when there is sufficient reason to believe that the registration was applied for to engender an act of unfair competition.

### 3 Common law trademarks

#### Can trademark rights be established without registration?

Trademark rights cannot be acquired without registration (with the exception of well-known marks). Notwithstanding, it is possible to protect non-registered signs by other means such as unfair competition.

### 4 Registration time frame and cost

#### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

Normal prosecution of a trademark usually takes between six and nine months. The time would increase (by about three more months) in cases where any requirements by the Trademark Office Authorities arise (adaptation, precision of exclusion of some of the originally filed goods or services) or when formal papers are missing (power of attorney, priority document etc).

If an opposition is filed the processing takes at least 10 more months before the first administrative instance and if the case is kept in abeyance at the request of the interested party or ex officio until a related case is resolved, it will take about nine further months at the appeal stage (second administrative instance) depending on the complexity of the case and because pursuant to the law the Trademark Office Authorities have a term of 180 days to conduct administrative proceedings (article 24 of Legislative Decree 1075).

Costs for obtaining a registration of a trademark without opposition total about US\$700, including official fees and service fees.

A power of attorney is required to file a trademark application. The document only needs to be signed by an authorised officer of the applicant mentioning his or her full name and capacity. Notwithstanding, a signed power could not be used in the case of entering an infringement action or a lawsuit (before the judiciary), in which case, a power of attorney document, duly notarised and apostilled, would be necessary.

### 5 Classification system

#### What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?

Although Peru is not a party to the Nice Agreement, the Andean Community (Bolivia, Colombia, Ecuador and Peru) has adopted and applies the Nice Classification of Goods and Services for the purposes of the registration of marks.

Peru adhered to the Trademarks Law Treaty on 6 August 2009, which came into force on 6 November 2009, wherein the multi-class system is stated. Legislative Decree No. 1075 (domestic law) in force from 1 February 2009, adopted the multi-class application figure. In this sense multi-class applications are available for a single application containing goods or services, or both, belonging to more than one class and said application shall give rise to a single registration. Notwithstanding, if during the processing of the application only some of the classes are granted and the remainder ones are rejected, the applicant can divide its application in order to obtain the registration certificate for those granted classes instead of awaiting the outcome of the rejected classes that are in the appeal stage. No savings are available since the same official fees are applicable to all the classes involved.

### 6 Examination procedure

#### What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?

After expiry of a 30 day-term counted from the following working day of publication in the INDECOPI Electronic Gazette (article 6.2 of Supreme Decree No. 071-2017-PCM), and if no objections have been filed, the Commission of Distinctive Signs (non-contentious case areas) will proceed to perform the examination of registrability and would cite those registered trademarks that in its opinion are confusingly similar to the sign applied for and that would engender risk of confusion in the market for consumers.

In cases where objections have been filed, the Commission of Distinctive Signs (contentious case areas) will assess both the arguments of the objector and the response of the applicants and will issue an opinion on the objection's merits and will grant or refuse registration of the trademark and inform the parties of its decision. It may be the case that the objection is declared groundless and that the application is denied ex officio based on the examination performed by the Trademark Office Authorities in their database.

Current regulations (article 56 of Legislative Decree No. 1075A) states that letters of consent are not allowed between unrelated companies, only coexistence agreements. In accordance with a precedent of compulsory observance of the Second Administrative Instance of INDECOPI on Coexistence Agreements (Resolution No. 4665-2014/TPI-INDECOPI of 15 December 2014), in order for these agreements to be valid and binding between the parties and not violate the law, they must comply with minimum conditions. Trademark coexistence agreements may contain different matters that represent the will of the parties, and it is possible to delimit the territory of use of the trademarks and the different products to which the agreement will be applied. Therefore, to be viable, the agreement must contain measures and provisions to reduce the risk of confusion among consumers regarding the origin of the products or services concerned.

For coexistence agreements to be accepted by the Administrative Authority, they must meet the following minimum conditions:

- information on the signs that are the object of the agreement, stating denominative and figurative elements thereof, as well as the goods and services to which said signs are referred (as they are registered or requested);
- delimitation of the territorial scope within which the agreement will be applicable;
- delimitation of the goods or services to which the signs of the coexistence agreement will be restricted in the market. For this purpose, it will be necessary for the parties to request the effective limitation of the goods or services in the respective registrations and applications;
- delimitation of the form of use and presentation of the signs;
- pointing out the consequences in case of breach of the agreement; and
- establishing dispute resolution mechanisms in case any litigious matter arises between the parties.

Agreements that do not include the above minimum conditions will not be accepted by the Administrative Authority; however, the foregoing does not determine that agreements containing such minimum conditions will be approved automatically, since the Authority must evaluate whether or not the parties' agreement meets with the purpose pursued through the agreement.

The acceptance of a coexistence agreement assists the Administrative Authority and will depend on the conditions expressed therein, in order to protect the general interests of consumers.

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

No use of a trademark or service mark has to be claimed before registration is granted, so no proof of use needs to be submitted during the processing of the application. Likewise, no proof of use is required to maintain or renew a registration.

In accordance with article 4 of the Paris Convention, it is possible to claim priority of foreign registrations and the corresponding applications should be filed within a six-month period.

Also in accordance with article 9 of Decision 486, the first application for the registration of a trademark that is validly filed in any other Andean country shall confer on the applicant or the applicant's assignee the right of priority in filing for the registration of the same trademark in Peru.

The registration of a trademark is vulnerable to cancellation action for non-use by third parties after a three-year term following its granting. Therefore, it is advisable to use the mark prior to finishing said period in order to defeat a third-party challenge based on grounds of non-use.

## 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

After the issuance of an adverse decision (denial of the application) the applicant would have a term of 15 working days to challenge the decision and in said case the applicant would have two alternatives to challenge the adverse decision issued from the Trademark Office Authorities:

- to file a reconsideration brief (based on new documentary proof), which is processed before the same first administrative instance; and
- to lodge an appeal before the same authority that issued the decision by submitting new documents, with a different interpretation of the proof submitted or with purely legal questions. After the appeal is processed, the first instance authorities will submit the appeal to the second administrative instance.

The final resolution to be issued by the second administrative instance exhausts the administrative channel and can only be impugned before the judiciary via a lawsuit within a three-month term counted from the date on which the losing party has been notified of the adverse resolution.

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

Applications are published for opposition purposes and any third party may oppose the application within a 30-day period following the publication date. The opposition may be grounded on a Peruvian-granted registration or an earlier application by alleging the absolute and relative prohibitions stated in articles 135 and 136 (lack of distinctiveness or risk of confusion with regard to third-party rights).

In accordance with article 146: 'Within 30 days following such publication, any person having a legitimate interest may, one time only, file a valid objection that could result in invalidation of the trademark registration'.

The competent national office may, at the request of a party and once only, grant an additional 30-day period in which to provide valid reasons for opposing registration of the trademark.

Reckless objections may be sanctioned if provided for by domestic legislation.

No objections based on such trademarks as may have existed at the same time as that being applied for may be lodged against the application within six months following expiry of the grace period referred to in article 153.

Further, according to article 147 of Decision 486, an Andean opposition may be filed based on a trademark registration granted in a member country of the Andean community (Bolivia, Colombia, Ecuador) and to meet the Andean opposition requirements, it is necessary to apply in Peru for the registration of a trademark, identical to the mark that is the basis of the opposition, otherwise the opposition would not be processed.

Moreover, an opposition may be filed based on article 7 of the General Inter-American Convention for Trademark and Commercial Protection if the opponent is a contracting state or domiciled foreign national who owns a manufacturing or commercial establishment in any of the contracting states. The conditions for the application of the Convention are to prove that the person who is using such mark, or applying to register or deposit it, had knowledge of the existence and continuous use in any of the contracting states of the mark on which opposition is based upon goods of the same class. The opposer may claim for him or herself the preferential right to use such mark in the country where the opposition is made or priority to register or deposit it in such country, upon compliance with the requirements established by domestic legislation in such country and by this Convention.

The applicant should respond to the opposition within a term of 30 working days after being notified of the opposition brief. At the request of the opponent the Trademark Office Authorities will grant an additional 30-day period to ground the opposition and in the same manner the applicant may request a single period of 30 additional days in which to provide valid reasons for the refutation.

Furthermore based on article 137 of Decision 486 an opposition may be filed alleging bad-faith arguments.

In accordance with article 136, paragraph (h) of Decision 486 an opposition may be based on a well-known trademark.

Further, during the opposition proceeding the applicant may institute, as means of defence, a cancellation action for non-use against the mark that is the basis of the opposition.

Moreover, pursuant to article 169, if the owner of a trademark has caused or allowed its trademark to become a common or generic sign to identify or denote one or several of the goods or services for which it was registered, the authority shall order, ex officio or at the request of an interested party, the cancellation of the trademark or the limitation of its scope.

In this regard, a trademark shall be considered to have become a common or generic sign if, in commercial circles and for the public, it has lost its distinctive character as an indication of the corporate source of the product or service to which it is applied.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

A trademark registration is granted for a term of 10 years from its grant date and is renewed for successive 10-year periods. To maintain the registration it is only necessary to apply for renewal six months prior to its expiration date or six months after the expiration date (grace period). In accordance with current regulations and practice no proof of use is required to renew the registration.

## 11 The benefits of registration

**What are the benefits of registration?**

The benefits of obtaining a trademark registration are to gain the right to its exclusive use, to grant licences, to record assignments, to file oppositions to third-party applications, to reach coexistence agreements, to include the mark as an intangible asset of its owner, to institute infringement actions against non-authorised use of the mark, to accede to border measures, to give it as a pledge or security, to celebrate transactional agreements, to enter complaints or criminal actions etc.



**12 Licences**

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

Since the licence is a private consensual agreement between the parties its validity is not subject to official recordal. However, as licences and other acts affecting industrial property rights shall only take effect in respect of third parties as from its recordal, it would be advisable to record the licence to the purposes of proving use or taking legal actions in the name of the owner based on the registered mark.

**13 Assignment**

**What can be assigned?**

Trademarks can be assigned with or without goodwill for all goods and services covered. However, if the change of ownership does not involve all the goods or services listed in the registration of the owner, a separate registration shall be created in respect of the goods or services for which there has been a change in ownership. The assignment can be made with or without the firm to which it belongs and made in writing. The Trademark Office Authorities can refuse the recordal if the assignment could lead to the risk of confusion.

**14 Assignment documentation**

**What documents are required for assignment and what form must they take?**

A signed power of attorney and a deed of assignment are required from the assignee and duly executed by both the assignor and assignee. In accordance with current practice, notarisation and legalisation are not required.

**15 Validity of assignment**

**Must the assignment be recorded for purposes of its validity?**

The ownership change must be recorded to take effect in respect of third parties. Failure to register shall render the assignment invalid in respect of such third parties.

**16 Security interests**

**Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?**

Security interests are recognised in Peru and the document should be executed by both parties, notarised and legalised by apostille. Security interests must be recorded in the Trade Mark Office records for purposes of validity and enforceability.

**17 Markings**

**What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?**

In Peru's legislation marking is optional. However, use of the denomination 'registered mark' or symbols such as MR, ® or equivalent, together with signs that are not registered, is prohibited and subject to sanctions (fines).

The benefit of using the above-mentioned identifications is to warn possible infringers to abstain from non-authorized use as the mark is duly protected.

There are no risks for not using such words or symbols, since it would be possible to take any legal measures based on the protected right.

**18 Trademark enforcement proceedings**

**What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?**

Border measures are available in Peru through the Customs Authority. The Customs Authority is an autonomous body of control and sanctions within its own Customs Law. With regard to counterfeit trademarks, they are responsible for warning and verifying if the exported and imported goods infringe any intellectual property rights. To this end, they request INDECOPI to verify the registration and validity of the marks that are subject of presumed infringement.

INDECOPI is the official body that grants the registration of a trademark, unlike the Customs Authority, which records a trademark already registered for border measure purposes; that is, the Customs Authority only owns a list of records in order to warn the owner of a registered trademark of the entry of goods including their packaging bearing an identical or confusingly similar sign to the validly registered trademark without authorisation, so that such goods would infringe the rights granted to the owner of the trademark by the legislation of the import country. On such occasions the owner of the registered trademark may request the Customs Authority to suspend the customs operation and immobilise the goods and should supply the necessary information and a sufficiently detailed and precise description of the goods subject of the alleged infringement so that they can be identified.

Any party initiating or intending to initiate an action for infringement may request the Trademark Office Authorities to order immediate provisional measures for the purpose of preventing an infringement from occurring, avoiding its consequences, obtaining or preserving evidence, or ensuring the effectiveness of the action or compensation for damage.

Pursuant to article 238 of Decision 486, infringement actions may be entered in the administrative channel (before the Commission of Distinctive Signs of INDECOPI) against any persons infringing rights of a trademark owner or against any persons performing acts that are extremely likely to result in the infringement of that right. In the case of the co-owner of a right, any one of the co-owners may bring action for infringement without the need for consent from the other party.

Article 155 establishes the grounds that may be invoked in an infringement action, which are:

- (a) *using or affixing the trademark or a similar or identical distinguishing sign to products in respect of which the trademark is registered; to products connected with the services for which the trademark is registered; or to the packages, wrappings, packing, or outfittings of those products;*
- (b) *removing or changing the trademark, once it has been placed on or affixed to the products in respect of which the trademark is registered, for commercial purposes; to products connected with the services for which it is registered; or to the packages, wrappings, packing, or outfitting of those products;*
- (c) *manufacturing labels, packages, wrappings, packing, or such other materials as may reproduce or contain the trademark, and selling or storing such materials;*
- (d) *using, in the course of trade, identical or similar signs to the trademark for goods or services, where such use would result in a likelihood of confusion or mistaken association with the registration owner. In the case of the use of an identical sign for identical goods or services, a likelihood of confusion shall be presumed;*
- (e) *using in the course of trade identical or similar signs to a well-known trademark with respect to any goods or services, where such use, by weakening the distinctive force or the value of that trademark for commercial or advertising purposes or by taking unfair advantage of the prestige of the trademark or of its owner, could unjustly damage the registration owner's economic or commercial interests;*

- (f) *making public use of identical or similar signs to a well-known trademark, even for purposes that are non-commercial, where such use could weaken the distinctive force or value of that trademark for commercial or advertising purposes or take unfair advantage of its prestige.*

Proof of the infringement, such as a sample of the infringing product and voucher for its purchase, should be submitted in support of the alleged infringement.

Civil actions may be entered before specialised courts to obtain compensation for damage after obtaining a final favourable decision in an infringement proceeding, and the following criteria shall be used, among others, to calculate the amount of compensation to be paid for damage:

- the consequential damage and lost profits suffered by the rights holder as a result of the infringement;
- the amount of profit obtained by the infringer as a result of the acts of infringement; or
- based on the commercial value of the infringed right and such contractual licences as may have already been granted, the price the infringer would have paid for a contractual licence.

Criminal actions may be instituted before the court or the Public Prosecutor against persons committing industrial property offences such as trademark counterfeiting, and the objective is that such persons are sanctioned with penalties or punished with imprisonment.

## 19 Procedural format and timing

### What is the format of the infringement proceeding?

The stages of an infringement proceeding in the administrative channel are:

- formal denouncement in written with proofs of the infringing act;
- inspection visit at the premises of the infringer in order to verify the denounced infringing acts;
- minutes of the inspection;
- reply of the defendant;
- conciliation hearing of the parties;
- resolution;
- appeal (within a 15-day term by the losing party);
- reply to the appeal (by the winning party); and
- final administrative resolution issued by the administrative court (second instance).

Discovery is allowed and the Trademark Office Authorities may require from the parties the submission of documentation or exhibition of goods.

Technical reports from experts may be requested by the Trademark Office Authorities to verify the technical features of the original goods compared with the counterfeit goods.

At first instance the decision is issued by a professional commission made up of three members and a director.

At second instance (administrative court) the decision is issued by four members and one president.

The infringement proceeding is summary and brief. It typically lasts nine months in the first instance and seven months in the second instance. It is possible to state that in administrative proceedings reconsideration briefs are not available, only appeals.

A criminal enforcement mechanism is also available and the plaintiff may initiate a criminal action before the District's Attorney office that will require a technical report from the Commission of Distinctive Signs. Thereafter the public prosecutor will assess the denouncement and the filed proofs to determine the facts with the support of the police. Then the police's statement will be assessed by the public prosecutor, who will decide to formalise the denouncement before the Criminal Court. After the denouncement has been formalised, the case will be taken over by a judge and the plaintiff should constitute a civil party.

As to the destiny of the seized goods, either in administrative proceedings or in criminal denouncements, the Trademark Office Authorities may order their destruction or donation.

## 20 Burden of proof

### What is the burden of proof to establish infringement or dilution?

To establish that an infringement occurs, the following actions should be taken:

- the infringing act or fact should be proven by enclosing as a proof, a sample of the infringing product bearing the infringing trademark, as well as a copy of the invoice or ticket of sales wherein the infringing sign can be clearly seen;
- in accordance with article 136, paragraph (h) of Decision 486 to establish that dilution occurs, the following are required:
- that the trademark is well known, to which end it is necessary to submit documents evidencing a wide broadcast and extensive knowledge by the public consumer (advertising and invoices), market studies, balances, sponsor etc, in accordance with the criteria set forth in article 228 of Decision 486;
- proof the act or fact that puts the well-known trademark at risk of dilution, proving that the trademark is unique in the market and that it distinguishes only one sector of products or services and that there is no other equal or similar trademark, either in the same sector or another one; and
- that it is a unique trademark and strongly distinctive.

Once the above actions have been taken, the infringing sign or the sign that engenders risk of dilution with the registered or well-known trademark is examined.

## 21 Standing

### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

The remedy for an alleged trademark infringement must be brought by the trademark owner or by the licensee, if a licence agreement is recorded and the terms of the licence authorise it to take said legal action.

A criminal complaint may be only brought by the trademark owner before the court.

## 22 Foreign activities

### Can activities that take place outside the country of registration support a charge of infringement or dilution?

No infringement action is possible against activities that take place outside the country of registration, considering that, in accordance with current legislation, the rights are territorial.

## 23 Discovery

### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

As above, it is not possible to take legal action against third parties outside the country.

## 24 Timing

### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

A typical time frame for an infringement or dilution proceeding would be nine months before the Commission of Distinctive Signs (first administrative instance). In the case that the decision is appealed before the second instance a final resolution could be expected within a seven-month term. Typically the final decision is not impugned before the judiciary. If the cautionary measure (preliminary injunction) is accepted by the Trade Mark Office, it will be kept until the issuance of a resolution, which may be appealed. If the final decision declares the infringement action well founded, the preliminary injunction will be final and the plaintiff will decide whether the immobilised goods should be destroyed or donated.

## 25 Litigation costs

### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

Costs associated with an infringement or dilution action before the two administrative instances range from US\$2,000 to US\$3,000.

## 26 Appeals

### What avenues of appeal are available?

A decision issued by the first administrative instance can only be appealed within a peremptory term of 15 days counted from the notification date. Reconsideration briefs are not available in these kinds of administrative proceedings.

After the issuance of a second resolution by the administrative court no further appeals are available. Only a lawsuit before the judiciary would be possible, but defendants typically do not resort to the judicial power.

## 27 Defences

### What defences are available to a charge of infringement or dilution, or any related action?

Articles 157 (good-faith use) and 158 (exhaustion of rights) of Decision 486 would be available against a charge of infringement or dilution. Articles 157 and 158 state the following.

#### Article 157

*Provided that it is done in good faith and does not constitute use as a trademark, third parties may, without the consent of the owner of the registered trademark, make use in the market of their own names, addresses, or pseudonyms, a geographical name, or any other precise indication concerning the kind, quality, amount, purpose, value, place of origin or time of production of their goods or of the rendering of their services, or other characteristics thereof, provided that such use is confined to identification or information purposes only and is not likely to create confusion over the source of the goods or services.*

*Trademark registration shall not confer on the owner the right to prevent a third party, where proceeding in good faith, from using the trademark to announce - even in advertising using brand comparisons - offer for sale, or advertise the existence or availability of lawfully trademarked goods or services, or from advertising the compatibility or suitability of spare parts or accessories that may be used with goods bearing the registered trademark, provided that such use is confined to the purpose of informing the public and is unlikely to lead to confusion over the corporate origin or the goods or services concerned.*

In the process 415-IP-2015 of 23 June 2016 referring to the limitation on the exclusive use of the registered trademark, it is interpreted that article 157 allows that third parties, without the consent of the owner of a registered trademark, may perform certain acts in the market with regard to the use of said mark provided that the following use conditions are fulfilled:

- that the use is done in good faith, that is, lack of knowledge of the previous trademark or that the reference to the another's trademark is fair in terms of the legitimate interests of the owner, the general interest of the consumers and the proper functioning of the. Use cannot take advantage of the registered trademark neither causing dilution of the well-known trademark nor other uses but for identification or information purposes;
- that the use is not performed as a trademark. It cannot be used as a distinctive sign and should be limited to making reference to the characteristics of the product or service and not engendering risk of confusion with the registered trademark. Use cannot lead the public into error over the actual origin of the goods or services (due diligence);
- that the use is exclusively confined to identification or information purposes of any characteristic of the goods or services, to respect commercial good faith, uses and honest practices; and

- that the use does not lead the public into error over the corporate origin of the goods or services. Use should not be done as a distinctive sign nor cause the impression that such goods or services provide from enterprises that are economically linked.

It should be noted that the above-mentioned conditions must be submitted concurrently.

#### Article 158

*Trademark registration shall not confer on the owner the rights to prevent third parties from engaging in trade in a product protected by registration once the owner of the registered trademark or another party with the consent of or economic ties to that owner has introduced that product into the trade of any country, in particular where any such products, packaging or packing as may have been in direct contact with the product concerned have not undergone any change, alteration or deterioration.*

*For the purposes mentioned in the preceding paragraph, two persons shall be considered to have economic ties when one of the persons is able to exercise a decisive influence over the other, either directly or indirectly, with respect to use of the trademark right or when a third party is able to exert that influence over both persons.*

## 28 Remedies

### What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?

#### Remedies when an infringement action or dilution is successful

One or more of the measures established in article 241 of Decision 486 can be applied, such as cessation of infringing acts, removal from commercial channels of the infringing products or the materials and means whereby the infringing products are manufactured, confiscation and destruction of infringing products, permanent or temporary closure of the premises where the products bearing the infringing mark are manufactured or marketed, a fine and publication of the resolution declaring it to be well founded, the infringement action, costs and expenses.

#### Remedies when a dilution action is successful

Cessation of the advertising causing the dilution and destruction of the product or products that contribute to dilution, as well as a fine.

#### Existing criminal remedies

In accordance with articles 222 and 223 of the Criminal Code, offences against industrial property related to trademarks are sanctioned by imprisonment for not less than two years or greater than five years, fines, disqualification to do business and destruction of the seized goods.

## 29 ADR

### Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?

ADR techniques are available in Peru in both administrative proceedings and civil actions.

Commonly, amicable agreements can be negotiated between the parties as a result of conciliation hearings, and if the parties reach a private agreement in the presence of the authorities, the administrative process will be concluded and the parties are obliged to fulfil the terms of the agreement. Generally, the parties to an infringement proceeding do not resort to arbitration.

The benefits of these kinds of agreements are to shorten the process, since the authorities would no longer need to issue a decision, to reach a solution satisfying both parties and to reduce the costs involved for the parties.

There are no risks in resorting to ADR techniques.



### 30 Famous foreign trademarks

#### Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?

In the Peruvian system, article 224 of Decision 486 on well-known trademarks offers a special protection to well-known trademarks in any member country of the Andean Community that goes beyond the territoriality, speciality and registration principles.

Current legislation in Peru (Andean Decision 486) grants special protection to a foreign trademark that is recognised as well known in Peru or any other Andean country (Bolivia, Colombia, Ecuador) by the pertinent sector against non-authorised use of the mark or risk of dilution.

The jurisprudence of the Tribunal of the Court of Justice of the Andean Community develops the criteria set forth in article 228 of Decision 486 to determine when a trademark is well known.

In this sense, for a trademark to be considered as well known, it should fulfil at least one of the following criteria, pursuant to the generally accepted doctrinal criteria:

- being widely advertised, ensuring the mark is recognised by a high percentage of the population;
- enjoying extensive use and acceptance by consumers;
- holding significance in the trade or industrial field in which the mark belongs; and
- merely mentioning it should provoke in the public a direct association with the product or service that it identifies.

These criteria have been mentioned by the Justice Court of the Andean Community in the following proceedings: Proceeding 09-IP-2002 published in the Official Gazette No. 777 on 7 March 2003; Proceeding 6-IP-2005 published in the Official Gazette No. 1185 on 12 April 2005; and Proceeding 128-IP-2007 published in Official Gazette No. 1588 on 20 February 2008.

In Proceedings 126-IP-2008 dated 13 March 2009 and 30-IP-2014 dated 10 September 2014, in the fifth conclusion, the connection of two criteria are highlighted: the diffusion among the related public consumers to which the sign is referred and the intensive use within the concerned sector. It is noted that the person claiming that the trademark is well-known should evidence this quality within the concerned sector and not within the general public consumers.

In Proceedings 470-IP-2015 published in Official Gazette No. XXXX of 8 June 2016, on page 15 it states that the special protection granted to the well-known trademark is extended, in case of risk of confusion for similarity with a sign pending of registration, independently of the territory or the class for which the mark was registered, in order to avoid an unfair advantage of the reputation of the well-known trademark and prevent the damage that the similar sign could cause to its distinctiveness or reputation (see Proceedings 107-IP-2015, page 5).

Article 230 of Decision 486 considers as relevant sectors of reference, the determination of the well-known quality of a distinctive sign, among others, not only with potential consumers but actual consumers and also people who are involved with goods or services, either before, during or after their sale.

Peruvian trademark legislation and jurisprudence has set forth that the well-known trademark is exposed to different risks: risk of confusion (direct or indirect), association, dilution or illegal use.

In Proceeding 66-IP-2015, dated 29 April 2015, the Andean Court of Justice reiterated that the risk of confusion is the possibility that when the consumer purchases a product he or she may think that he or she is acquiring another product (direct confusion), or he or she may think that the product has a business origin other than the one it actually has (indirect confusion).

The risk of association is the possibility that the consumer, although being able to differentiate between the trademarks in conflict as well as the business origin of the product, thinks, when purchasing it that the manufacturer of said product and other company have an economic relationship or business connection. (These definitions are found in Proceeding 70-IP-2008, dated 2 July 2008 and other further proceedings.)

The risk of dilution is the possibility that the use of other identical or similar signs causes weakness in the highly distinctive capacity

#### Update and trends

The Court of Justice of the Andean Community, in its Jurisprudence on 14 June 2018 (Process 43-IP-2017), interprets article 155 paragraph (d) of Decision 486, which is used to support infringement actions:

*Article 155. - The owner of a registered trademark shall have the exclusive right to prevent all third parties not having the owner's consent from engaging in the following acts:*

(...)

*d) Using, in the course of trade, identical or similar signs to the trademark for goods or services, where such use would result in a likelihood of confusion or mistaken association with the registration owner. In the case of the use of an identical sign for identical goods or services, a likelihood of confusion shall be presumed;*

(...)

*In this Jurisprudence the following criteria is established:*

- a) The use of the infringing trademark can be presented in advertising in the commercial activities. The trademark is protected even if the offending sign used in commerce is related to products or services that are different (but linked) to those covered by the registered trademark.*
- b) For it to be considered that there is an infringement, it is not necessary that the confusion or association actually occurs, but rather that the possibility exists that it may occur in the market.*
- c) If the offending sign used is identical to the registered trademark, the likelihood of confusion shall be presumed. The signs must be exactly the same.*

According to Supreme Decree No. 086-2017-PCM, there are no registration fees for collective trademarks and an accelerated procedure (fast track) has been implemented to reduce deadlines. This is an incentive and support for small companies.

that the well-known sign has gained in the market, even if it is used for dissimilar products that do not have any degree of competitive connection with those protected by the well-known sign (Proceeding 117-IP-2014, dated 1 October 2014 wherein articles 117, 224, 225, 226 and 228 are interpreted).

The risk of illegal use is the possibility that a competitor takes unfair advantage of the prestige of the well-known sign, even when the action is carried out on goods or services that do not have any degree of competitive connection with those protected by the well-known sign (Proceeding 66-IP-2015, dated 29 April 2015).

In the administrative precedent of mandatory compliance of INDECOPI, Resolution 2951-2009/TPI-INDECOPI, dated 9 November 2009, highlighted that the person claiming the 'well-known' quality should evidence the said situation of the trademark in order to enjoy the protection as a well-known trademark. On the other hand, it also set forth the special protection of the well-known trademark against the risk of dilution that diminishes distinctiveness of the trademark and weakens the relationship between trademark and product. A well-known trademark enjoys special protection and is an exception to the speciality principle as well as to the territoriality principle, because its registration is not necessary.

As per the precedent, the burden of proof is with the party that alleges the notoriety of the mark, which will be the first interested in submitting the evidence to convince the Trademark Office Authorities regarding the invoked notoriety. To that end, the parties may submit any proof admitted in the administrative proceeding, such as commercial invoices for sales, advertising, even by virtual media, results of public consumer opinion polls or in business circles, registration certificates of the mark in foreign countries, inventories, market research, documents evidencing the amounts invested in the advertising and promotion of the mark. In addition to the above-mentioned traditional probatory means, other types of circumstantial notoriety proof are recognised that arise from the development of international commerce and from modern means of transport, communications and promotion in the global market, such as advertising related to tourism (magazines distributed in flight by air carriers), volume of requests from persons interested in obtaining a franchise or licence of the mark in a



determined territory, existence of manufacturing activities, purchase or storage by the owner of the mark in the territory wherein protection is sought, residual effects of advertising (understood to be what remains in the mind of the consumer after having received an advertising message) projected from one territory to another, international coverage of sport events and entertainment in which there is advertising content etc.

In accordance with current practice, the documents evidencing notoriety can be filed as single copies without any notarisation or legalisation.

With regard to the impediments related to third-party rights, article 136, paragraph (h) of Decision 486 prohibits the registration as a trademark of a sign that consists of a total or partial reproduction, imitation, translation, transliteration, or transcription of a well-known sign belonging to a third party without regard to the type of product or service to which it shall be applied, the use of which would lead to a likelihood of confusion or mistaken association with that party; taking unfair advantage of the prestige of the sign; or weakening its distinctive force or its use for commercial or advertising purposes.



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# Portugal

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## 1 Ownership of marks

### Who may apply?

Any individual or legal entity that has a lawful interest, in particular traders or manufacturers, may apply.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

#### Registrable signs

Any sign or group of signs capable of being graphically represented, namely, words, including personal names, designs, letters, figures, sounds, the shape of a product or the packaging thereof, slogans, combination of colours, which are capable of distinguishing the goods or services of an undertaking from those of another undertaking.

#### Kinds of trademarks

Trade and service marks, and collective marks (which may be made up of signs or indications used in trade to designate the geographical origin of products or services). Collective marks encompass certification marks (a particular sign owned by a legal person who controls goods or services or sets the rules by which those should abide) and association marks (which consist of particular signs owned by an association of natural or legal persons whose members use or intend to use the same for goods or services).

#### Not registrable

Marks likely to cause confusion with others previously registered or involving a 'risk of association' therewith; marks consisting exclusively of signs or indications used in commerce for designating kind, quality, quantity, purpose, value, place of origin of the products or time of production, as well as expressions considered of common use except where they have acquired a distinctive character in the commercial practice (secondary meaning); marks in which are included:

- flags, arms or other emblems of any states, without the consent of the competent authorities;
- official signs, seals and stamps, without authorisation;
- coats of arms, decorations and distinctions of honour not belonging to the applicant;
- medals likely to cause confusion with official decorations;
- business names, company names, insignia not belonging to the applicant, if not authorised by the owner;
- names or portraits other than those of the applicant;
- illicit reproduction of literary or artistic works;
- expressions or designs contrary to public order or morals; and
- false indications of source, nature, characteristics and utility of the products.

## 3 Common law trademarks

### Can trademark rights be established without registration?

Provisional protection is given to a trademark application. Total protection is given as from the grant of the trademark registration. Thus, the trademark rights are not established without registration.

Only registration confers proprietary rights. The effect of registration therefore is attributive of ownership.

## 4 Registration time frame and cost

**How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?**

If no opposition is filed against the trademark application and if the application is filed with all the required documents, it usually takes around five months to obtain a trademark registration, plus another five months to obtain the registration certificate. The official fees for a trademark application currently amount to €126.17 for the first class, plus €31.99 for each additional class.

For the issuance of the related certificate of registration the official fees are €42.64 for the paper version and €16.00 for the digital version.

In order to proceed with a trademark application, we need the applicant's full data, that is, name, address and nationality, as well as the sign of the trademark in question in .jpg format, in the case of a device trademark. Industrial property attorneys also do not need a power of attorney.

## 5 Classification system

**What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?**

The applicable classification is the 11th edition of the International Classification of Goods and Services under the Nice Agreement.

Multi-class applications are available.

## 6 Examination procedure

**What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?**

After the time limit fixed for oppositions has elapsed (provided no oppositions have been made), or when the dispute has ended, examination is made as to form, inherent registrability and availability over prior marks.

Applications are examined for potential conflicts with other trademarks.

Letters of consent are accepted to overcome an objection based on a third-party mark.

Applicants can respond to rejections by the trademark office.

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**7 Use of a trademark and registration**

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

A registered mark should be used. If the mark is not subject to genuine use during five consecutive years, except for justified reasons, the registration may be declared as forfeited upon request by a third party. The computation of the first non-use period starts with the registration of the mark, which for international marks shall be taken as the date of registration of the same at the International Bureau (World Intellectual Property Organization).

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**8 Appealing a denied application**

**Is there an appeal process if the application is denied?**

An appeal may be lodged at the Intellectual Property Court against the decision of the National Institute of Industrial Property (PTMO). Any of the interested parties may appeal against the sentence to the court of second instance.

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**9 Third-party opposition**

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

Within two months after the publication (term extendable for one month), any third party considering itself prejudiced by the possible grant of the registration may file an opposition. The applicant may file a counter-statement within two months (term also extendable for one month).

The opposition or the cancellation of a trademark can be requested in the following circumstances:

- that the person in whose name the registration of a mark was made was not entitled to acquire it;
- that the registration concerns a mark that was not registrable;
- that the grant of the registration infringes third-party rights based on priority or other legal title, and, in particular, that the grant infringes upon rights to an earlier mark, provided the use requirement in respect of that mark is complied with. Note, however, that no cancellation on this ground may be requested in the case of acquiescence in the use of the latter mark for five years;
- that the mark being the subject of the registration wholly or partly is an imitation, translation or reproduction of a mark that is well known in Portugal, and is used for the same or similar articles and there is danger of confusion;
- that the mark being the subject of the registration is graphically or phonetically identical or similar to an earlier mark being highly renowned in Portugal, irrespective of the goods or services for which it is applied, if use of the later mark without due cause takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the earlier mark; or
- that the grant of the registration infringed provisions requiring authorisation or consent and this has not been given.

The cancellation procedure may be started before the competent court within one year from the date of grant of the registration of the mark.

A brand owner that does not yet have its trademark protected in Portugal can oppose a bad-faith application.

The present official fees at the PTMO associated with a third-party opposition are €52.28 and for a cancellation proceeding are €10.46.

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**10 Duration and maintenance of registration**

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

The duration of registration of a trademark is 10 years from the granting date and is indefinitely renewable for further 10-year periods. See question 7.

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**11 The benefits of registration**

**What are the benefits of registration?**

Only registration confers exclusive rights to a mark. Only registration confers proprietary rights. The effect of registration therefore is attribute of ownership.

Legal action against infringement of a trademark can be brought before the courts and it is thus possible to include claims for damages. The proceedings may be initiated by seizing the infringing goods namely at the customs houses if they are imported. Criminal penalties are set by the court (within the limits fixed in the Industrial Property Code) as well as compensation for damages. An action for infringement may also be initiated by means of a complaint filed with the Economic and Food Safety Authority requesting the preliminary seizure of the infringing goods, subject to the discretion of the public prosecutor who may subsequently bring a criminal action against the infringer.

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**12 Licences**

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

The property of a trademark can be totally or partially licensed, free of charge or in return for payment, in a certain area or throughout the country for the whole of the mark's duration or for a shorter time. The licence must be recorded in order to have an effect towards third parties.

Licence contracts must be drawn up in writing. Unless otherwise expressly stipulated, for legal purposes a licensee enjoys the faculties belonging to the holder of the right to which the licence applies, with the exception of the provisions of the following paragraphs.

The licence shall be understood to be non-exclusive. An exclusive licence is one in which the holder of the right renounces the faculty to grant other licences for the rights covered by the licence while it remains in effect.

The grant of an exclusive exploitation licence does not prevent the holder from also directly exploiting the right in the licence, unless otherwise stipulated.

Also, unless otherwise stipulated, a right obtained in an exploitation licence cannot be transferred without the written consent of the holder of the right.

If the grant of sub-licences is not provided for in the licence contract, then they may only be granted with the written authorisation of the holder of the right.

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**13 Assignment**

**What can be assigned?**

The property of a trademark can be totally or partially assigned. The assignment must be recorded in order to have an effect towards third parties. If recordal of the assignment is requested by the assignor, the assignee should also be a signatory of the assignment document, or issue an express statement that he or she accepts the assignment.

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**14 Assignment documentation**

**What documents are required for assignment and what form must they take?**

The requirements for registration of an assignment are a deed of assignment in Portuguese signed by the assignor and the assignee and certified by a notary public.

**15 Validity of assignment****Must the assignment be recorded for purposes of its validity?**

The recordal of the assignment is required in order to be valid.

**16 Security interests****Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?**

Security interests are recognised and must be certified by a notary public. They must be recorded for purposes of their validity in Portugal.

**17 Markings****What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?**

Marking is optional. Possible markings are ‘Marca Registrada’, ‘MR’ or ®.

**18 Trademark enforcement proceedings****What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?**

The owner of a trademark can ask for enforcement of the rights of its trademark against an alleged infringer. There is one specialised court for this matter, the Intellectual Property Court. Trademark counterfeiting, imitation and illegal use of a mark can also be considered as unfair competition or criminal offences under Portuguese law. The criminal are competent for judging such offences. The judge may rule based on the documents and other evidences filed by the parties or designate oral proceedings for witnesses to be heard. The decision is notified to the parties and the losing party may appeal to the court of second instance.

Criminal proceedings begin with the filing of a complaint by the trademark owner or its recorded licensee.

Regarding EU trademarks, there is a specific law on enforcement.

**19 Procedural format and timing****What is the format of the infringement proceeding?**

Only registration confers exclusive rights to a mark.

The following acts performed without the consent of the owner of a registered mark are deemed infringement:

- use in the course of trade in Portugal of any sign that is identical or confusingly similar to the registered mark for goods or services being identical or similar to those for which the mark is registered; and
- use in the course of trade in Portugal of any sign that, due to the identity or similarity of that sign and the mark or the affinity between the goods or services, creates in the consumer’s mind a risk of confusion, including the risk of association of the sign with the mark.

The exclusive right to a mark does not include the right of the owner to prevent a third party from using, in the course of trade, his or her own name or address, or any indication concerning the kind, quality, quantity, intended purpose, value, geographical origin, time of production of the goods or of rendering of the services, or any other characteristics of goods or services, or even the mark itself if this is necessary to indicate the intended purpose of a product or service, in particular as an accessory or spare part, provided that in any such case the use is in accordance with honest practices and good customs in industrial and commercial matters.

The format of the proceedings depends on the court where the case is to be heard.

In civil proceedings with the Intellectual Property Court the trademark owner files a petition with the indication of the relevant facts and the applicable law. The defendant has the right to file a reply to the petition filed by the trademark owner.

In civil proceedings, written and testimony evidences can be produced. If the judge decides there are sufficient grounds for the proceedings to be proceed, a day will be set aside for a trial where witnesses can be heard. After a decision is given and notified to the parties, the losing party may file an appeal to the Court of Appeal.

In criminal proceedings the trademark owner files a criminal complaint against the infringer in order to grant the public prosecutor the necessary powers to investigate the case and proceed with the criminal proceedings. The decision by the public prosecutor can be to indict or close the file.

If the file is closed, the trademark owner may file a request for a finding of facts to overcome the decision of the public prosecutor.

In the case of indictment, the infringer may file a request for a finding of facts to overcome the decision of the public prosecutor.

Furthermore, when a request for a finding of facts is filed, a preliminary hearing is scheduled by the criminal court to see whether the decision of the public prosecutor was correct and a decision is given (indictment or closing the file).

If a decision to indict is made, the trial is scheduled by the criminal court. After the notification of the decision to indict, the trademark owner can file a petition for civil compensation for damage.

The trial is heard before a single judge and the public prosecutor in charge of the file. Finally, a decision is given by the criminal court of first instance. It is possible to appeal to the criminal court of second instance and, in some cases, appeal to the Supreme Court.

**20 Burden of proof****What is the burden of proof to establish infringement or dilution?**

The burden of proof lies with the plaintiff, who has the burden of proving that its mark has been infringed.

**21 Standing****Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?**

Both the trademark owner and the licensee may seek remedies. The trademark owner must have the mark registered at the Trademarks Office and the licensee can only intervene if the registered user agreement (licence to use) is recorded at this office.

**22 Foreign activities****Can activities that take place outside the country of registration support a charge of infringement or dilution?**

Only activities that take place in Portuguese territory and in EU territory may be taken into account.

**23 Discovery****What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?**

Adverse or third parties (including state entities) may be required to submit documents or exhibit goods. If they resist, a court order may be sought.

**24 Timing****What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?**

The typical time frame for infringement or dilution actions is around one to two years.



**25 Litigation costs**

**What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?**

There is no typical range of costs. These depend mainly on the professional fees that are charged.

**26 Appeals**

**What avenues of appeal are available?**

An appeal can be lodged at the Intellectual Property Court against a decision of the PTMO, and an appeal against a decision made at the next instance can be filed at the Court of Appeal.

**27 Defences**

**What defences are available to a charge of infringement or dilution, or any related action?**

The defendant or alleged infringer has the legal right to participate in the proceeding by responding to the complaint and submitting evidence.

**28 Remedies**

**What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?**

The IP Code contains provisions regarding the penalties imposed on an infringer, but is silent regarding the apportionment of monetary relief. Injunctive relief is available permanently if there is an immediate danger to the complainant.

**29 ADR**

**Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?**

ADR techniques are available in Portugal.

In Portugal, Arbitrare was created as an arbitration centre competent to resolve disputes regarding industrial property matters, .pt domain names, trade names and corporate names. This centre resolves disputes between private parties or private parties and Portuguese registration bodies. For the resolution of these disputes, Arbitrare collaborates with renowned arbitrators.

The benefits of arbitration are:

- disputes are resolved within a maximum period of six months;
- arbitrators are experts in the areas of competence of Arbitrare;
- the arbitral award has the same value as a state court judgment;
- confidentiality is guaranteed in all procedural stages;
- electronic procedure, via a functional and secure online application process; and
- the proceedings can be carried out in the Portuguese or English.

One disadvantage usually associated with arbitral proceedings is that costs are substantially higher than those in judicial proceedings.

**30 Famous foreign trademarks**

**Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

In relation to the protection of well-known marks, registration is refused for marks that are entirely or partly a reproduction, imitation or translation of a mark well known in Portugal as being the property of a national of any EU country if applied to identical or similar goods or services, and that may lead the consumer into error or confusion, provided the owner of the well-known mark applies for its registration in Portugal.

Regarding protection of widely known marks, the application for registration of a mark is likewise refused if the mark, although intended for goods or services that are not similar, is graphically or phonetically identical or similar to an earlier mark that enjoys a wide reputation in Portugal or in the European Union and wherever the later mark, without due cause, aims at achieving an unfair advantage over or being detrimental to the distinctive character or the reputation of the earlier mark.

The evidence required includes market studies that reveal the reputation of the mark to the relevant public, costs with marketing companies, sales volume and other factors relevant to the reputation of the mark.



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# Russia

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## 1 Ownership of marks

### Who may apply?

The Russian Civil Code says that a trademark may belong to a legal entity or an individual entrepreneur. Thus an application may be filed only by one of these. The legislation foresees the possibility of registering a collective mark. Collective marks are defined as trademarks owned by an amalgamation of entities used to designate goods that are produced or sold by the members of this amalgamation, provided those goods possess common characteristics of quality or other characteristics.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

According to the Civil Code a trademark is 'a designation serving for individualising goods of legal entities or individual entrepreneurs' (article 1,477 of the Civil Code). Any protectable word, design, slogan, sound, symbol etc could serve as a trademark that identifies goods or services. The list of signs that may function as trademarks is open, which allows for registration of non-traditional marks. Article 1,482 of the Civil Code provides that verbal, pictorial, three-dimensional and other indications or their combinations may be registered as trademarks. A trademark may be registered in any colour or colour combination. The wording 'other indications' confirms that the law is quite liberal in this regard.

In Russia, registration of marks that are lacking in distinctiveness is not allowed. In spite of the fact that the legislation lists the designations that should be recognised as lacking in distinctiveness, in some situations the criteria of distinctiveness are arguable and remain at the discretion of the trademark office. Furthermore, Russian legislation provides for the possibility of registration of marks based on their acquired distinctiveness.

Colour marks (either colours per se or colour combinations), sound marks, texture marks, olfactory marks, position marks, hologram marks, motion marks, taste marks etc may be registered in Russia, but their inherent registrability depends on distinctiveness: either distinctive features of the mark per se or acquired distinctiveness through intensive use.

## 3 Common law trademarks

### Can trademark rights be established without registration?

Russia is a first-to-file jurisdiction. The legal entities or entrepreneurs who first apply for registration of a trademark have priority in obtaining trademark registration. Russian trademark legislation does not recognise prior use rights (as a general rule the exclusive right to use a trademark in Russia country arises as a result of state registration).

According to Russian legislation, the rights to a trademark appear from the moment of its state registration and no rights derive from the use of an unregistered trademark. However, since January 2008, when Part IV of the Russian Civil Code came into force, a new subject matter of intellectual property appeared: 'commercial designation'. This is close to a trademark in its nature, but the right to use this designation arose based on the use of a commercial designation within a particular territory without its obligatory registration before an administrative body, such as the Russian Patent and Trademark Office (RPTO).

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

Approximate time frames for trademark registration in Russia are as follows:

- the official filing receipt is issued within one month of the date of filing an application or sooner;
- the official action is issued within 8 to ten months of the date of filing the application (possible examiner's objections may increase the registration period to about two years, depending on the circumstances of the case, number of appeal stages etc); and
- where the trademark is successfully registered, the registration certificate is issued within two months of the date of payment of the official fee for registration.

In 2018 the RPTO introduced an accelerated trademark registration procedure.

There are no specific additional documents that should be filed with the trademark application except power of attorney. Filing power of attorney is optional, but if it is absent from the application the examiner may request submission of this document, which may have a negative impact on the registration process. It should be issued by the applicant and signed by the authorised person with an indication of that person's name and position in the company. The date and place of the signature should be indicated as well. Neither notarisation nor legalisation is required. The power of attorney may be submitted after filing the application.

In cases of a priority claim under the Paris Convention, it is necessary to submit a certified copy of the first (home) application. The filing particulars should correspond to those in the home application. The home application can be submitted after filing an application under the Convention, but within three months from the date of filing the Convention application with the RPTO. This term cannot be extended. Split priority is not foreseen in Russia.

The official fee for filing and formal examination of a trademark application (in one class) is 3,500 roubles. The official fee for filing and formal examination of a trademark application in each additional class over five is 1,000 roubles. The official fee for substantive examination of a trademark application (in one class) is 11,500 roubles. The official fee for substantive examination of a trademark application in each additional class over one is 2,500 roubles.

The official fee for registration of a trademark is 16,000 roubles. The official fee for registration of a trademark in each additional class over five is 1,000 roubles.

The official fee for issuance of the certificate is 2,000 roubles, independent of the number of classes.

Discounted official fees are available in case of electronic filing.

Foreign applicants (with some exceptions) are not allowed to file applications with the RPTO directly and must engage a registered Russian trademark attorney. Thus the total registration costs would depend on the attorney's fees for matters of this kind.

## 5 Classification system

**What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?**

When filing an application to register a trademark it is necessary to state the list of goods and services for which the trademark protection is sought. The goods and services are to be identified using precise and clear-cut wordings reflecting their nature. The wordings must be classified using the Nice Classification requirements, depending on the nature of goods and services and their purpose. Several classes can be claimed in one trademark application or additional classes added during the examination of the application. The goods applied for can be transferred to new classes provided such changes to the list and reclassification do not widen the scope of the protection that was initially requested. The possibility of filing multi-class applications allows filing costs to be saved.

In Russia, the scope of trademark protection is defined by the trademark name itself and the list of goods and services covered by the trademark. It should be kept in mind that in current Russian practice the class heading simply designates the fields to which the applied goods and services may relate in general and does not cover all the goods and services listed in a given class. When filing an application it is possible to claim the class heading, the list of specific goods or both the class heading and specific goods. The latter is the preferable option because it allows the applicant to obtain broader protection and to seek registration for those goods that are most important.

## 6 Examination procedure

**What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?**

The examination in Russia consists of formal and substantial stages. A formal examination of a trademark application is usually carried out within one month of the application being filed, or even faster. During the formal expert examination the presence of the necessary application documents and their compliance with established requirements is verified. According to the results of the formal examination, the application will either be accepted or refused for consideration.

The substantial examination stage is carried out to establish whether the claimed designation conforms to the registrability requirements. A trademark application may be rejected either on absolute or relative grounds, or on both absolute and relative grounds.

Absolute grounds are those that concern the substance of the mark itself, and include:

- lack of distinctiveness;
- risk of misleading and capability of confusing;
- confusing similarity to or identity with state symbols and marks;
- reproduction of full or abbreviated names of international or inter-governmental organisations or their symbols;
- and reproduction of the official names or images of the most valuable objects of Russia's and worldwide cultural heritage.

The relative grounds for refusal include:

- identity or similarity to the extent of confusion with prior trademarks (both registrations or applications) owned by third parties in relation to similar goods or services;
- identity or similarity to the extent of confusion with well-known marks; and
- identity or similarity to the extent of confusion with third parties' industrial designs, appellations of origin, company names or commercial designations.

A trademark may also be refused protection if it incorporates protected means of individualisation of other persons (and confusingly similar signs) as well as copyrighted objects owned by third parties, names, pseudonyms (or derivatives thereof), pictures, facsimiles of famous

persons or industrial designs owned by third parties as elements of the trademark.

Before taking a decision on the results of the examination of an application, notification of the result is sent to the applicant with a proposal to the applicant to provide arguments concerning the reasons mentioned in the notification. The applicant's arguments shall be taken into account when a decision is taken on the results of the examination if they are submitted within six months after the dispatch of the said notification to the applicant.

The substantial examination is followed by the examiner's decision, which may be in the form of a registration decision in full, a registration decision for some of the applied goods (and consequently, refusal for the rest of the goods) or a refusal decision affecting all the applied goods.

A registration decision for all the applied goods necessitates payment of the registration fee to have the mark registered. If the mark has been partially accepted for registration there are then two options for the applicant: either to pay the registration fee to have the mark registered for the accepted goods or to appeal against this decision with the Chamber of Patent Disputes (a division of the RPTO). An appeal against the rejection may be filed with the RPTO within four months of the date of dispatch of the decision to the applicant. The decision that results from consideration of the appeal at the Chamber of Patent Disputes may be further disputed with the Intellectual Property Rights (IPR) Court.

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

Unlike many other jurisdictions there is no need in Russia to file a declaration of use or intention to use along with filing an application.

Foreign registrations are not granted any right of priority over domestic applicants, but applicants residing in the member states of the Paris Convention enjoy the right to file applications based on conventional priority. The priority of a trademark may be established by the filing date of the first trademark application in a member state of the Paris Convention for the Protection of Industrial Property (Convention priority) if the trademark application is filed with the RPTO within six months of the said date.

Moreover, it is possible to claim the priority of a trademark placed on exhibits of the official or officially recognised international exhibitions organised on the territory of a member state of the Paris Convention if the trademark application is filed with the RPTO within six months after the said date.

The priority of a trademark may also be established by the date of its international registration in accordance with the international treaties of the Russian Federation.

Article 1,486 of the Civil Code implicitly provides for mandatory use of a registered trademark as a condition of keeping the right for such a trademark, even though the Code does not directly point out that an owner of a trademark must use the trademark. The legal protection of a trademark may be terminated in respect of all the goods and services or part of the goods and services for which the trademark has been registered due to continuous non-use for any three years after its state registration. A lawsuit for early termination of the legal protection of a trademark due to its non-use may be filed with the IPR Court by an interested person upon the expiry of the said three years, provided that a pretrial procedure is observed. Further to the requirements of the law, it is mandatory for a claimant to send a pretrial proposal to the rights holder asking him or her to either voluntarily abandon the trademark or assign the same with respect to all or part of the goods or services to the claimant before filing a non-use cancellation action. If the rights holder does not comply with this demand (ie, neither abandons the trademark nor assigns it to the claimant) within two months starting from the date the proposal was made, a non-use cancellation action can be filed with the IPR Court within 30 days from the expiry date of the two-month term. If a non-use cancellation action is not filed within

the prescribed term, a new pretrial proposal can be made three months after the previous pretrial proposal was made.

## 8 Appealing a denied application

### Is there an appeal process if the application is denied?

There is an administrative appeal process if an application is denied. The Civil Code foresees the possibility of appealing against a rejection with the Chamber of Patent Disputes, which is a division of the RPTO. An appeal may be filed within four months of the date of dispatch of the decision to the applicant. The RPTO's decision resulting from consideration of the appeal at the Chamber of Patent Disputes may be further disputed in the IPR Court. The appeal deadline may be missed and reinstated within six months provided the reasons for missing the deadline are explained by the applicant.

## 9 Third-party opposition

### Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?

The Civil Code provides that:

- the RPTO should publish information on the filed trademark applications;
- third persons have the right to review all trademark documents on file and not only those comprising the original trademark application's filing; and
- third persons have the right to submit to the RPTO their observations against pending trademark applications before official action is taken. Such written observations may be taken into account by the examiner during the examination, but this 'quasi' opposition process is not competitive.

Russian legislation foresees another instrument for raising objections against a trademark. Within five years after information on registration is published in the official bulletin of the RPTO (after a trademark is registered), the owners of the prior trademark rights have an opportunity to file an invalidation action against the trademark registration with the RPTO. In the event of such action, the trademark owner is notified accordingly and both parties are invited for consideration of the matter at the hearing. As a result of this consideration the RPTO makes a decision on the matter (rejecting the invalidation action and leaving the trademark in force, invalidating the mark in full or partially invalidating the mark).

An invalidation action or a cancellation action against a trademark registration on other grounds foreseen by the legislation may be filed during the entire term of trademark validity.

## 10 Duration and maintenance of registration

### How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?

A trademark registration remains in force for 10 years from the date of filing the trademark application. It may be renewed every 10 years without any limitations on the number of renewals. No evidence of use is required for maintenance of a trademark registration.

## 11 The benefits of registration

### What are the benefits of registration?

As Russia is a first-to-register jurisdiction, trademark registration is of the utmost importance for its owner and enables the registrant to enforce the trademark. In addition, trademark registration makes it possible to record the same in the IP Customs Register, thus preventing unauthorised imports of branded goods into Russia.

## 12 Licences

### May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?

Under Russian law the granting of the right to use a trademark under the licence agreement must be recorded at the RPTO. Without such registration the licence is not considered granted and the parties cannot refer to the licence in relations with third parties. The registration can be done through filing the licence agreement or excerpt from the same with the RPTO, or by filing a notification form ('statement of licence') that must be signed by the parties as a separate document containing a minimal piece of information, including the names of the parties, the type of licence (exclusive, non-exclusive or sub-licence) and the subject of the licence, along with the number of the trademark certificate. No financial or other sensitive confidential contractual data must be disclosed in such a notification.

## 13 Assignment

### What can be assigned?

A trademark can be assigned with respect to all or some of the goods and services for which it has been registered. Partial assignment is allowed provided it will not mislead (it is not possible to assign a trademark for some of the goods or services while similar goods or services remain owned by the assignor). Partial assignment of a pending trademark application is not allowed. No assignment of goodwill or other business agreements is required to make the assignment transaction valid.

## 14 Assignment documentation

### What documents are required for assignment and what form must they take?

In order to register an assignment the following documents are generally required:

- the original assignment deed, or notarised excerpt therefrom, containing all essential elements set out by Russian law;
- the Russian translation of the agreement or excerpt, if these documents are not bilingual; and
- the power of attorney from either of the contractual parties (notarisation or legalisation is not necessary).

Importantly, instead of the above-referenced documents (agreement or excerpt), it is possible to submit the notification form (that is, the statement of licence or pledge), which must be signed by the parties as a separate document and contain the following information:

- type of deed (assignment);
- parties (assignor and assignee); and
- subject of the assignment with the number of the trademark certificate.

No financial or other sensitive confidential contractual data must be disclosed.

## 15 Validity of assignment

### Must the assignment be recorded for purposes of its validity?

The assignment must be recorded at the RPTO to be valid in Russia.

## 16 Security interests

### Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?

Security interests are recognised in Russia and are enforceable subject to their being recorded at the RPTO. No notarisation is required for the purpose of the record and simple signing by the authorised representatives of the parties (such as the CEO) is sufficient.



**17 Markings**

**What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?**

Under article 1,485 of the Russian Civil Code the trademark owner, when giving notice of his or her exclusive right to a trademark, shall have the right to use the symbol of protection, which shall be placed alongside the trademark and consist of the Latin letter 'R', or the Latin letter R in a circle ®, or the verbal indication 'trademark' or 'registered trademark', which shall indicate that the sign used is the registered trademark protected in the territory of the Russian Federation.

Hence, the owner of a trademark is allowed to use the precautionary trademark marking. However, the trademark owner is not prevented from omitting such marking. Should the owner be interested in notifying the public that his or her sign is registered as the trademark he or she may use the symbol stated above. Note that Russian legislation does not contain any provisions with respect to the use of the ™ sign.

The use of a precautionary marking with respect to unregistered or pending designations is not allowed and may entail criminal liability.

**18 Trademark enforcement proceedings**

**What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?**

The measures listed below are those that can be undertaken against an alleged infringer in Russian law.

A cease-and-desist letter may be sent (in commercial courts this is optional for non-material claims, but mandatory for material claims such as compensation or damages).

A civil route of action is the most commonly used option by rights holders, since it allows them to claim the following, but it usually takes four to six months to obtain a decision in the first instance:

- cessation of trademark infringement;
- recovery of losses (damages) or payment of a statutory compensation;
- publication of the court's decision with the aim of restoring goodwill of the injured party; or
- removal from the goods or packaging of the illegally used trademark or sign confusingly similar to it, or destruction of the counterfeited goods, labels or packages at the expense of the infringer.

**Criminal proceedings**

In accordance with the Criminal Code, the illegal use of a trademark shall entail criminal liability for the infringer only if it was committed repeatedly or caused damage in excess of 250,000 roubles. The total duration of criminal proceedings is usually about one to two years.

**Administrative proceedings**

Administrative proceedings start from the filing of a petition with the police. Based on the petition the police conduct a raid on the infringer's premises (offices, warehouses, shops) and seize all the counterfeit goods discovered therein. As soon as the police have all the evidence of the infringement they issue an administrative violation report and send all the materials of the case to the court. There a final decision is made, according to which the court may refuse to satisfy the application of the police or hold the infringer to administrative responsibility, which includes imposing a fine and confiscating all the seized goods for their subsequent destruction. Usually this procedure takes three to four months.

**Special administrative procedure**

Trademark infringement is an instance of unfair competition. The Russian Antimonopoly Service (RAS) is empowered to consider disputes related to unfair competition through a special administrative procedure. This procedure starts on the basis of an application filed by the trademark holder and terminates with the decision taken by the

RAS. The latter may be appealed with the commercial court. The procedure lasts about four to nine months.

**Border protection**

A trademark can be recorded in the special IP Customs Register to prevent unauthorised importation of the branded goods into Russia. Where the trademarks are entered into the Customs Register the customs authorities monitor every consignment of the goods marked with the trademarks in question, and if they discover unauthorised importation they detain the goods (the term for detaining is 10+10 days) and inform the rights holder. Upon examination, in a case of counterfeit goods the rights holder may, within the term of detention (20 days) initiate administrative, civil or criminal proceedings in order to bring the infringer to responsibility. Including the trademarks in the Russian Customs Register may be a wise precautionary measure to avoid penetration of counterfeit products into Russia.

**19 Procedural format and timing**

**What is the format of the infringement proceeding?**

Civil infringement proceedings start with collecting evidence by the rights holder, and drafting and sending a cease-and-desist letter if necessary. In commercial courts (handling disputes between companies and private entrepreneurs – most cases are handled by commercial courts) the cease-and-desist letter stage is optional for non-material claims (eg, cessation of infringement, prohibition on the use of IP subject matter or confiscation of the infringing products and equipment used for manufacturing such products). However, since 12 July 2017 it has become mandatory to send a cease-and-desist letter for material claims (damages or compensation) 30 days before filing a civil action with the court. It should be noted that the mentioned pretrial order is not applicable to cases handled by common courts (handling disputes in which individuals are involved).

No discovery proceedings are provided by Russian law and the parties must secure evidence themselves. The decision on the case is issued by a court on the basis of evidence submitted by the parties. In cases where issues require special knowledge, an independent expert may be ordered by the court. Live testimony is allowed, but not commonly used, as judges prefer to rely on material evidence and written submissions. The civil proceedings typically take four to six months to obtain a decision from the initial court.

Russian law also provides an administrative and criminal enforcement mechanism that starts from filing a complaint with the police (or public prosecutor). During the proceedings an independent expert may be called by the police investigator. The final decision on the administrative or criminal case is issued by a court. The administrative procedure usually takes about three to four months, whereas the criminal procedure takes about one to two years.

Unfair competition actions are also available and cases such as illegal use of IP, false advertising, imitation of the products, copycats and so on are handled by the Antimonopoly Authority. It usually takes about three to four months to obtain a decision in an unfair competition case.

**20 Burden of proof**

**What is the burden of proof to establish infringement or dilution?**

Under Russian law, each party to the dispute must prove their statements and legal arguments by the use of relevant evidence.

**21 Standing**

**Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?**

The trademark owner or his or her registered exclusive licensee shall be entitled to sue for trademark infringement only. Administrative or criminal proceedings may be initiated on the basis of a complaint filed by any person or on the basis of information received by the police (or public prosecutor) themselves. In such cases the trademark owner can be involved as an injured party.

## 22 Foreign activities

### Can activities that take place outside the country of registration support a charge of infringement or dilution?

Russian law enforcement authorities can deal with infringements committed within the territory of the Russian Federation only. However, the existing border protection mechanisms, such as the IP Customs Register, allow for prevention of the unauthorised importation of goods into Russia. Note that there is also the Eurasian Economic Union (EAEU) between Russia, Kazakhstan, Belarus, Armenia and Kyrgyzstan, within which no customs borders exist and the goods may flow from one country of the Union to another without customs control. With this in mind, registration (obtaining a legal protection) of the trademark and its recording in the local IP Customs Registers is advisable.

## 23 Discovery

### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

Russian law does not provide discovery proceedings and the parties to the dispute should collect evidence themselves. In the meantime, a person participating in the case and lacking the opportunity to obtain the necessary evidence from the person possessing it may file a motion for the court to order the presentation of this evidence. The evidence must be specified in the motion along with the circumstances significant to the case, which may be established by this evidence, as well as the reasons impeding the obtainment of the evidence, and its location. If the motion is satisfied, the court orders the person possessing the appropriate evidence to present it.

## 24 Timing

### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

Russian law provides for two types of security measures: preliminary and interim. A motion for preliminary injunctions can be filed before filing the lawsuit. In this case the judge must consider the motion, and if the security measures are granted the plaintiff is granted a term not exceeding 15 days in which to file the lawsuit. A motion for an interim injunction can be filed along with the lawsuit or at any stage of the court proceedings before the judgment is issued. A motion for security measures must be considered by the court no later than the next day from the filing date.

If a pretrial order is envisaged by the law as a mandatory stage (eg, for material claims such as damages or compensation), the court shall give the plaintiff up to 15 days to send a cease-and-desist letter to the opposite party and up to five days to file a lawsuit upon expiry of the term for pretrial procedures (in particular, 30 days for material claims in IP disputes).

The typical time frame for civil litigation is four to six months for the decision of the first-instance court to be issued. The decision enters into force in a month if no appeal is filed. The resolution of the Court of Appeals enters into force as of the date it is issued in writing and may be appealed to the IPR Court within two months. The resolution of the IPR Court can be appealed to the Economic Collegium of the Supreme Court within two months and its judicial act can be further appealed within three months. The last instance is the Presidium of the Supreme Court.

## 25 Litigation costs

### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

The typical cost range for handling a trademark infringement case in the first instance court is about US\$20,000 to US\$25,000. This amount may vary, however, depending on the complexity of the case. The costs for handling the case at the appeal instances could be within the range of US\$7,000 to US\$15,000 per appeal instance.

## 26 Appeals

### What avenues of appeal are available?

The decision of the first instance court can be appealed to the Court of Appeals. The resolution of the Court of Appeals can be appealed to the IPR Court. The resolution of the IPR Court can be appealed to the Economic Collegium of the Supreme Court of the Russian Federation. The resolution of the Economic Collegium of the Supreme Court of the Russian Federation can be appealed to the Presidium of the Supreme Court of the Russian Federation.

## 27 Defences

### What defences are available to a charge of infringement or dilution, or any related action?

The defendant may try to prove the absence of the infringement (such as challenging the evidence) or initiate an invalidation action against the trademark. Note, however, that an invalidation action is considered by the administrative authority (the RPTO) and this is not grounds for the court to postpone or suspend the infringement proceedings. Both trademark infringement litigation and invalidation cases will be independent of each other. Also, the defendant may initiate an unfair competition action claiming that obtaining a trademark registration and suing for an infringement are acts of unfair competition (such as in the case of a trademark being registered by a distributor or other third party preventing the producer of genuine goods from distributing the goods on the Russian market). Finally, the defendant may claim an abuse of rights on the part of the trademark owner, which is legal ground for the court to dismiss the infringement action (such as in cases where the trademark owner does not use the trademark and the only purpose of filing the lawsuit is to inflict harm on the competitor).

Of course, the defendant can also file a non-use cancellation action with the IPR Court. However, in cases of cancellation of the trademark the legal protection shall be terminated from the date that the decision enters into force and shall not release the defendant from monetary claims (damages or statutory compensation).

## 28 Remedies

### What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?

Russian law provides for two types of security measure: preliminary and interim. The motion for preliminary injunctions can be filed before filing the lawsuit. In this case the judge must consider the motion, and if granting the security measures must give to the plaintiff a term not exceeding 15 days for filing the lawsuit. The motion for interim injunctions can be filed along with the lawsuit or at any stage of the court proceedings before the judgement is issued. The motion for security measures must be considered by a court no later than the next day from the filing date.

The court grants the security measures if the following conditions are observed:

- if failure to take these measures may impede or make the enforcement of a judicial act impossible, and likewise if the enforcement of a judicial act is expected to take place outside of the Russian Federation;
- the security measures are required for the purpose of preventing the infliction of extensive damages to the applicant;
- the claims for security measures do not repeat the claims stated in the lawsuit; or
- the claims for security measures are adequate to the claims stated in the lawsuit.

According to Russian law, the trademark owner shall be entitled to claim:

- cessation of trademark infringement (permanent injunction);
- recovery of losses (damages) or payment of statutory compensation: within the range of 10,000 to 5 million roubles (determined by the court on the basis of evidence provided and circumstances of the case), or double the cost of counterfeit goods, or double the cost of a licence (royalties);

### Update and trends

In terms of trademark prosecution there is a strong tendency to transition to e-filing as well as to shortening the trademark applications examination term. As mentioned above, an accelerated procedure in respect of examination of trademark applications has recently been introduced.

In terms of trademark enforcement against parallel imports there is a new Resolution of the Constitutional Court of the Russian Federation, dated 13 February 2018, which will affect judicial practice with respect to this issue. In particular, the Constitutional Court confirmed the ban on parallel imports due to the existing regional principle of exhaustion of rights within the EAEU. This principle, however, should not be applied automatically without consideration of all the circumstances surrounding the case, including good faith of the trademark owner.

In particular, the Constitutional Court ruled that the trademark owner shall not be allowed to use his or her trademark rights abusively to restrict imports of some selected goods of public interest, such as drugs or life-support equipment, or to overprice goods in Russia in comparison with other countries. The court may raise the issue of good faith of the trademark owner, who may have to prove that his or her lawsuit is not an abuse of trademark rights, including the pricing policy for the Russian market, and that the ban on parallel imports will

not jeopardise the health and lives of people or pose a risk to the public interest.

While recognising the right of a trademark owner to prevent unauthorised importation of goods to Russia, the Constitutional Court ruled that the legal consequences for the same actions with respect to grey products and counterfeit goods should not be the same. In particular, the amount of compensation for parallel imports should be less than for the importation of fake goods. The courts are free to reduce the claimed amount of compensation at their own discretion, depending on the circumstances of the case and possible negative consequences for the trademark owner. In addition, the destruction of goods imported to Russia as a result of parallel imports shall be permitted only if they are of low quality or for reasons of security, safeguarding people's health and lives, protecting the environment and cultural values.

From a practical point of view, the decision of the Constitutional Court means that it has become more complicated to enforce trademark rights against parallel imports in Russia. Although it is still possible to claim a ban on importation of a particular consignment and statutory compensation, the court may not agree with the claim and dismiss the case.

- publication of the court's decision with the aim of restoring goodwill of the injured party; and
- removal from the goods or their packages of the illegally used trademark or sign confusingly similar to it, or destruction of the counterfeited goods, labels or packages at the expense of an infringer.

### Criminal liability

In the case of illegal use of a trademark or service mark, name of the place of origin of goods or similar designations for homogeneous goods, if this deed has been committed repeatedly or has caused substantial damage it shall be punishable by:

- a fine of 100,000 to 300,000 roubles, or the amount of the wage or salary, or any other income of the convicted person for up to two years;
- compulsory work for up to 480 hours;
- corrective labour work for up to two years;
- imprisonment for up to two years with a fine of up to 180,000 roubles; or
- a fine in the amount of a wage, salary or other income of the convicted person for up to six months.

The actions specified above, committed by a group of persons by previous concert or by an organised group shall be punishable by:

- a fine of 500,000 to 1 million roubles or the amount of the wage, salary or other income of the convicted person for three to five years;
- compulsory labour work for up to five years; or
- imprisonment for up to six years with a fine of up to 500,000 roubles or a fine in the amount of a wage, salary or other income of the convicted person for up to three years or without a fine.

### 29 ADR

#### Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?

In essence, commercial disputes are considered by state courts. However, Russian law provides a possibility to entrust the resolution of a dispute to a private arbitration tribunal or mediator if both parties agree to this. While the Law on Arbitration Courts in the Russian Federation regulates respective procedures and is indeed a good alternative to the state court, the main idea of the Law on Alternative Dispute Resolution with the Participation of an Intermediary (Mediation) is to keep people out of the courts and help them to solve the dispute without litigation. If the mediator fails to help the parties to find a solution the dispute may be solved by a state court or an arbitration tribunal. The decisions of both state courts and arbitration tribunals are obligatory for the parties and must be enforced. Where the party fails to enforce the decision the other party in whose favour the decision is issued shall be entitled to file an application with the Bailiff Service to force the enforcement of the judicial act.

### 30 Famous foreign trademarks

#### Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?

In Russia a trademark can enjoy protection as a well-known mark that may not necessarily be a registered designation. Russian legislation foresees the procedure of recognition of a well-known trademark.

As well as the usual trademark filing procedures through the RPTO or through the Madrid Agreement/Protocol registration, legal protection for a well-known trademark can also be obtained through a special recognition procedure. In Russia, unlike in many other countries, a trademark is not granted well-known status as a result of court proceedings or litigation. According to Russian trademark legislation, in order for a trademark to be recognised as well known, the appropriate request should be filed with the RPTO.

A well-known trademark shall be granted the same legal protection as is provided for an ordinary trademark. Nonetheless, a well-known trademark provides its owner with certain important advantages:

- the legal protection of a well-known trademark is not time-limited;
- protection extends to goods or services of a different kind from those for which it is recognised as well known, if use of the mark by another person is likely to be associated by consumers with the owner of the well-known trademark and may impair its lawful interests;
- protection of a well-known mark may start at the period that predates the filing date of the respective request to recognise the trademark as well known; and
- the commercial value of a well-known trademark is higher than that of an ordinary trademark.

The well-known status should be evidenced by numerous documents and materials confirming the intensive use of the mark and its reputation among consumers in association with the goods or services for which it is requested to be recognised as well known, and in association with the trademark owner. In seeking to have its trademark recognised as well known, the applicant should indicate the goods or services for which the mark has become well known, and the date from which the trademark became well known.

Along with a petition for the recognition of a well-known trademark, the following information may be submitted:

- the results of a consumer survey regarding the goods at issue, revealing consumer knowledge of the trademark and performed by a specialist organisation;
- examples of intensive use of the trademark, especially in Russia;
- a list of countries where the trademark has acquired a well-known reputation;
- examples of advertising costs incurred relating to the trademark and examples of advertising;

- details of the value of the trademark;
- publications in Russian periodicals; and
- documents containing information about supplies of goods to Russia etc.

It is not compulsory to submit all of the above-listed evidence. Trademark legislation does not contain a list of obligatory documents that must be submitted along with a petition for the recognition of a trademark as well known.

Practice shows that it is recommended that evidence of use of the trademark in Russia be submitted in support of the petition recognising a trademark as well known. Special attention should be paid to the opinion poll results. Such polls must be carried out in at least six of Russia's largest cities, including Moscow and St Petersburg. Other cities may be chosen by the applicant, depending on the sphere of activity and the regions of trademark use.

Determining the date from when the trademark became well known is also crucial, and careful review of all available materials is required. The date from which the trademark became well known should be indicated precisely.

The RPTO takes a strict approach towards petitions to recognise marks as well known, and these are denied quite often. The main difficulty encountered during proceedings is demonstrating that consumers have a strong association between the trademark and the goods or services for which the trademark is used, and with the trademark owner. Often consumers recognise the trademark, but have little knowledge about its owner. Formally a trademark may belong to an IP-rights holding company, the name of which is not known to consumers. Furthermore, if the date from which the applicant would like to have its trademark recognised as well known refers to a period in the past, the supporting evidence should predate the date mentioned in the request.

As of June 2018 there are 195 well-known trademarks published in Russia, including Nike, Coca-Cola, Disney, Tiffany, Intel, Gallup Institute, adidas, Gillette, Nikon, Elle, Heinz, Casio, Red Bull, Marlboro, Nissan, Pepsi, Braun and CAT.

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# Saint Lucia

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## 1 Ownership of marks

### Who may apply?

A person or legal entity may apply if that person is the owner of the trademark, is using or intends to use the trademark.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

The following may be registered as trademarks in Saint Lucia: letters, words, names, signatures, numerals, devices, brands, headings, labels, tickets, aspects of packaging, shapes, colours and any combination of these. No clear distinction is made in the Trademarks Act in respect of service marks. Service marks are considered trademarks associated with services and are registered in the same manner as trademarks for goods. Non-traditional marks such as sounds and smells cannot be registered in Saint Lucia, as the law does not provide for their protection.

## 3 Common law trademarks

### Can trademark rights be established without registration?

Trademark rights may be established without registration and said rights are protected under the common law tort of 'passing off'. Passing-off claims are costly, consequent on the volume of evidence necessary to support a passing off claim.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

A trademark registration takes approximately six months from application to registration. The total cost of registering a trademark in a single prescribed class is US\$1,530.00, inclusive of Agent and Official Fees. The fee would increase if the application is in respect of more than one prescribed class and if the mark is a combined mark or a logo, as the publication costs are increased in such cases.

An authorisation of agent is a requirement of the trademark registration process and must be filed within six months of making the application. The cost of the authorisation of agent is captured in the total cost of registration of the trademark.

## 5 Classification system

### What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?

The classification system followed in Saint Lucia is the Nice Classification, as Saint Lucia is a party to the Nice Agreement and is obligated to adopt and apply the said classification for the purpose of

registration of trademarks. Multi-class applications are available and there is an approximate 50 per cent saving on each additional class registered.

## 6 Examination procedure

### What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?

The Registrar carries out a substantive examination and issues a report if he or she believes there are grounds for rejecting an application. The Registrar examines the representation of the trademark to ensure that it meets the criteria for distinctiveness as well as the specification of goods or services to ensure that they accord with the Nice Classification. Applications are also examined for potential conflicts with other trademarks. The letter of consent is not specified in the Trademarks Act of Saint Lucia; however, it has been used in the review of trademark applications after rejection if the parties indicate that the owners of the respective trademarks are affiliated entities.

If in the course of an examination of an application the Registrar reasonably believes that the application has not been made in accordance with the Act or the Regulations, or there are grounds for rejecting the said application, the Registrar must report that belief in writing to the applicant. Applicants are given the opportunity to respond to objections raised by the trademark office. The response may contest the Registrar's belief expressed in the report; contest any other matter arising out of the report; provide further documentary evidence in support of the application; or request that the application be amended in accordance with the Act.

## 7 Use of a trademark and registration

### Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?

Foreign applicants may claim priority rights when making an application for registration of a trademark in Saint Lucia should the same application have been filed in one or more than one Convention country and provided that the Saint Lucia application is made within six months after the day on which that application, or the first of those applications, was made.

The applicant must file notice of the claim, which notice must specify in respect of the earlier application or, if there is more than one earlier application in respect of each earlier application, the Convention country in which the earlier application was filed, the date on which the earlier application was filed and the number (if applicable) of that earlier application. The claim for priority should be made when filing the application, although the certified copy of the application of which

priority is claimed can be furnished to the Registrar within six months of making the application.

## 8 **Appealing a denied application**

### **Is there an appeal process if the application is denied?**

The nature of the objection and the stage at which the objection is raised dictates how an appeal will proceed. Should the objection of the Registrar be raised at the examination stage and relate to the specification of goods and services or a clerical error or obvious mistake, the applicant will be granted the opportunity via a further application to convince the Registrar otherwise or to effect amendments or corrections to the application at that stage.

The applicant may also appeal to the High Court against any decision of the Registrar that leads to the subsequent rejection of an application.

## 9 **Third-party opposition**

### **Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

Any person may oppose the registration of a trademark by filing a notice of opposition with the Registrar within three months from the day on which the acceptance of the application is published in the Official Gazette.

The Trademarks Act of Saint Lucia prescribes the grounds on which an opposition may be made, which grounds are similar to the grounds on which the Registrar may reject an application under the Act, except on the ground that the trademark cannot be represented graphically. Registration of a trademark may be opposed on the following grounds:

- the applicant is not the owner of the trademark;
- the applicant does not intend to use or authorise the use of the trademark, or to assign the trademark to a body corporate;
- the opponent claims earlier use of a similar or identical trademark;
- the trademark is substantially identical with or deceptively similar to a trademark that has acquired a reputation in Saint Lucia and because of the said reputation of the other trademark the use of the first-mentioned trademark would be likely to deceive or cause confusion;
- the trademark consists of a false geographical indication;
- the application was amended contrary to the Act;
- the application contains certain signs prescribed by the Act not to be used as a trademark;
- the trademark does not distinguish the applicant's goods or services;
- the trademark is scandalous or its use contrary to law; or
- the trademark is likely to deceive or cause confusion.

The opponent must file with the registrar the notice of opposition, which must outline the grounds for the opposition. The opponent must also serve a copy of the notice of opposition on the applicant and file a statement setting out the particulars of service on the applicant within two days after service of the notice. An extension of time to file a notice of opposition may be sought from the Registrar. If the opponent intends to rely on evidence in support of the opposition, the opponent must serve a copy of the evidence within three months from the day on which the notice of opposition is filed.

Likewise, if the opponent does not intend to rely on evidence in support of the notice of opposition, he or she must, within three months from the day on which the notice of opposition is filed, serve on the applicant notice that the opponent does not intend to rely on evidence. If the opponent does not file evidence in support of the notice of opposition, or notice that he or she will not rely on evidence, or apply for extension of time, the opponent is deemed to have abandoned his or her opposition.

If the applicant intends to rely on evidence in answer to the opposition, the same procedure applies with respect to the time frame for

servicing a copy of the evidence in answer. The applicant must also file the original evidence with the Registrar within two days after serving a copy on the opponent. If the applicant does not intend to rely on evidence in answer to the opposition, the same procedure applies with regard to serving a copy of a notice that he or she does not intend to rely on evidence in answer. If the applicant does not file evidence in answer, or the notice that he or she will not rely on evidence in answer or, apply for an extension of time to do so, he or she is deemed to have abandoned his application. If the opponent intends to rely on evidence in reply to the evidence in answer to the opposition, the same procedure applies as stated above.

Upon completion of the evidence, the applicant or opponent may ask the Registrar to hear the parties to the opposition proceedings and the Registrar shall honour the request. Unless the proceedings are discontinued or dismissed, the Registrar shall decide to refuse to register the trademark or to register the trademark with or without conditions or limitations. An applicant or opponent may appeal to the High Court against a decision of the Registrar. No restrictions exist as regards who may oppose a trademark.

The cost of filing a notice of opposition is approximately US\$1,000 and the cost of filing cancellation of proceedings is approximately US\$400 (both inclusive of agent and official fees).

## 10 **Duration and maintenance of registration**

### **How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

The trademark registration remains in effect for 10 years from the date of filing the application and may be renewed for further 10-year periods. A person may request the Registrar to renew the registration of a trademark six months prior to the day on which the registration of the trademark expires. If a request for the renewal of the registration is made the Registrar shall renew the registration for a period of 10 years from the day on which the registration of the trademark would expire if it were not renewed. The cost of filing a renewal of a trademark is approximately \$US1,250 per single class, inclusive of the cost of the certificate of renewal.

Proof of use is not required for maintenance unless the trademark registration is challenged.

## 11 **The benefits of registration**

### **What are the benefits of registration?**

A registered trademark is personal property and is conclusive evidence of the ownership of the trademark. The registered owner of a trademark has the exclusive right to use the trademark and to authorise others to use the trademark in relation to the goods and services particularised in the registration. Trademark registration deters potential infringers and makes it easier to obtain relief against infringers, as the Trademarks Act provides wider protection to the registered owner compared with the common law remedy of passing off. For example, the Trademarks Act provides for the registered owner of a registered trademark to give to the Comptroller of Customs a notice objecting to the importation (after the date of the notice) of goods that infringe the trademark, which notice remains in force for two years from the day on which the notice is given unless it is revoked before the end of that period by notice in writing given to the Comptroller. The owner of a registered trademark would not need to show use of the trademark, reputation or goodwill should there arise an infringement of the mark, as in an action for passing off.

## 12 **Licences**

### **May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

Licences are not expressly dealt with under the Act. However, they would be deemed an interest in or a right in respect of a trademark and would be dealt with in the same manner as would security interests discussed in question 16. Under the Act a person who claims an interest in and to rights in respect of a trademark may by application in the prescribed form record the particulars of the claim with the Registrar. The

Act places no obligation on the Registrar to take any action in respect of notifying third parties of any claims, duly recorded, to an interest in a trademark.

The licensee for the purposes of the Act is an 'authorised user of a trademark' and may take certain actions in respect of the registered trademark should the registered owner fail in his or her obligation to do so. Unless and until the licensee records his or her interest in the trademark with the Registrar, the benefits afforded under the Act (eg, asking the registered owner to give notice of objection to importation of goods that infringe the trademark to the Comptroller of Customs or alternatively to give the requisite notice in the event the registered owner fails so to do) cannot be realised.

### 13 Assignment

#### What can be assigned?

Registered trademarks can be assigned with or without goodwill.

Under the Act, an assignment can be partial in that it may apply to only some of the goods and services under the trademark. However, the assignment may not be partial in relation to the use of a trademark in a particular area. There is no requirement under the law that other assets need to be assigned as part of the trademark assignment to validate the transaction.

A collective trademark cannot be assigned.

A certification trademark can only be assigned with the consent of the Registrar.

### 14 Assignment documentation

#### What documents are required for assignment and what form must they take?

The documents required for assignment are:

- a document that establishes the title to a trademark of the assignee, or evidence of the assignment of a registered certification mark; and
- an Application for Recordal of Assignment or Transmission of Trademark pursuant to the Trade Marks Regulations.

The document evidencing the assignment must be an original or notarised copy.

### 15 Validity of assignment

#### Must the assignment be recorded for purposes of its validity?

Pursuant to the Trade Marks Act, if a registered trademark is assigned the person registered as the owner of the trademark or the person to whom the trademark has been assigned shall apply to the registrar for a record of the assignment to be entered in the Register. If the said application complies with the Act the Register shall:

- enter the particulars of the assignment in the Register;
- register the person to whom the trademark has been assigned as the owner of the trademark in relation to the goods and services or both in respect of which the assignment has effect; and
- publish notice of the recording of the assignment and the registration of the beneficiary as the owner of the trademark in the Gazette.

### 16 Security interests

#### Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?

The Act recognises the voluntary recording of claims to interests in and rights in respect of the trademark and provides for the recording in the Register of such claims that may not be recorded otherwise under the Act; and for the Registrar to keep a record thereof. Security interests would, for the purpose of the Act, fall under this general heading of interests in and rights in respect of trademarks.

If a person other than the registered owner of the trademark claims to have an interest in, or a right in respect of, a registered or unregistered trademark other than by an assignment or transmission of the said trademark; a joint written application must be made to the Registrar by the person claiming the interest and the registered owner of the trademark to have the particulars of the claim recorded. In the

case of a registered trademark the Registrar shall enter the particulars in the Register; in the case of an unregistered trademark the Registrar shall record in the manner that the Registrar thinks fit, but not in the Register.

Such interests being creatures of agreement or operation of law there is no requirement for notarisation imposed by the Act. The recordal of such interests is voluntary and the validity and enforceability of such interests are not contingent on them being recorded.

### 17 Markings

#### What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?

Markings are not mandatory in Saint Lucia and the Act does not prescribe words or symbols that can be used to indicate trademark use or registration. The word 'registered' is used by the IP Office (Saint Lucia) in the Trademark Register to indicate that a trademark is duly registered. The obvious benefit would be that the word, device or logo would be specifically identified as a trademark, and this could deter potential infringers.

### 18 Trademark enforcement proceedings

#### What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?

Apart from through opposition and cancellation proceedings, the Trade Marks Act protects registered trademark owners by providing for the Comptroller of Customs to effect seizure and deal with goods that are imported into Saint Lucia if the importation infringes, or appears to infringe, a trademark registered in Saint Lucia.

There are no specialised courts or tribunals in respect of trademarks in Saint Lucia. Consequently, legal proceedings regarding the enforcement of rights of a trademark owner must be commenced in either the civil or criminal courts. Civil proceedings must originate in the High Court and criminal proceedings in the magistrates' court or the High Court, depending on the size of the claim.

The Act specifies the various criminal offences that could arise in respect of trademarks and the various penalties that may be imposed once there is contravention of these sections of the Act.

### 19 Procedural format and timing

#### What is the format of the infringement proceeding?

Trademark infringement proceedings are commenced like any other civil action in the High Court (Civil) by filing and serving a claim form and a statement of claim. All other pleadings are filed and served based on a prescribed schedule. The defendant is required to file and serve a defence and any counter claim applicable. Once a defence is filed a case management hearing will be scheduled by the court. The matter could at this stage be referred to a court-appointed mediator (by consent of the parties). Should the parties not agree to mediate then trial directions will be given and the matter escalated to trial. The Case Management Order defines how disclosure will be made and outlines the timetable by which the parties will progress the trial. Evidence is given via written witness statements with cross-examination and re-examination of witnesses.

Expert witnesses are permitted with the leave of the court. Expert evidence is given via witness statement with cross-examination and re-examination.

Skeleton arguments must be provided to the judge prior to the trial and pursuant to the Case Management Order.

The case is heard by a single High Court Judge.

The time frame of the hearing depends on a number of variables, including the complexity of the matter, and can last from one day to three days.

All criminal offences under the Act would be enforced by the Director of Public Prosecution, and would in the first instance be heard

in the magistrates' court. A decision of the magistrate may be appealed to the High Court.

## 20 Burden of proof

### What is the burden of proof to establish infringement or dilution?

The burden of proof in a civil action is on the balance of probabilities, and in a criminal action beyond a reasonable doubt.

## 21 Standing

### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

A registered owner of a trademark has the exclusive right to obtain relief if the trademark has been infringed. If a trademark is registered in the name of two or more persons as joint owners of the trademark, the rights granted to those persons are to be exercised by them as if they were the rights of a single person.

An authorised user of a registered trademark may also bring an action for infringement of the trademark (subject to any agreement with the trademark owner) if the registered owner refuses or neglects to bring an action within the prescribed period.

The Act does not specify who may bring a criminal complaint; however, a registered owner or authorised user or an agent of an affected party would have standing to lodge a criminal complaint.

## 22 Foreign activities

### Can activities that take place outside the country of registration support a charge of infringement or dilution?

Under the Act, activities occurring outside of Saint Lucia (being the country of registration of the trademark) can support a charge of infringement or dilution. The objective of this provision is to protect registered trademarks by allowing the Comptroller of Customs to seize and deal with goods manufactured outside of Saint Lucia that are imported into Saint Lucia if the importation infringes, or appears to infringe, a registered trademark.

The registered owner or an authorised user of the registered trademark may give to the Comptroller notice in a prescribed form objecting to the importation of goods that infringe the trademark. The Comptroller must seize such goods unless satisfied that there is no reasonable ground for believing that the notified trademark has been infringed by the importation of the goods. Should the objector not bring an action for infringement and give notice to the Comptroller within the prescribed period, the Comptroller is obligated to release the seized goods to the designated owner.

## 23 Discovery

### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

Disclosure of documents is always pursuant to an order of the court. The judge typically orders standard disclosure, but may in his or her discretion order specific or other disclosure. Privileged documents such as 'without prejudice' correspondence do not have to be produced.

## 24 Timing

### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

It is difficult to offer a typical time frame for litigating an infringement or dilution or related action as there are few if any such actions brought in Saint Lucia. The majority if not all such claims settle via mediation. Generally, the time period for litigation of civil claims in the High Court, from commencement of the claim to receipt of judgment in the matter, is approximately 12–18 months. The hearing of an appeal would conclude in a much shorter period: approximately three to six months.

## Update and trends

A Trademarks Law Review Committee was installed in May 2018 comprising practitioners of trademark law to see to the review of the Trade Marks Act Cap 13:30 of the Revised Laws of Saint Lucia 2013. Recommendations resulting from said review have been referred to the Legislative Drafting Department of the Attorney General's Chambers for further review and adoption. Amendments to the Trade Marks Act of Saint Lucia are, therefore, imminent.

## 25 Litigation costs

### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

The cost of litigating a claim for infringement or dilution of a trademark, including trial preparation, trial and appeal would be no different from the cost of litigating any civil suit and would be assessed pursuant to the Eastern Caribbean Supreme Court Civil Procedure Rules 2000, the overriding objective of which is to deal with cases in ways that are proportionate to the amount of money involved, the importance of the case and the complexity of the issues, among other things. Part 65 of the said rules as amended deals with the ways in which costs are to be quantified, specifies a scale of fixed and prescribed costs and outlines percentages to be allowed at various stages of any claim from filing to trial.

## 26 Appeals

### What avenues of appeal are available?

An appeal lies to the High Court against a judgment or order of a lower court exercising jurisdiction under the Trade Marks Act. Appeals to the Court of Appeal against a judgment or order of a single judge of the High Court can occur with the leave of the Court of Appeal. Correspondingly, with special leave of the High Court, an appeal lies to the High Court under the Act.

## 27 Defences

### What defences are available to a charge of infringement or dilution, or any related action?

There are a number of defences available to a charge of infringement or dilution of a registered trademark, including:

- the defendant used the trademark in good faith;
- the defendant used the trademark for comparative advertising;
- the defendant used a sign in good faith to indicate the kind, quality, quantity, intended purpose, value, geographical origin, or some other characteristic of the goods or services or the time of production of goods or of the rendering of services;
- the defendant used the trademark in good faith to indicate the intended purposes of the goods;
- the defendant exercised a right to use the trademark given to him under the Act;
- the court is of the opinion that the defendant would obtain registration of the trademark if he were to apply for it;
- the trademark has been applied to, or in relation to, goods by, or with the consent of, the trademark owner; or
- the defendant can show that he or she, or their predecessor in title, has continually used the trademark in relation to those goods or services from a time before the registration of the trademark or when the registered owner first used the trademark.

A person aggrieved by the threat of legal action for infringement of a registered trademark may also bring an action either in the High Court or in any other court having jurisdiction against the person making the threat to:

- obtain from the court a declaration that the defendant has no grounds for making the threat;
- obtain from the court an injunction restraining the defendant from continuing to make the threat; or
- recover any damages that the defendant has sustained because of the defendant's conduct.



Groundless threats of legal proceedings in respect of infringement of registered trademarks should be avoided.

## 28 Remedies

**What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?**

The relief available to a successful party in an action for infringement of a registered trademark includes the grant of an injunction, which may be awarded subject to any condition that the court thinks fit; delivering up or destruction of the infringing goods, at the option of the claimant; or damages or an account of profits and payment of legal costs.

Criminal remedies are available in respect of falsifying a registered trademark; falsely applying a registered trademark; manufacture and possession of a die for use in the commission of an offence in respect of a registered trademark; selling goods with false marks; making false representations regarding trademarks; making or causing a false entry to be made in the Register; disobeying a summons; refusing to give evidence; and acting in a trademark matter without due authority. A person who commits any of the above-mentioned offences is liable upon summary conviction to fines ranging from 250 East Caribbean dollars to 250,000 East Caribbean dollars.

## 29 ADR

**Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?**

Mediation and arbitration (to a lesser extent) are both available to aggrieved parties to attempt resolution of their disputes by assisted negotiations outside of the more formal setting of the court.

Arbitration becomes operational in the event of a dispute if, by agreement, the parties have decided previously to pursue this medium.

There are several benefits to arbitration, including the specialised expertise of the arbitrator over that of a judge and potential time savings to the parties. The unavailability of trained arbitrators in Saint Lucia means that significant costs may be incurred by the parties to secure the services of an arbitrator, including travel and accommodation costs.

The courts in Saint Lucia favour settlement of disputes by mediation and there is a Court Connected Mediation Programme in place to assist in this regard. Mediation is usually recommended in the first instance by the court. A matter may, however, be referred to mediation only with the consent of the parties. The benefits to the parties of engaging in mediation are: a faster process, resulting in cost and time savings; an informal setting as compared to the court; and an opportunity for the parties to face each other and discuss their dispute in good faith with intent to settle. In Saint Lucia an agreement reached by mediation may be duly filed in the High Court, which decision is made an Order (by consent) of the court, thereby binding the parties.

The risk of using ADR techniques is that should the parties not reach agreement the matter must revert to the courts.

## 30 Famous foreign trademarks

**Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

If the famous trademark is not used or registered in Saint Lucia, the owner may nonetheless be able to pursue an infringement action under the common law tort of passing off. The owner will need to prove that the famous trademark is known to the Saint Lucia public and that there was an intention to deceive and or confuse and that he or she has suffered damage as a result of the said deception and confusion.



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# São Tomé and Príncipe

Patrícia Rodrigues

RCF – Protecting Innovation SA

## 1 Ownership of marks

### Who may apply?

Any person (individual, firm or corporate body) with a legitimate interest may apply for the registration of a mark.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

The law defines a trademark as any visible sign used to distinguish the products or services of one person from the products or services of another person. The following may be a mark: a surname, a geographical name, a ‘fancy’ word or fancy words, monograms, emblems, figures, digits, labels, combinations of colours, drawings, photographs, stamps and in general all material visible signs. Service marks may be registered.

The following are not registrable:

- marks containing false indications or being apt to deceive the public with regard to the nature, characteristics or utility of the products or services for which the mark is to be used;
- marks containing false indications as to the geographic, manufacturing plant, workshop or business origin of the goods or services concerned;
- insignia, flags, coats of arms, official seals adopted by the state, an international organisation or any other public body, whether national or foreign, without the consent of the competent authorities;
- firm names, business names or insignia not owned by the applicant for registration or for the use of which the applicant is not authorised;
- marks being an entire or partial reproduction or imitation of a mark previously registered in the name of another party for the same or similar goods or services if this may lead to confusion or error in the market;
- expressions and designs being contrary to good morals, law or public policy; and
- the name or portrait of a person without such person’s consent.

## 3 Common law trademarks

### Can trademark rights be established without registration?

Provisional protection is given to a trademark application. Total protection is given upon granting of the trademark registration. Thus, the trademark rights are not established without registration.

Only registration confers proprietary rights. The effect of registration, therefore, is attributive of ownership.

## 4 Registration time frame and cost

**How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?**

If no opposition is filed against the trademark application and if the application is filed with all the required documents, it usually takes eight months to obtain a trademark registration, plus another eight months to obtain the registration certificate.

The requirements for filing a trademark application in São Tomé and Príncipe are as follows:

- the applicant’s full name, nationality, occupation, address or place of business; and
- a list of products or services.

## 5 Classification system

**What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?**

The applicable classification is the 11th edition of the International Classification of Goods and Services under the Nice Agreement.

There is a multi-class registration system in São Tomé and Príncipe.

## 6 Examination procedure

**What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?**

If the opposition period lapses without any opposition having been filed or the opposition proceedings have been terminated, the application will be examined as to form, registrability per se and prior conflicting registrations. The filing of letters of consent is foreseen in the IP Law of São Tomé and Príncipe.

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

Any interested person may request from the Patent and Trademark Office (PTO) the cancellation of a trademark registration for a product or service for which it was registered, owing to the fact that the trademark was not used by the holder of a registration or by a licensee during an uninterrupted period of five years.

However, the trademark registration will not be cancelled if it is proved that its non-use was due to particular circumstances and that there was no intention to abandon or not use the products or services that the registration covers.

## 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

An appeal can be lodged at the court of first instance against the decision of the PTO. Any of the parties can appeal against the sentence to the court of second instance.

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

The IP Law of São Tomé and Príncipe foresees that the deadline to file an opposition against a trademark application is three months counted from the publication of the application in the Official Bulletin.

Cancellation of a trademark can be sought in the following circumstances:

- the person in whose name the registration of a mark was made was not entitled to acquire it;
- the registration concerns a mark that was not registrable;
- the grant of the registration infringes third-party rights based on priority or other legal title;
- the mark being the subject of the registration wholly or partly is an imitation, translation or reproduction of a mark that is well known in São Tomé and Príncipe and is used for the same or similar articles, and there is danger of confusion;
- the mark being the subject of the registration is graphically or phonetically identical or similar to an earlier mark being highly renowned in São Tomé and Príncipe, irrespective of the goods or services for which it is applied, if use of the later mark without due cause takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the earlier mark; or
- the grant of the registration infringed provisions requiring authorisation or consent, and this has not been given.

A brand owner that does not yet have its trademark protected in São Tomé and Príncipe cannot oppose a bad-faith application.

The costs associated with a third-party opposition or cancellation proceeding are given upon request.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

According to the new IP law of São Tomé and Príncipe, the duration of registration of a trademark is 10 years from the granting date. Marks are indefinitely renewable for further 10-year periods.

## 11 The benefits of registration

**What are the benefits of registration?**

Only registration confers exclusive rights to a mark.

Only registration confers proprietary rights. The effect of registration therefore is attributive of ownership.

Legal action against infringement of a trademark can be brought before the courts and it is possible to include claims for damages. The proceedings may be initiated by seizing the infringing goods at the customs houses if they are imported. Criminal penalties are set by the court (within the limits fixed in the Industrial Property Code), as is compensation for damages. An action for infringement may also be initiated by means of a complaint filed with the General Inspectorate of

Economic Activities requesting the preliminary seizure of the infringing goods, subject to the discretion of the public prosecutor, who may subsequently bring a criminal action against the infringer.

## 12 Licences

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

Any change in ownership of a mark must be in writing and registered in the application submitted to the director of industries. This change is only effective against third parties after registration.

However, a change in ownership of a trademark registration is not valid if it is likely to deceive or cause confusion, particularly with regard to the nature, origin, method of manufacture, adaptation, the characteristics of the product or the use intended, or the products or services for which the mark is intended to be used.

Any licence contract concerning the registration of a mark or a trademark application must provide effective control of the licensor on the quality of products or services for which the mark is used, otherwise it will not be considered valid.

## 13 Assignment

**What can be assigned?**

The property of a trademark can be totally or partially assigned. The assignment must be recorded in order to have an effect towards third parties. If recordal of the assignment is requested by the assignor, the assignee should also be a signatory of the assignment document, or should issue an express statement that he or she accepts the assignment.

## 14 Assignment documentation

**What documents are required for assignment and what form must they take?**

The requirement for registration of an assignment is a deed of assignment in Portuguese, signed by the assignor and the assignee and certified by a notary public.

## 15 Validity of assignment

**Must the assignment be recorded for purposes of its validity?**

The recordal of the assignment is required for it to be valid.

## 16 Security interests

**Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?**

Security interests are recognised and they must be certified by a notary public. They must be recorded for purposes of validity in São Tomé and Príncipe.

## 17 Markings

**What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?**

Marking is optional. Possible marking is 'Marca Registrada', MR or ®.

## 18 Trademark enforcement proceedings

**What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?**

The owner of a trademark can ask for its trademark rights to be enforced against an alleged infringer. The owner of a trademark can ask for enforcement of the rights of its trademark against an alleged

infringer. There are no specialised courts for this matter and there are no trademark enforcement proceedings established in the criminal law of São Tomé and Príncipe. However, the Civil Procedure Code is applicable.

### 19 Procedural format and timing

#### What is the format of the infringement proceeding?

Only registration confers exclusive rights to a mark.

The following acts, performed without the consent of the owner of a registered mark, are deemed to be infringements:

- use in the course of trade in São Tomé and Príncipe of any sign that is identical or confusingly similar to the registered mark for goods or services being identical or similar to those for which the mark is registered; and
- use in the course of trade in São Tomé and Príncipe of any sign that, owing to the identity or similarity of that sign and the mark or affinity between the goods or services, creates in the consumer's mind a risk of confusion, including the risk of association of the sign with the mark.

The exclusive right to a mark does not include the right of the owner to prevent a third party from using in the course of trade his or her own name or address, or any indication of the kind, quality, quantity, intended purpose, value, geographical origin, time of production of the goods or of rendering of the services, or any other characteristics of goods or services, or even the mark itself if this is necessary to indicate the intended purpose of a product or service, in particular as an accessory or spare part, provided that in any such case the use is in accordance with honest practices and good customs in industrial and commercial matters.

### 20 Burden of proof

#### What is the burden of proof to establish infringement or dilution?

The burden of proof lies with the plaintiff, who must prove that its mark has been infringed.

### 21 Standing

#### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

Both the trademark owner and the licensee may seek remedies. The trademark owner must have the mark registered before the Trademarks Office and the licensee can only intervene if the registered user agreement (licence to use) is recorded before said office.

### 22 Foreign activities

#### Can activities that take place outside the country of registration support a charge of infringement or dilution?

Only activities that take place in the São Tomé and Príncipe territory may be taken into account.

### 23 Discovery

#### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

Adverse or third parties (including state entities) may be required to submit documents or exhibit goods. If they resist, a court order may be sought.

### 24 Timing

#### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

Unfortunately, there is no typical time frame for infringement or dilution actions. They are lengthy and can last for years.

### 25 Litigation costs

#### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

There is no typical range of costs. They depend mainly on the professional fees that are charged.

### 26 Appeals

#### What avenues of appeal are available?

An appeal against the decision of the Patent Office can be lodged at the court of first instance. Any of the parties can appeal against the sentence to the court of second instance.

### 27 Defences

#### What defences are available to a charge of infringement or dilution, or any related action?

The defendant or alleged infringer has the legal right to participate in the proceedings by responding to the complaint and submitting evidence.



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**28 Remedies**

**What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?**

The IP Code contains provisions regarding penalties imposed on an infringer, but is silent regarding the apportionment of monetary relief. Injunctive relief is available permanently if there is an immediate danger to the complainant.

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**29 ADR**

**Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?**

ADR techniques are not available in São Tomé and Príncipe.

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**30 Famous foreign trademarks**

**Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

The Paris Convention applies to this matter.

The owner of a mark that is well known in São Tomé and Príncipe, even if not registered, may oppose the registration of an identical or similar mark for the same or similar goods or services, provided that he or she applies for registration of the mark. Marks with a reputation in São Tomé and Príncipe have extra protection: the owners of such a mark may oppose the registration of an identical or similar mark even if registration is applied for in respect of different goods or services, if use of the mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the renowned mark.

The evidence required includes market studies that reveal the reputation of the mark to the relevant public, costs with marketing companies, sales volume and other factors relevant to the reputation of the mark.

# Saudi Arabia

Mohammad Jomoa and Asif Iqbal

Kadasa Intellectual Property (Kadasa IP)

## 1 Ownership of marks

### Who may apply?

According to the trademark law adopted in Saudi Arabia, effective from 27 September 2016, the following entities are entitled to register their respective trademarks:

- any natural or legal person who is a national of a Gulf Cooperation Council (GCC) state and an owner of a factory or a product, a craftsman or trader, or owner of a private service project;
- foreigners residing in any of the GCC states and who are licensed to engage in any activities relating to a trade, industry, craft or service;
- foreigners who are nationals of a country that is a member of an international multilateral treaty to which a state of the GCC countries is a party to or persons residing in that country; and
- public agencies.

According to current practice, the Saudi trademark office requires a commercial registration certificate from local entities along with the trademark application. It is not a requirement to provide evidence of use or statement of intention to use a trademark.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

The new trademark law has extended the subject matter of trademarks in Saudi Arabia. The law provides a non-exhaustive list of registrable trademarks. Anything with distinctive character can be a trademark, such as names, words, signatures, letters, symbols, numbers, titles, stamps, drawings, pictures, inscriptions, packaging, figurative elements, shapes or colours, groups of colours, or combinations thereof, or any sign or a group of signs used or intended to be used to distinguish the goods or services of one undertaking from the goods or services of another undertaking or intended to identify a service or as a certification mark in respect of goods or services.

For the first time in Saudi Arabia, the law has explicitly recognised smells and sounds as trademarks. The test of distinctiveness will, however, be applicable in each case, which may be strictly applied in the case of non-conventional trademarks. Presently there is no standard approach to three-dimensional trademarks other than in some cases (eg, shapes of bottles are registered in Saudi Arabia). In the new law, the inclusion of the term 'packaging' in the subject matter of a trademark seems to be an attempt to include three-dimensional marks.

The law provides a detailed list of exclusionary subject matter:

- a mark that is devoid of any distinctive character or consists of representations that are no more than customary names given by custom to goods and services, or conventional drawings and ordinary images of the goods;
- expressions, drawings or marks that contravenes public morals or public order;
- public emblems, flags, military emblems and other insignia belonging to any of the GCC states, other states, Arab or international organisations or any of their agencies or any imitation of any of them;
- symbols of the Red Crescent or Red Cross and any other similar symbols, as well as their imitations;

- marks that are identical or similar to symbols of a purely religious nature;
- geographic names, if their use is likely to cause confusion regarding the source or origin of the goods or services;
- the name of another, surname, photograph or logo, unless the owner or successors have previously consented to its use;
- information relating to honorary or academic degrees to which the applicant for registration cannot prove a legal entitlement;
- marks that are likely to mislead the public, or contain false information as to the origin or source of the goods or services or their characteristics and other marks that contain a fictitious, imitated or forged commercial name;
- marks owned by natural or legal persons with whom dealing is banned pursuant to a decision issued in this respect by the competent authority;
- marks that are identical or similar to a mark previously filed or registered by others in respect of the same goods or services or similar goods or services if the use of the mark to be registered would generate links with the other owner's registered goods or services or damage his or her interests;
- marks whose registration for some goods or services may reduce the value of the goods or services distinguished by the previous mark;
- marks that are copies, imitations or translations of a famous trademark or part thereof that is owned by others, to be used to distinguish goods or services identical or similar to those distinguished by the famous mark;
- marks that are copies, imitations or translations of a famous trademark or an essential part thereof owned by others, to be used to distinguish goods or services not identical or similar to those distinguished by the famous mark, if such use indicates a connection between such goods and services and the famous mark and could damage the interests of the famous mark's owner; and
- marks that contain the following words or phrases: 'Patent', 'Patented', 'Registered', 'Registered drawing' or 'copyright' or similar words and phrases.

In practice, certain goods and services, inter alia, having religious connotation such as a Christmas tree, or prohibited under *shariah* law, for example, bars, dance clubs and any product or service with a reference to alcohol cannot be covered under trademark registration.

## 3 Common law trademarks

### Can trademark rights be established without registration?

In Saudi Arabia, common law rights are not recognised. Trademark rights are acquired only after registration of trademarks. The quasi-judicial bodies and courts in Saudi Arabia are reluctant to recognise unregistered trademark rights. The exception to this rule is only for well-known trademarks. There is a heavy burden of proof upon the claimant of a well-known mark to establish the fame of a mark in Saudi Arabia, and the law specifies the requirement. The fame of a trademark will be determined by different factors, including the recognition of the mark in the eyes of the consumers concerned, the length of the period of use or registration in the case of a registered mark, the number of international registrations and the commercial impact it has produced in the markets.

If a claimant is able to provide sufficient evidence in court, rights over an unregistered well-known mark can be recognised.

#### 4 Registration time frame and cost

**How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?**

The online registration process in Saudi Arabia is relatively fast track. The registration process from filing to issuance of registration may take up to four months. The estimated time may increase in the case of office actions issued by trademark office, which may include a condition of disclaimer, deletion of certain terms and amendment of the trademark. In the case of opposition, the estimated time may be further delayed by nine to 12 months.

The documentation required for filing of trademark application is legalised power of attorney up to the Saudi consulate and notarisation in case of a Saudi entity, a clear image of the trademark, priority document if priority is claimed and a commercial registration certificate for Saudi applicants in some cases. According to the online procedure, the first step is to upload a power of attorney for examination by the trademark office. After acceptance of the power of attorney, which does not usually take more than half a working day, a further process for application can be initiated. The trademark office does not consider uploading of the power of attorney as the initiation of the filing process, and this, in some (rare) cases, has the effect of missing the deadline for claiming priority. It is therefore not recommended to apply for trademarks with a priority claim on the deadline of a priority claim.

The total official cost from filing to registration of one trademark in one class, without opposition, is US\$2,405. Attorney fees may vary.

#### 5 Classification system

**What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?**

Saudi Arabia has adopted the international Nice Classifications. The online portal for filing applications substantially includes all goods and services as provided under the international Nice Classification. However, to ensure that prohibited goods and services are not covered by trademark applications, the Saudi trademark office has either removed some such goods or services from the online portal or the portal is programmed in such a way that it is not possible to select such prohibited goods or services, even if available.

As mentioned in question 2, prohibited goods or services, *inter alia*, include goods or services with a religious connotation, such as a Christmas tree, or those prohibited under *shariah* law, for example, bars, dance clubs and any product or service with a reference to alcohol.

Under the trademark law effective from 27 September 2016, there is provision for multi-class filings; however, the trademark office is yet to issue the procedure and cost for filing such applications.

#### 6 Examination procedure

**What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?**

In Saudi Arabia, the trademark office will first examine the power of attorney. Once accepted, the applicant will file an online application. The trademark office will then examine the application on both absolute and relative grounds. As per current practice, the trademark office provides one chance to amend the application if:

- there is a conflicting mark cited;
- the mark is considered descriptive or generic;
- is not registrable for to any other reason stipulated in law; or

- there is a condition to put a disclaimer on certain descriptive terms.

The applicant may respond with the required amendment, and the trademark office may issue an acceptance or refusal decision. Failure to respond within the stipulated period may lead to the refusal of the trademark. It is possible, although very rare, that the trademark office may issue a second chance to amend the mark. Letters of consent or coexistence agreements generally are not acceptable. In special cases, they may be acceptable.

Since the filing procedure from start to end is online, it is therefore usually not possible to submit arguments to the trademark office. The applicants or their legal representatives can visit the trademark office to discuss any objections raised by the trademark office, but this is not stipulated procedure.

Once a trademark is accepted, it is published on the website of the Ministry of Commerce and Investment, usually on the same day of acceptance. The 2016 law changed the opposition period from 90 days to 60 days. If no opposition is filed, the applicant will be asked to submit a registration fee for issuance of an online registration certificate.

#### 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

It is not a requirement of law to provide evidence of actual use or undertaking of intention to use for filing application; therefore the applicant is not required to submit such document.

Non-use of a registered trademark during any five-year consecutive period renders it vulnerable to cancellation action. A registered trademark can be cancelled by third-party action on the basis of non-use before a competent court.

An action of non-use can be defended if the registrant provides reasonable justification for non-use. Acceptable justification may be reasons beyond the control of the registrant such as during war, import sanctions or any other justifiable reason that can prove that the registrant had no intention of stopping using the registered mark. A single invoice has been accepted as sufficient evidence to defeat a non-use cancellation action in Saudi Arabia.

Saudi trademark law does not define what constitutes 'use' of a trademark.

Being a member of the Paris Convention, Saudi Arabia grants a right of priority to applications filed in convention states within a period of six months post filing. Substantial similarity of a priority application with the application filed in Saudi Arabia and within the same class is a condition of claiming priority. Minor amendments in later trademarks are allowed.

#### 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

Under the trademark law, an appeal against a refusal decision can be filed before an administrative trademark committee. Before implementation of the new law, effective from 27 September 2016, appellate jurisdiction against refusal decisions was with the Minister of Commerce and Investment, and a further appeal could be filed before the administrative court and Court of Appeal.

An appeal can be filed against a refusal decision and also against the imposition of conditions by the trademark office, within 60 days of issuance of the refusal decision or imposition of conditions. Appeals are filed with the trademark office in writing form. Within the 30-day period for filing an appeal, the trademark committee will provide a copy of the appeal statement to the applicant for submission of a written reply within 60 days. The committee may also conduct hearings upon request filed by either party in the appeal, provided that the prescribed fee is payable by the party requesting the hearing. Fees are applicable for filing oppositions and for each hearing request.

The decision of the trademark committee can be appealed by the aggrieved party to the Administrative Court within a 60-day period. The Administrative Court issues a hearing notice to both parties and

conducts hearings. Both parties will submit written arguments and rebuttals. There are no court fees applicable in Saudi Arabia.

A decision of the Administrative Court can be further appealed before the Court of Appeal. The Court of Appeal may either reject the appeal or remand the case back to the Administrative Court, along with observations. In case of refusal of appeal, the Court of Appeal will issue a written judgment, which will be final and enforceable. There is only one hearing conducted in the Court of Appeal and that is on the day of pronouncing judgments only.

If a case is remanded back to the Administrative Court with observation, the Administrative Court may reconduct hearings by issuance of notice to both parties. The Administrative Court may reverse its judgment or maintain its earlier judgment. In either case, the judgment will be appealable to the Court of Appeal by the aggrieved party.

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

Accepted applications are published on the website of the Ministry of Commerce and Investment for a period of 60 days. Within this period, the application is open to opposition by third parties. Under the new law, opposition can be filed with the trademark office in physical form. It is expected that an online portal may be created for filing online oppositions.

Oppositions can be filed on the basis of legal justification, which can be earlier registered trademark rights or an earlier pending application in Saudi Arabia. Oppositions can also be filed on the basis of rights established by unregistered well-known marks having fame in Saudi Arabia. Other than earlier conflicting registered trademarks or applications, it is also possible to file opposition on the basis of any legal provisions that prohibit registration of certain marks in Saudi Arabia (eg, indistinctiveness, being contrary to public order and morality, based on religious connotations, covering prohibited goods or services, exclusionary subject matter) or challenging the competence of the applicant to acquire registration in Saudi Arabia.

Within the 30-day period of filing opposition, the trademark office will provide a copy of the opposition statement to the applicant for submission of a written reply within 60 days. Hearings may also be conducted upon a request filed by either party to the opposition provided that the prescribed fee is payable by the party requesting the hearing. Fees are applicable for each hearing request.

The decision of the trademark opposition committee can be appealed by the aggrieved party to the Administrative Court within a 30-day period. The decision of the Administrative Court can be further appealed before the Court of Appeal.

The procedure for adjudication of a dispute by the Administrative Court and Court of Appeal is discussed in question 8.

It is possible to challenge the existing registration of a trademark. A cancellation action can be initiated within a period of five years of registration by any concerned party on the basis of a prior use claim and by proving that registration was not acquired in good faith or on the plea that the trademark was not lawfully registered. Such actions will, however, not be maintainable after completion of five years of registration and use with no legal action commenced against such registration.

In cancellation actions initiated by the owners of well-known marks, the extent of their fame in Saudi Arabia has to be established. Other than a case initiated on the basis of a well-known mark, it is very difficult to cancel a registered trademark in Saudi Arabia on the basis of earlier unregistered trademark rights.

The total inclusive fee for opposition before trademark committee may be in a range of US\$2,000 to 2,500. The attorney fee for a cancellation action in court may range from US\$15,000 to US\$25,000. There are no court fees in Saudi Arabia.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

The duration of trademark registration is for 10 *hijrah* years. The *hijrah* (lunar) year applicable in Saudi Arabia is 11 days shorter than the Gregorian year. To maintain registration, the registrant shall file renewal during the last year of expiry. There is a six-month grace period post expiry of trademark, with an additional fee payable as penalty. After the six-month grace period, the trademark will be declared cancelled and further renewals will not be possible. As per Saudi trademark law, an expired mark cannot be registered in favour of any third party for a period of three years post expiry or cancellation.

Use of the trademark is required in order to avoid non-use cancellation action by any third parties. Continuous non-use for five consecutive years makes a registered mark vulnerable to cancellation action. Saudi trademark law does not define 'use'; however, in a true legal sense, a registered trademark will be considered as used if the registered trademark or substantially similar mark is used on all or any of the goods and services covered under the registration.

A single invoice has been accepted as sufficient evidence of use to defeat a non-use cancellation action in Saudi Arabia.

See also question 7.

## 11 The benefits of registration

**What are the benefits of registration?**

Registration provides the following benefits to the registrant:

- ownership of a trademark is acquired through registration in Saudi Arabia;
- the registration provides presumption of lawful and true ownership unless proved to the contrary in a cancellation action;
- there will be a presumption of confusion to the public in the event of unauthorised use of similar marks by any third party;
- the owner of the registered mark acquires an exclusive right to use its trademark;
- the right to license is recognised only for registered marks in Saudi Arabia;
- in the case of opposing third-party trademarks or in infringement actions, the owner of a registered mark does not need to prove any other evidence in relation to ownership claims;
- infringement actions in Saudi Arabia, whether administrative or before courts, are recognised only for registered trademarks;
- the owner of a registered mark can record its trademark with Saudi customs authorities to take advantage of effective border control measures in Saudi Arabia; and
- there are no common-law rights. The only exception is well-known marks, which places a heavy burden of proof upon a claimant to declare the mark as well known in Saudi Arabia.

## 12 Licences

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

Recordal of a trademark licence with the trademark office is optional in Saudi Arabia. Under the new trademark law, non-recordal does not have any legal detriment. From the point of view of enforcement of trademark in relation to third parties, it is always advisable to record a licence agreement for easy recognition of the licensee's right to legal action by the Saudi courts.

Recordal of licence also provides better protection to the licensee. A licensee of a recorded licence can object to the removal of a licence from the trademark register on proper grounds.

## 13 Assignment

**What can be assigned?**

A registered trademark can be assigned, wholly or partly, to any third party competent to acquire a registered trademark in Saudi Arabia. A



trademark may be assigned with or without goodwill. Ownership of a registered trademark can also be transferred by will and succession.

In order to make a trademark assignment effective in relation to a third party, it is mandatory to record the assignment with the trademark office.

In transactions of transfer of ownership of actual business or investment projects, trademarks have been declared as an integral part of such transactions; however, even in such cases, it is not mandatory to assign the trademark; the parties to transactions can agree otherwise.

#### 14 Assignment documentation

**What documents are required for assignment and what form must they take?**

The following documents are required for the assignment of a trademark and recordal of assignment:

- assignment deed with complete details of both parties, notarised and legalised up to the Saudi consulate;
- certified Arabic translation of assignment deed;
- original trademark certificate;
- power of attorney, notarised and legalised up to Saudi consulate; and
- certified Arabic translation of power of attorney.

Trademark assignment is examined by the trademark office and published in the Online Gazette. After publication, a trademark certificate is issued in the name of the assignee. This whole process may take up to two months, occasionally delayed.

#### 15 Validity of assignment

**Must the assignment be recorded for purposes of its validity?**

Saudi trademark law provides that in order to make the assignment of a trademark effective in relation to a third party, it is mandatory to record the assignment with the trademark office. The consequence of non-recordal of assignment is clearly provided in the law. As far as validity of assignment is concerned, it cannot be effected owing to non-recordal. However, it is in the interest of both assignor and assignee to record the assignment with the trademark office.

See also question 13.

#### 16 Security interests

**Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?**

Security interest is recognised and notarised, or legalised security interest can be recorded against a registered trademark. Security interest, unless recorded with the trademark office and published, shall not be deemed effective in relation to third parties.

#### 17 Markings

**What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?**

The law does not provide any marking as such. In practice, however, it is common to use the ® sign for a registered trademark. For an indication of trademark use, the ™ symbol is used; however, this is not common practice in Saudi Arabia. Use of the ® sign provides an indication to other parties that the mark is exclusively registered and not free to use. However, use of the ® sign is not a requirement to initiate infringement action, and non-use cannot be pleaded as a defence against infringement if otherwise infringement is established.

Indication of an unregistered mark as a registered mark is a punishable offence in Saudi trademark law; therefore use of the ® sign for an unregistered mark may be risky from this perspective.

#### 18 Trademark enforcement proceedings

**What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?**

There are two types of proceedings available in Saudi Arabia for trademark infringement actions: administrative action and court action.

Administrative action can be initiated before the Anti Commercial Fraud Department (ACFD) in Riyadh. The ACFD has recently introduced a centralised complaint management system, and therefore a complaint can be filed with the ACFD headquarters in Riyadh against infringement occurring in any Saudi city. The ACFD requires evidence of infringement in the form of a sample of genuine and infringing products, purchase bills from outlets selling infringing products and the address of the location. The process includes submission of an online complaint along with evidence, study of the case by the ACFD, raids on outlets offering infringing products and destruction of the infringing products.

Although the ACFD operates under its own law (Anti Commercial Fraud Law), in some of the court's judgments trademark infringement cases were dismissed and plaintiffs were advised to first resort to administrative procedure. The court also stated in its (debatable) judgment that any trademark infringement case will be premature and not maintainable if, prior to filing an infringement action, administrative action was not taken by the trademark owners. Administrative procedures are usually speedy, and in cases of prima facie infringement ACFD inspectors may conclude complaints within a two-month period.

Apart from administrative action, trademark infringement actions can also be filed with commercial courts in Saudi Arabia. In each type of action, registration of trademark is a precondition for success. Unregistered rights are not recognised in Saudi Arabia except in the case of well-known trademarks, in which case the plaintiff is under a heavy burden of proof.

Border control measures are considered as a very effective approach in Saudi Arabia. The customs authorities in Saudi Arabia have set up a procedure to record registered trademarks with customs for vigilance in all upcoming consignments of imports into Saudi Arabia. The customs authorities will stop, either on their own suspicion or by request filed by trademark owner, any suspected shipment, and will contact the registered trademark owner or its legal representative to confirm whether the suspected held products are genuine or counterfeit. Customs authorities are cooperative in this procedure and usually share pictures of suspected products very quickly and, where required, samples are also provided for the purpose of confirmation.

In any case, the trademark owner is obliged to initiate a case before a competent court within 10 days for the issuance of the order to destroy the imported goods or remove them from the channel of business. Goods harmful to public health and the environment are usually destroyed.

Other than Saudi trademark law providing criminal provisions, the provisions of the Anti Commercial Fraud Law may be extended to trademark infringement in exceptional circumstances. Under Saudi trademark law the following are offences:

- counterfeiting or imitating a registered mark so as to mislead or confuse the public, or using in bad faith any counterfeited or imitated mark;
- identifying goods or services in bad faith with a mark owned by others;
- knowingly selling, offering for sale or trading, or possessing with the intention of trading any goods bearing counterfeited or imitated marks; or unlawfully using such marks or offering services under them;
- using a non-registered mark in cases provided for in items 2 to 11 of article 3 of the law;
- unlawfully inscribing upon the mark, papers or commercial documents a representation that might lead to the belief that he or she has obtained registration of such mark;
- deliberately and in bad faith failing to affix the registered trademark on the goods or services it distinguishes; and

- knowingly possessing tools or material intended to be used in the imitation of registered trademarks or famous trademarks.

## 19 Procedural format and timing

### What is the format of the infringement proceeding?

Infringement proceedings are initiated by submitting a statement of claims to a competent court, or an online complaint before the administrative authority in the case of administrative action. In court proceedings, statements of claims will be served upon the defendants with instructions to submit a written statement on the date of the scheduled hearing. In Saudi Arabia, litigation is conducted through an exchange of written documents and oral arguments. In the case of technical matters, the judge can appoint an expert to submit his or her advice on any specific issue, although it is not the usual practice of courts. Oral testimony is acceptable as evidence. The case is decided by a presiding judge.

Criminal proceedings in trademark cases are initiated by a public prosecutor upon the recommendation of the ACFD. Saudi criminal procedure law is applicable to all criminal proceedings.

## 20 Burden of proof

### What is the burden of proof to establish infringement or dilution?

In Saudi Arabia trademark rights are acquired through registration; therefore a registration certificate is sine qua non to bring an infringement action. It is also the duty of the plaintiff to establish confusing similarity. In the case of unregistered well-known trademarks, the plaintiff is under an additional burden to prove that the mark is famous. The new trademark law stipulates the criteria for establishing the fame of a trademark, which are the extent of its recognition by the concerned consumers as a result of its promotion, the length of period of registration or use thereof, the number of countries of registration or fame or the value of the mark and the extent of its impact in the promotion of goods or services that the mark is used to distinguish.

In any action based on a well-known mark, all the above elements shall be proved by the plaintiff. If a well-known mark is actually used in Saudi Arabia, it is usually very convincing in proceedings.

## 21 Standing

### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

The owner of a registered trademark or a licensee, authorised under agreement to do so, may bring a civil trademark infringement action if any third party has commercially exploited the registered trademark without authorisation. A criminal complaint may be initiated by the ACFD if, inter alia, the trademark infringement also has elements of fraud to consumers. The ACFD may initiate such actions suo moto or on a complaint submitted by the rights holder. In the latter case, the ACFD will examine the presence of criminal elements independently.

## 22 Foreign activities

### Can activities that take place outside the country of registration support a charge of infringement or dilution?

In such cases, foreign activities outside Saudi Arabia should establish cause of action in Saudi Arabia. Any unauthorised exploitation of registered trademarks through activities done outside the jurisdiction of Saudi Arabia will establish actionable cause if such goods are attempted to be imported into Saudi Arabia. The Saudi customs department has a strong mechanism of border control. Any suspected infringing or counterfeit goods are seized at the border, either by a complaint or on the initiative of customs officials. The customs officials will communicate with the rights holder or its authorised representative (recorded with custom) to confirm the status of the seized goods. In the case of counterfeit goods, the consignment is seized at the border and the customs department will initiate a procedure to destroy the goods or remove them from commercial channels.

## Update and trends

The following are notable trends in trademark practice in Saudi Arabia:

- there is high recognition towards well-known trademarks in court proceedings;
- for filing any action related to trademarks, the power of attorney shall not be older than five years; and
- the Saudi government announced the establishment of a new IP Authority in March 2017. The Saudi Intellectual Property Authority (SIPA) is considered one of the initiatives of the Trade and Investment System within the National Transformation Program 2020. The Trade and Investment System has worked to bring SIPA into existence and has set up the regularity arrangements to enable the authority to achieve its objectives. This is all with a view to the unification, under one umbrella, of the competent authorities that have a direct relation to the protection of intellectual property rights in the Kingdom.

## 23 Discovery

### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

There are no legal provisions in place for a discovery procedure. In practice, discovery of fact or discovery of documents is not possible in legal proceedings. The judge can, however, depending on the circumstances, ask any party to produce certain documents, but the law does not oblige litigating parties to produce them.

## 24 Timing

### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

The time frame for litigation varies from case to case. Preliminary injunction proceedings can be concluded within two months. At trial level, it may take 12 to 16 months. Appeals before the Court of Appeal are usually concluded within four to six months.

Administrative infringement actions can be concluded within three to four months.

## 25 Litigation costs

### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

A typical infringement action may cost from US\$15,000 to US\$25,000 before Saudi courts. Administrative actions before ACFD usually cost from US\$5,000 to US\$7,000.

The award of damages is possible only in theory. Although Saudi trademark law has provisions on the award of damages, the Saudi courts follow *shariah* (Islamic) principles on damages. Under the Islamic principle, the damages should be actual, quantifiable and not based on speculation. Reputational damages are not recognised under this principle. The heavy burden of proof upon the plaintiff makes it difficult to establish damages to the satisfaction of the court, and in practice damages are not awarded.

## 26 Appeals

### What avenues of appeal are available?

In infringement and cancellation actions, the decision of the first instance court can be appealed by the aggrieved party before the Court of Appeal. The Court of Appeal may either reject the appeal or remand the case back to the first instance court along with observations. In the case of a refusal of appeal, the Court of Appeal will issue a written judgment, which will be final and enforceable.

See questions 8 and 9 for the appeal process in trademark refusals and opposition proceedings.

**27 Defences****What defences are available to a charge of infringement or dilution, or any related action?**

Possible defences in Saudi Arabia may include the following:

- the plaintiff's trademark is unregistered or subject to a disclaimer;
- the defendant's use of a trademark falls under a permitted exception of trademark law (ie, descriptive use);
- the defendant has a trade name registration and is authorised to use its trade name;
- the plaintiff's trademark is different from the defendant's mark to the extent that there is no likelihood of confusion for unwary purchasers;
- the mark was used in good faith without knowledge of registration of a similar or identical trademark; and
- if the infringement action is brought by the owner of unregistered well-known marks, the defendant can dispute the fame of the well-known mark in Saudi Arabia.

**28 Remedies****What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?**

A successful infringement case, whether administrative or in court, can end up in the issuance of an order to destroy the infringing goods. The actual damages and lost profits can be considered for apportionment of monetary relief, but in practice this is rarely granted. Award of damages or monetary relief is possible only in theory. Although Saudi trademark law has provisions on the award of damages, Saudi courts follow *shariah* principles on damages. Under the Islamic principle, the damages should be actual, quantifiable and not based on speculation. Reputational damages are not recognised under this principle. The heavy burden of proof upon the plaintiff makes it difficult to establish damages to the satisfaction of the court, and in practice damages or monetary relief are not awarded.

Interim injunctions are available in law, but in practice hardly granted by Saudi courts. Application for interim injunctions should be based on a prima facie case, which should include proof of trademark registration, and prima facie infringement of the registered trademark. Where the nature of imitation is such that a question of similarity between the marks may be subject to consideration, an interim injunction will not be granted.

The trademark law declares certain acts as offences, which include the following, among others:

- counterfeiting or imitating a registered mark so as to mislead or confuse the public, or using in bad faith any counterfeited or imitated mark;
- identifying goods or services in bad faith with a mark owned by others;

- unlawfully inscribing upon his or her mark, papers or commercial documents a representation that might lead to the belief that he or she has obtained registration of such mark;
- deliberately and in bad faith failing to affix the registered trademark on the goods or services it distinguishes; and
- knowingly possessing tools or material intended to be used in the imitation of registered trademarks or famous trademarks.

Depending on the offence committed, monetary punishments can be between 1,000 and 1 million Saudi riyals. A recidivist can be punished with double punishments as provided for specific offences and reoffending may also lead to temporary closure of his or her business.

**29 ADR****Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?**

ADR is highly encouraged under Islamic principles. Mediation and arbitration between parties to disputes is encouraged in all forms of litigation and has strong roots in *shariah* law and traditions.

Arbitration in Saudi Arabia is governed under the new Law of Arbitration, issued by Royal Decree No. M/34, which is based on the UNCITRAL Model Law on international commercial arbitration, although not a verbatim adoption. Under this law, parties can exclude the jurisdiction of Saudi courts to take cognisance of a dispute between parties. Recourse to arbitration may save the parties time in a dispute and they may select a specialised arbitrator who has the relevant knowledge and skill to settle a dispute. The parties can adopt the language of the proceedings and place of arbitration. A notable concern is that the provisions of an arbitration agreement, either separately executed or by reference in a main agreement, cannot exclude the jurisdiction of Saudi courts on the invalidation proceedings of awards. The law provides a list of provisions for bringing an invalidation action; therefore, bearing in mind the Saudi legal system, there is always an element of uncertainty in the enforcement of awards, especially where the arbitration was held outside Saudi Arabia or by application of a non-Saudi law.

**30 Famous foreign trademarks****Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

Saudi trademark law has provisions on criteria to establish a well-known trademark. According to the law, the fame of the mark shall be determined by the extent of its recognition by the concerned consumers as a result of its promotion, the length of period of registration or use thereof, the number of countries of registration or the fame or the value of the mark and the extent of its impact in the promotion of goods or services which the mark is used to distinguish.



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Subject to the above provisions, a well-known trademark can be enforced against infringers if the use of the mark were to indicate a connection between the goods or services required to be distinguished by it and the goods or services of the owner of the well-known mark or the use of the mark would lead to the possibility of damage to the owner of the well-known mark.

Saudi courts also recognise provisions of multilateral intellectual property conventions and agreements relating to well-known marks.

Protection of a well-known trademark is available from two perspectives:

- the court can block a third-party application to register a trademark similar to a well-known mark or if the application incorporates any element of well-known marks. This also applies to unregistered well-known marks; and
- well-known marks, whether registered or unregistered, are enforceable against a third party's infringement.



# Serbia

**Bogdan Ivanišević and Marko Popović**

**BDK Advokati**

## 1 Ownership of marks

### Who may apply?

Natural persons and legal entities, Serbian or foreign, may apply for registration of a trademark in Serbia. If the applicant is a foreign natural person or foreign legal entity, with no residency or registered seat in Serbia, he or she must be represented by a Serbian lawyer or by a person registered with the Serbian Intellectual Property Office (the IP Office) as a trademark representative.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

According to the Trademark Act (2010, amended in 2013), different types of signs can be registered as a trademark. Examples include signs consisting of words, slogans, letters, numerals, images, colour combinations, three-dimensional shapes and sounds (if represented by musical notation).

A provision in the Trade Act (2010, amended in 2013) serves as a statutory basis for protection of unregistered marks, apart from well-known marks, which are regulated by the Trademark Act. The Trade Act identifies as a mode of unfair competition the sale of goods with a mark, information or shape that reasonably create confusion among consumers as to the origin, quality and other features of the goods.

## 3 Common law trademarks

### Can trademark rights be established without registration?

With the exception of well-known marks (within the meaning of article 6-bis of the Paris Convention), trademark rights can be established only by application (ie, registration). Unregistered marks can be protected under distinct legislation that prohibits unfair competition. The Trade Act (2010) considers it a form of unfair competition to sell goods with marks, information or shape that reasonably create confusion among consumers as to the origin, quality and other features of the goods.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

The average time frame for smooth trademark registration at the IP Office has risen to nine months, from six months in preceding years. The duration of the proceedings increases if the applicant must submit evidence for acquired distinctiveness or otherwise respond to provisional refusal by the IP Office.

The official fee for obtaining a trademark registration for a word mark in up to three classes is approximately €390. The attorney fees for registration of the mark vary from €200 to €450.

If a legal representative files the application on behalf of the client, the representative must enclose a power of attorney with the application.

## 5 Classification system

### What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?

The IP Office follows the Nice Classification System. Applicants can request registration of a trademark in up to three classes of goods and services for a fee payable to application for registration in one class (approximately €130). In a multi-class application for registration in four or more classes, the application fee for each additional class after the third class is approximately €25.

## 6 Examination procedure

### What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?

The IP Office first checks whether the trademark application meets the formal requirements and then moves to the stage of substantive examination. Serbia does not use opposition proceedings, so the IP Office conducts examination on both relative and absolute grounds for refusal of registration. However, an interested party may file an observation that will be taken into consideration by the IP Office.

A mark cannot enjoy trademark protection if it is identical to an earlier registered trademark (or applied-for mark) or a well-known mark for identical goods and services, or if owing to the similarity of the marks and goods or services there exists a likelihood of confusion, including the likelihood of association with the earlier trademark (or applied-for mark) on the part of the relevant public.

Marks with reputation, if registered, are protected regardless of the goods or services if the use of the later mark would result in taking unfair advantage of the reputation of the earlier trademark with reputation, or be detrimental to its distinctive character or the repute.

The IP Office generally accepts a letter of consent by the owner of an earlier trademark consenting to the registration of a similar applied-for mark for the same or similar goods or services for which the earlier trademark was registered. However, the IP Office is not obliged to accept the letter of consent. Rather, the IP Office evaluates, in each particular case, the degree of similarity between the mark applied for and the earlier trademark, and the similarity of goods and services for which they are applied for (ie, registered), as well as the likelihood of confusion on the part of the relevant public. In most cases the IP Office accepts letters of consent. However, in a situation where an applied-for mark and the earlier trademark are identical and related to the same goods or services, the IP Office refuses to register such an applied-for mark irrespective of the fact that the owner of the earlier trademark has consented to the registration.

If the IP Office initially determines that there are grounds for refusal of registration, it notifies the applicant of the provisional refusal. The applicant may then submit counter-arguments to the IP Office in writing.

If the IP Office finds that the application meets the requirements for registration, the IP Office requests the applicant to pay a fee for the initial 10-year period as well as the costs of publication of the trademark in the IP Office's Gazette. Following the receipt of proof of payment from the applicant, the IP Office enters the trademark in the Trademark Registry and issues a registration certificate to the trademark owner.

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

It is not necessary to use a mark in commerce in order to obtain trademark registration. After the registration, and before the expiry of a five-year period, the trademark owner must put the trademark to genuine use in relation to the goods or services for which the mark is registered. If not, any interested party may obtain revocation of the registration from the IP Office.

Application for a registration in a member state of the Paris Union or the World Trade Organization may be granted the right of priority in Serbia if the applicant files an application within six months for an identical mark for identical goods or services. The applicant must submit a certificate of priority in the foreign country within three months of filing the request for national registration in Serbia.

## 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

If the IP Office refuses the registration by a final decision, the applicant may submit an appeal to the Government of the Republic of Serbia within 15 days from the receipt of the decision by the IP Office. If the Administrative Commission of the Government rules against the applicant, the latter may initiate judicial proceedings before the Administrative Court within 30 days from the receipt of the government's decision.

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

There is no opposition procedure under the framework of the Trademark Act. Instead, the IP Office examines ex officio both the relative and absolute grounds for refusal of the trademark protection. The owner of the earlier trademark application or registration, and any interested party, may, however, submit written observations in order to alert the IP Office that the trademark applied-for does not meet requirements for registration.

A brand owner who does not have registration of the mark in Serbia may prevent registration of a trademark applied for in bad faith by filing a lawsuit before a competent court. The owner may request the court to declare him or her as the applicant.

After the trademark has been registered, a third party may obtain cancellation (invalidity or revocation) in administrative proceedings before the IP Office.

In proceedings for invalidity, the third party must prove that at the time of the registration the requirements for registration had not been met. This means that the trademark may be declared invalid if:

- it is contrary to public policy or to accepted principles of morality;
- it is not distinctive;
- it is functional (ie, represents a shape determined exclusively by the nature of the product or a shape indispensable to obtain a given technical result);

- it is descriptive (ie, it designates exclusively the type, purpose, time or method of production, quality, price, quantity, weight or geographical origin of the goods or services);
- it is generic (ie, it is customary for designating a given type of goods or service);
- it is misleading with regard to the geographical origin, type, quality, or other features of the goods or services;
- it contains or imitates official marks or hallmarks of quality control or warranty;
- it conflicts with prior industrial property rights (including registered trademark rights as well as a well-known mark not registered in Serbia), copyright or the right in a personal name;
- it comprises a state or other public coat of arms, flag or other emblem, name or abbreviation of the name of a country or of an international organisation, unless the competent authority of the country or organisation has given its authorisation for such use; or
- it represents or imitates a national or religious symbol.

A trademark registration may be revoked and removed from the Trademark Registry for any of the following reasons:

- if the trademark owner (or a person authorised by him or her) did not use the trademark for five years from the date of trademark registration or for any uninterrupted period of five years from the date of the last use;
- the trademark has become a common name for the product or service for which it is registered;
- the trademark is of such a nature that it may deceive the public as to the nature, quality, geographical origin or other characteristics of the goods or services; or
- the trademark has become contrary to public policy or to accepted principles of morality.

Where grounds for revocation or declaration of invalidity exist in respect of only some of the goods or services, the trademark is to be revoked or declared invalid only in part.

The fee for initiating cancellation proceedings is approximately €260.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

The term of protection is 10 years from the date of filing the application. Trademark registration can be renewed for an unlimited number of successive 10-year periods. In order to renew the registration, the trademark owner has to pay an office fee.

The owner does not need to present any proof of use to the IP Office in order to obtain renewal of a registration. However, the IP Office can revoke the trademark at the request of an interested party if the owner, or a person authorised by him or her, has not put the trademark to genuine use within a period of five years following registration or for any uninterrupted period of five years from the date of its last use. Exceptionally, non-use does not lead to revocation if there have been proper reasons for non-use. Such proper reasons, according to the Trademark Act, include a decision by government authority, an import ban or any other prohibition affecting goods or services or both protected by the mark.

Only genuine, commercial use qualifies as the use for the purpose of maintaining trademark rights. The quantity of goods or services for which the mark is used must be such to indicate a serious rather than fictitious economic activity. The payment of registration renewal fees, or mere advertising of a trademark without the possibility of buying advertised goods or services, do not amount to genuine use.

## 11 The benefits of registration

**What are the benefits of registration?**

Registration enables the trademark owner to obtain protection from courts or customs and market authorities from unauthorised third-party use of identical or similar mark used in connection with similar or identical goods or services. Compared with the protection granted under unfair competition law, registration offers a broader scope of remedies

for infringement and leaves the trademark owner with a longer statute of limitations for bringing the lawsuit. Registration also entitles the trademark owner to prevent others from registering a confusingly similar mark and to seek cancellation of such subsequent registration. Trademark registration also provides a defence to infringement.

## 12 Licences

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

If a licence is not recorded, it is nonetheless effective between the parties to the licence agreement. However, an exclusive licensee may not oppose a licence subsequently granted by the licensor to an unwitting third party. Also, in the absence of recordation, the licensee may not make use of the Trademark Act's provision authorising a trademark licensee to launch court proceedings against a third-party infringer.

## 13 Assignment

**What can be assigned?**

Trademark can be assigned both with and without goodwill. The assignment may be for some or all of the goods (ie, services) encompassed by the registration. Trademarks can be transferred separately and independently from other business assets.

## 14 Assignment documentation

**What documents are required for assignment and what form must they take?**

Assignment of a trademark or a trademark application can be based on an assignment agreement, a change of the legal status of the trademark owner (if a legal entity) or on a court or administrative decision. An assignment agreement has to be in writing. It need not be notarised. The agreement has to include the following information:

- the date of the execution;
- the names or business names of the parties;
- the domicile or residence or the registered seat of the parties;
- the trademark registration number or the number of the trademark application; and
- the fee (if agreed).

## 15 Validity of assignment

**Must the assignment be recorded for purposes of its validity?**

For assignment to be enforceable between the parties no approval from the IP Office is necessary. However, recordation of the trademark assignment in the Trademark Registry is necessary for the assignment to have effect against third parties. Without a recordation, the assignee may not bring proceedings for infringement of the trademark against a third party, and ask for protection from the customs authority or market inspectorate.

## 16 Security interests

**Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?**

A trademark owner may create a pledge on the trademark in order to secure the rights of his creditor. The pledge is valid and enforceable only upon the recordation in the Trademark Registry. The pledge agreement does not have to be notarised.

## 17 Markings

**What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?**

A trademark owner may use symbols such as <sup>TM</sup> or ® to indicate trademark use or registration. The benefit of using such symbols would be raising awareness of consumers and competitors that the sign enjoys trademark protection. The risks of not using such words or symbols are small, because the use is not mandatory and third parties using an

identical or confusingly similar mark could not rely on the absence of such sign as a defence against trademark infringement.

## 18 Trademark enforcement proceedings

**What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?**

The owner of a registered trademark and trademark applicant may file a lawsuit against the alleged infringing party, within three years of learning about the infringement and the infringer, but not after the expiration of a five-year period after the first occurrence of infringement.

The plaintiff may request the court to declare that the defendant was responsible for trademark infringement and to order cessation of the infringing activities. In addition, the lawsuit may include the requests for seizure, definitive removal or destruction or alteration of the infringing goods, destruction or alteration of the tools and equipment used to manufacture the infringing goods, compensation of damages and reimbursement of costs and publication of the judgment at the expense of the defendant. Finally, the plaintiff may request via the lawsuit that the defendant furnish information about third parties involved in the infringement.

The holder of an unregistered trademark can launch court proceedings pursuant to the unfair competition provision in the Trade Act. The statute of limitations is six months after learning about the infringement and the infringer, but in no event longer than three years after the unlawful activity has ended. The plaintiff may request a declaration of unfair competition, an injunctive relief, rectification of the consequences of the unfair competition, compensation of damages, and publication of the judgment at the expense of the defendant.

The trademark owner may submit a request to the Customs Authority for implementation of protective measures against counterfeited goods. The request may refer to a single shipment or the shipments in general. The Customs Authority may grant the request for an initial period of one year. If the Customs Authority suspects that the goods held at the customs might infringe intellectual property rights, the Authority suspends the release of the goods and notifies the trademark owner. The trademark owner may request destruction of the goods at his or her expense or commence infringement proceedings before the competent court.

In addition, the trademark holder is entitled to file an application to protect his or her rights to the Market Inspectorate. This tool is similar and complementary to the customs application.

The jurisdiction of a particular type of court in a trademark case depends on the legal nature of the parties to the proceedings. The Organisation of Courts Act (2008, last amended in 2017) provides that the Commercial Court in Belgrade decides in trademark cases if both parties are commercial entities. If one or both parties are natural persons, the jurisdiction belongs to the High Court in Belgrade. There are no specialised courts or other tribunals dealing with trademarks. This relates to the judges deciding in first-instance proceedings, too. However, the Appellate Commercial Court has specialised chambers with judges whose primary field of expertise is trademark law.

Trademark infringement may be prosecuted as a criminal offence if the defendant, acting with the intent to deceive, used the mark or included elements of the mark in its own trade name, designation of geographical origin, trademark or other sign. Criminal prosecution may also encompass those who acquire, manufacture, process, place into commerce, lease or store the counterfeited goods with intent to sell such goods in substantial quantities or value.

## 19 Procedural format and timing

**What is the format of the infringement proceeding?**

The trademark owner or the licensee initiates infringement proceedings by filing a lawsuit with the competent court. If a commercial court has the jurisdiction to hear a trademark case, the jurisdiction to try the case in the first instance belongs to the Commercial Court in Belgrade. If, exceptionally, a court of general jurisdiction decides in the trademark

case, the High Court in Belgrade hears the case in the first instance. The plaintiff often accompanies the lawsuit with a motion for a preliminary injunction.

Serbian civil procedure does not provide for discovery as a pretrial procedure enabling each party to obtain evidence from the other party. However, the parties may make use during the trial of various disclosure devices for obtaining evidence from the adverse party or from third parties (see question 23).

At the trial stage, the court regularly hears witnesses and examines documentary evidence received from the parties. The courts do not look favourably on the use of expert opinion in the infringement proceedings, because the likelihood of confusion and other issues central to an infringement case requires legal or factual determinations which the courts are qualified to make by taking into consideration the viewpoint and experience of the average consumer of the goods or services. The use of surveys is permitted, but is extremely rare owing to the high costs involved.

## 20 Burden of proof

### What is the burden of proof to establish infringement or dilution?

The trademark owner has to prove that the defendant has carried out unlawful activities which amount to infringement or dilution of the owner's right. In the preliminary injunction proceedings, the trademark proprietor needs only to prove that infringement probably occurred (ie, in a dilution case, that the court will probably find a likelihood of dilution at the end of the trial).

## 21 Standing

### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

Apart from the trademark owner, the trademark licensee may also file an action for infringement or bring a criminal complaint, irrespective of whether the licence is exclusive or non-exclusive. The parties to the licence agreement may stipulate in the agreement that only the trademark owner may initiate court proceedings.

An applicant for trademark registration is also authorised to lodge an action for infringement.

## 22 Foreign activities

### Can activities that take place outside the country of registration support a charge of infringement or dilution?

As a trademark is a territorial right, only the activities carried out in the country of registration are generally relevant for the assessment of an infringement or dilution. However, the trademark owner may submit a request for implementation of protective measures against counterfeit goods to the Customs Authority. The proceedings before the customs authority may result in the filing of a lawsuit by the trademark owner against the importer or freight forwarder.

There is still no significant body of jurisprudence from which one might infer the criteria the courts use in order to determine whether an online infringement of trademark occurred in Serbia or abroad.

## 23 Discovery

### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

According to the Civil Procedure Act, a party to the proceedings may request and obtain the inspection of premises, vehicles, books and documents, as well as the seizure of items.

Under the Trademark Act, the court may secure the evidence by issuing a preliminary injunction at the request of the plaintiff whose trademark has likely been infringed or is likely to be infringed. If there is a risk that the plaintiff will suffer non-repairable damage, the court may issue the injunction without hearing the defendant.

In criminal cases, the trial court may order the seizure of infringing goods where there is a risk that evidence might be destroyed.

## 24 Timing

### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

It typically takes up to one month to decide on a motion for the preliminary injunction.

Depending on the complexity of the case and the expediency of the parties to the proceedings, the trial at first instance may take any time between six months and one year, and in exceptional cases even two years or more. The procedure before the appellate court is shorter, so the Appellate Commercial Court tends to issue its decision within a few months after the losing party has lodged an appeal. If the Appellate Commercial Court sets aside the first-instance judgment, it sends the case to retrial, so the proceedings overall may take two or more years.

## 25 Litigation costs

### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

The costs for bringing an infringement to conclusion at first instance, including attorney fees, in a case of standard complexity and duration range from €1,000 to €3,000.

The losing party is required, under the general rules of the Civil Procedure Act governing adversary proceedings, to reimburse the prevailing party for the costs of litigation, including court fees and minimum attorney fees.

## 26 Appeals

### What avenues of appeal are available?

The Appellate Commercial Court, located in Belgrade, decides on appeals against the first-instance judgment rendered by the Commercial Court in Belgrade. If, exceptionally, a court of general jurisdiction (ie, the High Court in Belgrade) decides in the trademark case, the appeals are heard by the Appellate Court in Belgrade. The Supreme Court of Cassation may hear a trademark case if the party that lost on appeal proves that the conditions are in place for filing an extraordinary legal remedy (revision, application for review of the final and binding judgment or application for reopening of the proceedings).

## 27 Defences

### What defences are available to a charge of infringement or dilution, or any related action?

The alleged infringer may, apart from denying a likelihood of confusion or dilution, rely on several defences against the infringement claim. If the allegedly infringing sign is a prior trademark, this fact would negate an infringement. Also, the alleged infringer may object that the plaintiff has abandoned the trademark by not using it for five years from the date of registration or for any uninterrupted period of five years from the date of its last use.

Furthermore, the Trademark Act provides for a number of limitations which the alleged infringer may use as a defence. Thus, the trademark owner cannot prevent a third party from placing in the line of commerce the goods or services under a sign identical or similar to the trademark, if that sign represents the third party's company name or a designation acquired in good faith before the priority date of the trademark. Also, the trademark holder cannot prohibit a third party from using in the course of trade and in accordance with honest business practices his or her own name or address, or indications concerning the kind, quality, quantity, intended purpose, value, geographical origin, time of production or other characteristics of the goods or services. Finally, the trademark holder cannot prevent a third party from using the trademark when it is necessary to indicate the intended purpose of a product or services, in particular as accessories or spare parts.



**28 Remedies**

**What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?**

The remedies available to the trademark owner include declaration of infringement, cessation of infringing activities, seizure, definitive removal or destruction or alteration of the infringing goods and the means for manufacturing such goods, compensation of damages and reimbursement of costs, publication of the judgment at the expense of the defendant and provision of information on the other who took part in the infringement.

In the case of wilful infringement or infringement caused by gross negligence the trademark owner may claim damages in the amount three times that of the licence fee the trademark owner would reasonably obtain.

Both preliminary and interim injunctions are available to the plaintiff. An injunction in a trademark case is easier to obtain than in other types of cases. Under the Trademark Act, it suffices for the plaintiff to show that infringement has likely occurred or is likely to occur. In other types of disputes the identity in kind between the injunctive relief and the final relief sought is an obstacle to obtaining the injunction. Also, the party seeking the injunction in a non-trademark case must demonstrate the risk that, absent an injunction, the other party is likely to frustrate or substantially hamper recovery of damages.

The Criminal Code provides for the criminal offence of non-authorised use of another's business name or of other indication of goods or services. The penalty is a monetary fine or up to three years' imprisonment.

**29 ADR**

**Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?**

Alternative dispute resolution is not a common way of settling a trademark case in Serbia. By far the largest number of trademark cases are resolved by the courts.

**30 Famous foreign trademarks**

**Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

The IP Office has taken the position that a foreign trademark with reputation (famous trademark) may enjoy protection in Serbia even if it is not used in the country. The methodology of the IP Office specifies that the use of the mark in Serbia is not a condition for determining that the sign is famous. According to the Joint Recommendation Concerning Provisions on the Protection of Well-Known Marks adopted in 1999 by the World Intellectual Property Organization, member states should not require as a condition for determining whether a mark is famous that the mark has been used in the member state (article 2(3)(i)).

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# Singapore

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## 1 Ownership of marks

### Who may apply?

Regardless of nationality or residency, a trademark may be applied for by an individual, firm or a company that is currently using or intends to use its trademark in the course of trade in Singapore. A trademark registration can be owned solely or jointly by two or more persons in equal undivided shares in the trademark.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

The Trade Marks Act (TMA) defines a trademark as ‘any sign capable of being represented graphically and which is capable of distinguishing goods or services dealt with or provided in the course of trade by a person from goods or services so dealt with or provided by any other person’. A sign can be ‘any letter, word, name, signature, numeral, device, brand, heading, label, ticket, shape, colour, aspect of packaging or any combination thereof’.

Based on the aforesaid definition, both conventional and non-conventional marks such as colour marks, three-dimensional marks, sound marks, smell marks, movement marks and holograms are registrable in Singapore. In addition to conventional and non-conventional marks, certification marks and collective marks are also registrable in Singapore.

A certification mark is defined under the TMA as ‘a sign used, or intended to be used, to distinguish goods or services dealt with or provided in the course of trade and certified by the proprietor of the certification mark in relation to origin, material, mode of manufacture of goods or performance of services, quality, accuracy or other characteristics, from other goods or services dealt with or provided in the course of trade but not so certified’.

A collective mark is defined under the TMA as ‘a sign used, or intended to be used, in relation to goods or services dealt with or provided in the course of trade by members of an association to distinguish those goods or services from goods or services so dealt with or provided by persons who are not members of the association’.

## 3 Common law trademarks

### Can trademark rights be established without registration?

Yes, a business owner can acquire unregistered trademark rights under common law through use of a trademark on specific goods or services sold in Singapore. Under the tort of passing-off, a business owner who has prior trademark rights through use may be able to rely on its common law trademark in a legal action against a third party who sells goods or services in Singapore to consumers under the same or similar trademark as the business owner.

To succeed under the tort of passing-off, three requirements must be met:

- the presence of goodwill: goodwill can be described as ‘the attractive force arising from the business’ name and reputation which brings in custom’. A business owner must have reputation in Singapore as well as a goodwill attached to a business based in Singapore before pursuing a legal action under passing-off. Whether goodwill

is present depends on a number of factors including the volume of sales and advertising over the years;

- misrepresentation: in addition to proving goodwill, a business owner must show that there has been misrepresentation by a third party as to the origin of goods or services because the third party has adopted a trademark or get up for its goods or services which is identical or similar to the business owner’s, thereby misleading or confusing consumers into thinking that the goods or services of the third party belong to or are associated with the business owner. It is not necessary to show that the third party intended to deceive consumers; and
- damage: finally, the business owner must show that there was, and is likely to be, some form of damage, for example damage to reputation, dilution of its goodwill or loss of profits, as a result of the third party’s misrepresentation.

In general, the burden of proof in an action based on the tort of passing-off is high, making it difficult to succeed. Therefore, although common law trademark rights exist in Singapore, ideally, if a business owner wants exclusive rights to use a trademark in Singapore and stop third parties or competitors from any unauthorised use of this trademark, the best approach is to register the said trademark in Singapore.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

Assuming no office action is issued or third-party opposition is filed, it takes approximately eight to 10 months for a straightforward trademark application to be registered in Singapore. The application process includes a formal examination at the Intellectual Property Office of Singapore (IPOS) as well as a two-month opposition period from the date of publication of the application in the Trade Marks Journal. If, during examination, an office action is issued against a trademark application by IPOS or a trademark application is opposed by a third party after it has been published, the time frame to register the trademark will increase.

The costs to register a straightforward trademark application in Singapore would vary depending how many classes are involved and how the application is filed, for example, through the Madrid Protocol system or nationally, through a local trademark agent or by the business owner itself. As an estimate, the costs to register one mark in one class could range between US\$800 and US\$1,000, inclusive of IPOS official fees. Some trademark agents charge lower professional filing fees for additional classes in a multi-class application, although the IPOS official fees are the same for each class.

With effect from 1 April 2017, IPOS official fees for filing have been reduced by 30 per cent only when an application is filed using the IPOS pre-approved list of goods or services.

No power of attorney or any other document is required to file a trademark application in Singapore.

## 5 Classification system

**What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?**

Singapore adopts the 11th edition of the Nice Classification, which entered into force on 1 January 2017. Multi-class applications are available in Singapore, but there are no cost savings because the IPOS official fees are the same for each class.

## 6 Examination procedure

**What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?**

Once an application is filed, it enters the examination stage within three months. At the examination stage, a registrar will review the application to determine whether the trademark applied for is inherently registrable, namely whether it is distinctive and capable of distinguishing the goods or services of the applicant from that of another trader and is not descriptive of the goods or services applied for. The registrar will also conduct a search of existing trademark applications and registrations to determine whether the trademark applied for could be in conflict with prior or earlier trademarks such that confusion among relevant members of the public is likely. If a registrar does raise a citation objection against an existing trademark application, a letter of consent to overcome such an objection is accepted.

Should the registrar raise an objection against a trademark application, the applicant is notified through an office action and is given an opportunity to respond to the objections raised within a stipulated deadline of four months from the date the office action issued. Extensions of time are available. If no office actions are issued, then the application will be published in the Trade Marks Journal for a period of two months, following which, if no opposition is filed, the application will proceed to registration.

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

In general, use of a trademark or service mark does not have to be claimed before registration is granted, the exception being where a registrar is of the view that the trademark applied for is not inherently distinctive and an office action to this effect is raised. In such a circumstance, the applicant may then respond to the office action by submitting evidence of use to prove that the mark in question has acquired distinctiveness through use over a long period of time.

Within six months of the first application filed in any country that is a member of the Paris Convention or World Trade Organization, a trademark owner can file an application for the same trademark in respect of the same goods or services in Singapore and claim priority such that the filing date of the Singapore application is the same as the earlier date of the first-filed foreign application.

A trademark registered based on intent to use in Singapore must be put to genuine use within five years from the date of completion of the registration procedure, failing which the application may be subject to a non-use revocation action. The registration may be revoked if there has been no proper reason for non-use or if use of the trademark ceases or is suspended for an uninterrupted period of five years and there are no proper reasons for non-use.

## 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

Where a trademark owner seeks to appeal against a decision of the registrar, for example a decision on the registrability of the mark or an opposition decision, such an appeal is to be made to the High Court. Further appeals from the High Court to the Court of Appeal can only be made with leave of the court. The Rules of Court govern the appeal procedures in Singapore.

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

Assuming a trademark application goes through examination smoothly, it will be published in the Trade Marks Journal. The opposition period is two months from the date of publication. During the two-month period, a third party may oppose a published trademark application by filing a notice of opposition. The opposition can be based on a number of grounds under the TMA, including lack of distinctiveness, confusing similarity to an earlier trademark, bad faith, passing-off or well-known mark. Oppositions based on bad faith, passing-off or well-known mark provisions have a high burden of proof.

Following the registration of a trademark, it may be cancelled, revoked or invalidated. A cancellation action may be filed by a registered proprietor with IPOS, whereas a revocation and invalidation action may be filed by any person with IPOS or the court. The grounds for a revocation action include non-use or deception, whereas invalidation actions are based on the lack of inherent registrability of a trademark.

Depending on the complexity of the issues and volume of evidence filed, third party opposition or cancellation proceedings can be costly. As an estimate, the costs of the proceedings from commencement to a full hearing or trial may range from US\$15,000 to US\$20,000.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

A trademark registration in Singapore is valid for a period of 10 years from the date of registration, following which it has to be renewed for successive periods of 10 years. Although proof of use is not required to maintain the trademark registration, a trademark not in use for a period of five years after the date of completion of the registration procedure may be subject to cancellation for non-use. Moreover, a trademark could also be subject to non-use cancellation if it is alleged that the use of the trademark is in a form that materially alters the distinctive character of the mark from the manner in which it was registered. Therefore, it is prudent for trademark owners to ensure that the mark used is in substantially the exact form as is registered.

## 11 The benefits of registration

**What are the benefits of registration?**

Registering a trademark under the TMA gives a trademark owner the exclusive rights to use that trademark in the course of trade for its registered goods and services. The trademark owner may also grant licences to third parties to use the registered trademark in relation to the same goods and services. In circumstances where a trademark owner discovers a third party making unauthorised use of its trademark amounting to infringement, he or she may bring a claim at the High Court and seek relief under the TMA. Moreover, under the TMA, criminal sanctions may be imposed on alleged infringers or counterfeiters and border enforcement measures are also available to a proprietor of a registered trademark who suspects infringing goods are expected to be imported into Singapore.

**12 Licences****May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

In Singapore it is not compulsory to record the grant of a licence. Should a trademark owner license the use of its registered trademark to a third party, he or she may record the grant of a licence in the Register with IPOS. The rationale for doing so would be to provide notice of the licensee's interest under the registered mark to third parties.

**13 Assignment****What can be assigned?**

A proprietor of a registered trademark or pending application may assign its all of its trademark rights, with or without the goodwill of a business, to another party. The assignment can be for all or only part of the goods or services covered by the registration or application.

**14 Assignment documentation****What documents are required for assignment and what form must they take?**

A trademark assignment of a registered trademark or a pending application is not effective unless it is in writing signed by or on behalf of the assignor. Typically, a trademark is assigned from one party to another through a deed of assignment. A certified copy of the deed of assignment may be submitted to IPOS when recording the change of ownership but it is not a requirement.

**15 Validity of assignment****Must the assignment be recorded for purposes of its validity?**

Under the TMA, if an assignment is not recorded with IPOS, it will be regarded as being ineffective as against a person acquiring a conflicting interest in or under the registered trademark in ignorance of the transaction. Moreover, a person who becomes the proprietor of a registered trademark by virtue of the assignment is not entitled to damages, an account of profits or statutory damages in respect of any infringement of the registered trademark occurring after the date of the assignment and before the date of the application for the registration of that assignment.

**16 Security interests****Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?**

The granting of any security interest, whether fixed or floating, over a registered trademark, or any right in or under it, is a registrable transaction under the TMA. Until the grant of a security interest is recorded on the Register, it will be regarded as being ineffective as against a person acquiring a conflicting interest in or under the registered trademark in ignorance of the transaction. As with an assignment, a person who becomes the proprietor of a registered trademark by virtue of the security interest is not entitled to damages, an account of profits or statutory damages in respect of any infringement of the registered trademark occurring after the date of the grant of the security interest and before the date of the application for the registration of that grant of the security interest.

**17 Markings****What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?**

There are two symbols that can be used by a trademark owner to indicate trademark use or registration:

- the symbol ® can be used on a sign once that sign is registered as a trademark under the TMA; and
- the symbol ™ can be used on a sign that is being used in the market on goods or services, but that sign is not yet registered as a trademark under the TMA.

Though it is not compulsory to use either symbol, the rationale behind doing so is to educate and inform members of the public that a sign is a trademark (ie, an indicator of source of origin, and that it belongs exclusively to an individual, firm or company).

Under the TMA, it is an offence to falsely representing trademark as registered. Any person who falsely represents that a mark is a registered trademark or makes a false representation as to the goods or services for which a trademark is registered, knowing or having reason to believe that the representation is false, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000.

The TMA clarifies that if the word 'registered' or any other word or symbol importing a reference (express or implied) to registration is used on a trademark in the course of trade in Singapore, it shall be deemed to be a representation as to registration under the TMA, unless it is shown that the said representation as to registration relates to a country other than Singapore and that the trademark is in fact so registered for the goods or services in question.

**18 Trademark enforcement proceedings****What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?**

Under the TMA, the owner of a registered trademark can enforce its trademark rights against an alleged infringer or dilutive use of its mark by making a claim of infringement in the High Court. The proprietor has the right to obtain relief such as an injunction, an account of profits and damages, under the TMA for infringement of its trademark. Section 27 of the TMA sets out the acts amounting to infringement of a registered trademark.

Other than provisions governing trademark infringement, the TMA also contains provisions pertaining to acts that amount to a criminal offence, in particular, counterfeiting of a registered trademark, falsely applying a registered trademark to goods or services, importing or selling goods or services with falsely applied trademark. The tariff for a criminal act of infringement as provided in the TMA is up to S\$10,000 per infringing article up to an aggregate maximum of S\$100,000, five years' imprisonment, or both.

Border enforcement measures are also available to the owner of a registered trademark under Part X of the TMA. A proprietor or a licensee of a registered trademark who expects infringing goods to be imported into Singapore may give written notice to the Director-General, providing sufficient information to identify the said goods, to enable the Director-General to ascertain when and where the goods are expected to be imported, to satisfy the Director-General that the goods are indeed infringing goods and clearly stating that the trademark proprietor or licensee objects to such importation. The notice is valid for 60 days, unlike in some other countries that have a one-time registration system.

**19 Procedural format and timing****What is the format of the infringement proceeding?**

A civil action at the High Court for infringement of a registered trademark is usually commenced by way of writ of summons. Following this, unless the parties amicably settle the matter, the stages of a civil action include filing of pleadings, discovery of documents, exchange of evidence via affidavits and, finally, trial in open court. Provisional remedies such as an interlocutory injunction are available to a plaintiff. As with most legal actions in court, the trial would involve cross-examination of witnesses as well as filing of written submissions. Upon considering the facts of the case and relying on the applicable law, a High Court judge will then decide on the case. A civil action may take between 12 and 18 months to be concluded, depending on the complexity of the case and whether any interlocutory remedies are requested.

Criminal enforcement proceedings are carried out by the Intellectual Property Rights Branch (IPRB) of the Singapore Police Force. In general, it is the responsibility of trademark owners to be aware of counterfeiters or alleged infringers in the market. Assuming,



through trap purchases, that counterfeits are found in the market, the proprietor of a registered trademark is able to coordinate with the IPRB and file a complaint with a magistrate of the State Courts in Singapore. A search warrant is then issued by the magistrate to the IPRB officers, who then have the power to search the premises where the counterfeits are found and to seize those goods. The trademark owner then returns before the magistrate, usually within two to three days of the raid, to report on the items seized. The person from whom the items were seized is also allowed to appear should he or she have complaints about the manner in which the search was carried out. Following this, the trademark owner or its legal counsel may prosecute the offence within six months of the offence, on the authorisation of the Attorney General's Chambers (AGC). Under the supervision and authority of the AGC, the offence may be further prosecuted, or the parties may decide to enter into negotiations and settlement, subject to the AGC's sanction.

## 20 Burden of proof

### What is the burden of proof to establish infringement or dilution?

The burden of proof in a civil action to establish infringement or dilution falls on the party initiating the action, that is, the plaintiff. Typically, the standard of proof in a civil action is on 'the balance of probabilities' whereas in a criminal action, the prosecution has the burden of proving the charges 'beyond reasonable doubt'.

## 21 Standing

### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

Under the TMA, a trademark owner or a licensee with exclusive rights may bring a claim for infringement under his or her own name. An exclusive licensee has the same rights and remedies in respect of matters occurring after the grant of the licence as if the licence had been an assignment.

A licensee (non-exclusive), on the other hand, is only able to bring a claim for infringement in his or her own name if the trademark owner, having been called upon to do so by the licensee, refuses to or fails to act within two months. Where infringement proceedings are brought by a licensee (non-exclusive), that licensee may not, without the leave of the court, proceed with the action unless the trademark owner is either joined as a plaintiff or added as a defendant.

A criminal complaint may be filed by either the trademark owner or licensee, provided a letter of authorisation from the trademark owner is produced to the magistrate.

## 22 Foreign activities

### Can activities that take place outside the country of registration support a charge of infringement or dilution?

The provisions of the TMA (or common law trademark rights) pertain only to activities that take place within Singapore. This includes the import of infringing goods into Singapore or export of infringing goods out of Singapore. In this regard, infringing activities that take place outside of Singapore fall outside the realm of the TMA or the common law tort of passing-off.

## 23 Discovery

### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

After a claim or writ of summons has been filed with the High Court, and assuming no counterclaim is filed, the next stage of the proceeding would be discovery. In general, parties to the proceedings are required to disclose and produce all relevant evidence in their possession, custody or power, except for documents protected by legal privilege. Where one party does not provide the relevant information or documents required of it, the other party may apply to the court to compel that party for specific disclosure of the missing or incomplete information or documents. If deemed fit, pre-action discovery may be applied for prior to commencement of the action.

## 24 Timing

### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

A civil action at the High Court may take between 12 and 18 months to conclude. The time frame very much depends on the complexity of the case as well as whether interim remedies (eg, interlocutory injunctions and interlocutory applications for discovery) are sought. An application for an interlocutory injunction may be heard by the court within a few days. Sometimes, a plaintiff may also seek summary judgment against a defendant where there is no real arguable defence put forward. In the event that an appeal is filed to the Court of Appeal against the decision of the High Court judge, the time frame for the appeal process may be anywhere from a few months to about one year.

## 25 Litigation costs

### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

As an estimate, the costs in bringing or defending an infringement or dilution action could range between US\$100,000 and US\$300,000 up to the conclusion of trial. Generally, it is difficult to provide a typical range of costs associated with an infringement or dilution action, because in some instances the case can be rather complex, especially where the alleged infringement is challenged by the defendant, and the evidence presented by both parties is voluminous. In complex cases, the costs would tend to be on the higher side, whereas where there is clear-cut infringement and no real defence is put forward (in which case summary judgment would be possible), the costs can be lower than expected. Legal counsel in infringement proceedings commonly charge based on an hourly rate, though increasingly lawyers are open to the concept of fixed fees. This varies from firm to firm.

A successful party may recover its costs from the losing party, but the amount of costs awarded is usually decided by the court. Costs recovered are not compensatory in nature and thus the winning party is not likely to recover all the costs and expenses incurred in the proceedings.

## 26 Appeals

### What avenues of appeal are available?

Under the TMA, decisions made by a registrar in opposition, invalidation or revocation proceedings can be appealed to the High Court. Further appeals can be made to the Court of Appeal with leave of the court. Infringement proceedings under the TMA are heard in the High Court and appealed to the Court of Appeal. Passing-off actions may be brought in the State Courts or the High Court, depending on the amount of damages sought. Appeals from the State Courts can be made to the High Court and further appeals to the Court of Appeal, which is the highest appellate court in Singapore.

## 27 Defences

### What defences are available to a charge of infringement or dilution, or any related action?

Under the TMA, a party named as a defendant in an infringement action may be able to rely on the following defences:

- use of the defendant's own registered trademark;
- use is with consent of the trademark owner;
- use is of the defendant's name or the name of his or her place of business or the name of his or her predecessor in business or the name of his or her predecessor's place of business;
- the trademark is non-distinctive and is descriptive of the kind, quality, quantity, intended purpose, value, geographical origin or other characteristic of goods or services;
- the trademark used indicates the intended purpose of goods or services, and such use is in accordance with honest practices in industrial or commercial matters;
- there has been prior and continuous use of the trademark earlier than the trademark owner;

## Update and trends

In the first judicial decision to be examined under Singapore's Trade Mark Act (Chapter 332, Revised Edition 2005) (the TMA) the interplay between the rights of registered trademark proprietors to pursue infringement proceedings under section 27 and the recently enhanced border enforcement provisions of Part X of the statute regarding the interdiction of infringing goods that flow through Singapore in the course of international trade, the High Court of the Republic of Singapore addressed the trademark infringement claims of five famed international brand owners in consolidated lawsuits against a Singaporean freight forwarder.

In *Louis Vuitton Malletier v Megastar Shipping Pte Ltd (PT Alvenindo Sukses Ekspres, third party) and other suits* [2017] SGHC 305, Louis Vuitton Malletier, Guccio Gucci SPA, Burberry Limited, Hermès International and Sanrio Company Ltd (proprietor of the 'Hello, Kitty' menagerie of marks) (together, the plaintiffs), sued freight forwarder Megastar Shipping Pte Ltd (the defendant), which in turn made third-party claims against PT Alvenindo Sukses Ekspres (the third party), an Indonesian firm, ostensibly a freight forwarder, which did not enter an appearance in the lawsuits.

The claims arose out of shipments from two seaports in China to Singapore of two containers destined, had the China shipper had its way, for transshipment to the Indonesian island of Batam, a free trade zone and tourism venue with multiple busy seaports, located some 60 nautical miles (110 kilometres) from Singapore across the Singapore Strait.

Both containers were intercepted, detained, inspected and seized by Singapore Customs under the provisions for assistance by border authorities set out in Part X of the TMA. The containers held counterfeit goods bearing various trademarks of Louis Vuitton and the other plaintiffs registered in Singapore. Singapore Customs' inspection of each container was conducted in response to a request by Louis Vuitton. Following inspection, the counterfeit Louis Vuitton goods were seized by Customs under section 82 of the TMA, since Louis Vuitton gave notice that it objected to the importation of infringing goods that it expected to be imported in the two containers, whereas the counterfeit Burberry, Gucci, Hermès and Hello, Kitty goods were detained ex officio under section 93A(1)(a) of the TMA.

The plaintiffs commenced proceedings for trademark infringement against the defendant, alleging that it had imported the counterfeit goods into Singapore. The defendant denied importing the goods, and asserted that even if the counterfeits had been imported into Singapore, the defendant in any case was not the importer.

Section 27 of the TMA provides that trademark infringement arises if a person without consent of the proprietor uses in the course of trade a sign identical or similar to the registered trademark in relation to identical or similar goods for which the trademark is registered. Section 27(4)(c) of the TMA provides that a person uses a sign if, in particular, he or she 'imports or exports goods under the sign'.

Thus, the prime question at stake in *Louis Vuitton et al. v Megastar Shipping* was whether the defendant was liable for importing or exporting the counterfeit goods within the meaning of section 27(4)(c). The answer to this turned principally on three legal questions:

- had the counterfeit goods been imported into Singapore within the meaning of section 27?;
- was the defendant the importer and therefore liable for infringement under section 27?; and
- was the defendant liable for exporting the counterfeit goods under the sign?

Crucially, the court observed that terms such as 'import' and 'export' can mean different things in different pieces of legislation. In particular, the court asked, do these words have the same meaning when used in respect of customs measures concerned with control of goods brought into and out of Singapore as they have when used in legislation setting out the exclusive rights of intellectual property right owners in Singapore?

The plaintiffs argued that transshipment of counterfeit goods through Singapore constituted importation into Singapore. On this point, the court agreed that the term 'import' in section 27(4)(c) of the TMA does not require, as the defendant had contended, that the goods be intended for free circulation in the Singapore market.

Although section 27(4)(c) provides that a person uses a sign if he or she 'imports or exports goods under the sign', the TMA does not set out a general definition of 'import' or 'export'. That being so, section 2(1) of the Interpretation Act comes into play, because the Interpretation Act supplies definitions of various terms that control all Singaporean legislation, unless something in the subject matter or context of a given legislative act is inconsistent with the definition set out in the

Interpretation Act. Section 2(1) of the Interpretation Act states that the term 'import', with its grammatical variations and cognate expressions, means 'to bring or cause to be brought into Singapore by land, sea or air'. Applying this definition, a transshipment of counterfeit goods could be an 'import' for trademark infringement purposes under section 27.

Thus, the court found that the containers and the counterfeit goods within were imported into Singapore in the sense that they were brought into Singapore by sea, and that the bringing of the goods in transit through Singapore was clearly done in the course of trade.

The court said, however, that this does not mean that the defendant is liable for infringement, because the second question was whether the defendant was the importer of the goods and therefore liable for infringement under section 27.

The plaintiffs contended that the defendant was the importer, arguing that section 93A of the TMA (enacted to address the requirements for ex officio procedures contained in the United States-Singapore Free Trade Agreement, which entered into force in 2004) is concerned with detention and examination by customs authorities, and extends to goods that are imported into or that are to be exported from Singapore, including goods in transit, provided that these are consigned to a local consignee. Section 93A(5)(b)(v) of the TMA provides that, in the case of goods in transit consigned to a local consignee, references to import or importation are to be read as a reference to the import, importation or export of the goods by the consignee for the purposes of the border enforcement provisions of the TMA. The plaintiffs argued that this supports the case that the defendant was the importer, and that it would have been the exporter had the goods not been seized and detained by Singapore Customs.

The court disagreed. The effect of section 93A(5)(b)(v) of the TMA is that the local consignee of goods in transit is to be regarded for the purposes of applying those provisions as the importer. However, this does not mean that the local consignee must be regarded as the importer for all purposes, such as for deciding whether it is the importer in an infringement action under section 27. After all, under section 93A(2) of the TMA, notice must be given to the 'importer, exporter or consignee, as the case may be, of the detained goods', phrasing which suggests that a consignee is not necessarily the importer or exporter.

The court said that the fact that the defendant would have been named as the importer in the relevant permits and declarations required by Customs or port authorities says nothing about whether the defendant is liable for trademark infringement under section 27 of the TMA.

The court put this issue in context of the actual normal role of a freight forwarder. Operations at the port of Singapore, the world's largest transshipment hub, are highly computerised through the Portnet system (see [www.portnet.com](http://www.portnet.com)) operated by the Port of Singapore Authority (PSA). Users of the Portnet system include various participants involved in the movement of containers in and out of Singapore. Users are each assigned a unique operator code and have the right to access Portnet for the purpose of synchronising operational processes between the various players in the maritime service community, including carriers, the port authorities and freight forwarders. Under the Portnet system, it ordinarily would not be necessary for the freight forwarder in a transshipment transaction to take physical possession of the containers or even to have sight of the containers. Once the relevant instructions are entered into the system, the PSA essentially undertakes the necessary operations, such as unloading of the containers, placement into transshipment stacks and loading of the containers on board the outward-bound vessel.

The containers in this case would have been under the control of the carrier as the vessel approached Singapore. Once the defendant accepted appointment by the third party to arrange for transshipment to Batam, the defendant notified the carrier to declare 'transshipment status' for each container, and to transfer the operator code for each container from the carrier to the defendant. Once this was done, the defendant would then use Portnet to provide instructions as per the information it had been provided by the third party. The letter of instructions from the third party provided details, including the identity of the carrier to be used to transport the containers to Batam, the name of the vessel and the port code. Using Portnet, the defendant would be able to input such information so that the PSA could take the necessary operational steps.

Hence, the defendant's role was simply to follow the instructions of the third party. The reason the goods were not shipped directly from China to Batam was that larger container vessels are unable to enter the relatively shallow Batam ports. This made it necessary to ship the goods to Singapore and arrange for onward carriage of the sealed containers to Batam on smaller 'feeder' vessels or barges. Once the containers

**Update and trends (cont.)**

reached Batam, they were to be received and unpacked by the third party.

The goods were inside sealed containers. There was no evidence at all that the defendant had a common design with the importer to infringe. The steps required of the defendant were largely concerned with documentation and entry of the necessary details into the Portnet system. The transshipment process did not entail the defendant taking physical possession or control of the containers or their contents.

The defendant had no part in making the shipping arrangements, packing or loading the containers on board the inbound vessels. These arrangements and acts were done by the shippers in China or by the third party. The instructions to the defendant to declare transshipment status also came from the third party.

Therefore, the court agreed with the defendant that in these circumstances it could not be said that the defendant was the importer. It certainly had not brought or caused to be brought the counterfeit goods into Singapore.

If anyone was the importer, it was either the China shippers or the third party.

This brought the court to deal with the third key question: whether or not the defendant was the exporter of the counterfeit goods for purposes of trademark infringing liability.

Assessing the detention, inspection and forfeiture provisions for counterfeit trademarks now found in the TMA, the court focused on the fact that the Customs Act is essentially concerned with controlling goods entering or passing through Singapore for the purposes of revenue matters (import and export duties) and detection or interdiction of 'prohibited items', including but by no means limited to counterfeits.

There are many different procedures, forms and permit applications involved when goods are sought to be brought into or out of Singapore. Someone obviously must apply for the necessary permits, make the requisite declarations, pay the required fees or charges and provide information which may be required by the authorities. That person need not necessarily be the shipper, consignor, consignee or the master of the vessel. The person may be an agent of the shipper, consignor or consignee, often taking the form of a freight forwarder. In some cases, perhaps many, forms or permit applications issued by the relevant authorities will include a box or heading describing the person submitting that form or application as an importer or exporter.

Against this backdrop, one of the questions arising was whether and how the court should take account of the terminology used in such forms, declarations and applications in deciding who is an importer or exporter within the context of an alleged trademark infringement.

In this instance, the court noted, the defendant received letters from the third party, the letters requested the defendant to arrange transshipment of the two containers to Batam, setting out brief details of the incoming shipments and identifying the name of the carrier and the vessel to be used for carriage to Batam. The letters also contained undertakings to indemnify the defendant against all consequences and liabilities. The defendant also received from the third party the

sea waybills, commercial invoices, packing lists and arrival notices in respect of both containers. The defendant was neither involved in the packing of the containers nor the arrangements to ship the containers from China to Singapore, simply acting as the freight forwarder on the instructions of the third party.

As with the term 'import', the court noted, there is no definition of 'export' under the TMA. Instead, 'export' must be understood in accordance with section 2(1) of the Interpretation Act. The question, therefore, was whether the defendant was the party who would have 'take[n] or caused to be taken out of Singapore by land, sea or air' the counterfeit goods.

The defendant's engagement by the third party was for the limited purpose of arranging for transshipment of the inbound containers. The defendant acted as agent for the third party in taking the action and steps that it took. It was the third party who engaged the defendant to declare the goods for transshipment. It was the third party who instructed the defendant on which vessels were engaged to perform the transshipment to Batam. The commercial invoices supplied by the third party made clear that the containers' final destination was Batam and that the third party was the ultimate consignee. All the preparations were made by the third party and carried out by the defendant as the Singapore freight forwarder by virtue of its ability to access PSA's Portnet system. On that basis, the court concluded that if any party was the exporter of the counterfeit goods, it was the third party, and not the defendant, and thus the defendant could not be held liable for trademark infringement as the exporter of the counterfeits.

In conclusion, since the counterfeit goods being transhipped were imported into Singapore for purposes of Trademark Act section 27's infringement provisions, but the defendant in its role as a conventional freight forwarder was neither an importer nor exporter for the purposes of those provisions, the claims against the freight forwarder were dismissed and the freight forwarder was awarded costs.

The counterfeit goods were seized and destroyed. Yet if the brand owners wanted satisfaction in terms of damages, fees and costs, they needed to bring to court the shipper based out of China or the exporter of the counterfeit goods or its agent based in Indonesia - easier said than done.

In its extensively reasoned and informed opinion, very much in touch with the transnational shipment of branded goods globally, the court recognised that international brand owners are in a sense on the horns of a dilemma. Litigation against the manufacturers of counterfeits in the country of manufacture can be problematic to say the least, yet on the other hand, commencing litigation against importers in the country of importation presents difficulties. Desirable as interdiction at an intermediate port through which a consignment of counterfeits passes in the course of carriage may be, a conventional freight forwarder handling a transshipment in good faith in the Port of Singapore in the ordinary course of trade will be neither the trademark infringement culprit nor an effective pressure point for anticounterfeiting enforcement.

- use of the trademark constitutes fair use in comparative commercial advertising or promotion;
- use of the trademark is for a non-commercial purpose;
- use of the trademark is for the purpose of news reporting or news commentary; and
- use of the trademark is in respect of genuine goods or parallel-imported goods.

Other notable defences include the use of a trademark that has been disclaimed, or there was delay in taking action or acquiescence on the part of the trademark owner.

In an action based on the common law tort of passing-off, possible defences include:

- there is no likelihood of appreciable damage;
- the alleged passing-off is not in relation to the trademark owner's goods, services or business; and
- there has been a delay in taking legal action or acquiescence on the part of the trademark owner.

**28 Remedies****What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?**

Under the TMA, a trademark owner may be able to claim the following remedies for infringement of a registered trademark:

- an injunction;
- damages;
- an account of profits;
- statutory damages;
- an order for erasure of the offending sign; and
- an order for delivery up and disposal of the infringing goods.

Monetary awards are compensatory in nature and the plaintiff must provide evidence of the losses claimed. Preliminary injunctions are generally granted when the balance of convenience lies in favour of granting the injunction whereas a final injunction is granted after a trial on the merits of the case.

In criminal actions, the remedies include fines, imprisonment, orders for forfeiture and destruction of goods or articles.

**29 ADR****Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?**

Yes, ADR techniques are available and commonly used in Singapore. In fact, there are a number of ways, including direct negotiations, in which the parties in a dispute may amicably resolve their differences without having to endure a long and costly hearing at IPOS or a legal action in the High Court, such as mediation and arbitration.

**Mediation**

Parties who seek a win-win solution in a dispute, for example, trademark opposition, trademark invalidation or trademark cancellation, have the option of selecting mediation at IPOS. On 28 September 2011, IPOS and the World Intellectual Property Office (WIPO) signed a memorandum of understanding under which a joint dispute resolution procedure to facilitate the mediation of intellectual property disputes pending before IPOS was established. There are three types of mediation available: WIPO mediation, mediation with Singapore Mediation Centre or mediation with the Singapore International Mediation Centre. According to IPOS, the success rate of mediation is high. In 2016, IPOS introduced the Mediation Promotion Scheme in which parties who choose mediation may be funded up to S\$5,500 per mediation case. This scheme is available from 1 April 2016 until 31 March 2019 for an estimated 30 cases. More information on the Mediation Promotion Scheme is available on the IPOS website.

**Arbitration**

Besides mediation, parties may also settle their disputes through arbitration in Singapore. Domestic arbitrations are governed by the Arbitration Act, while international arbitrations are governed by the International Arbitration Act. Arbitration in Singapore may be conducted under ad hoc rules or administered by an arbitration institution, the Singapore International Arbitration Centre. Parties can choose one or three arbitrators, who are experts in the relevant area of law. The advantages of arbitration over court hearings include the lower costs of arbitration, the arbitration process is kept private and confidential and it is easy to enforce domestic or foreign arbitration awards. Unlike court decisions, which may be appealed, arbitration awards are final with limited scope of appeal.

**30 Famous foreign trademarks****Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

Under the TMA, a 'well-known trademark' is any registered trademark that is well known in Singapore or any unregistered trademark that is well known in Singapore and that belongs to a person who is a national of a Paris Convention country or is domiciled in, or has a real and effective industrial or commercial establishment in, a Convention country,

whether or not that person carries on business, or has any goodwill, in Singapore.

A well-known trademark is afforded protection regardless of whether:

- the trademark has been registered in Singapore or is a pending application; and
- the trademark owner of the trademark carries on business, or has any goodwill, in Singapore.

To prove that a trademark is well known, some of the factors considered are:

- the degree to which the mark is known to or recognised by any relevant sector of the public in Singapore;
- the duration, extent and geographical area of any use or promotion of the mark;
- any registration or application for registration of the mark in any country or territory in which the mark is used or recognised, and the duration of such registration or application;
- any successful enforcement of any right in the mark in any country or territory, and the extent to which the mark was recognised as well known by the competent authorities of that country or territory; and
- any value associated with the mark.

Should a trademark owner of a well-known mark discover that another trader is using, in the course of trade in Singapore and without consent, a sign that is identical with or similar to its well-known mark and in relation to identical or similar goods or services, that trademark owner could seek injunctive relief to restrict such use where:

- the use is likely to cause confusion; or
- the use would indicate a connection between those goods or services and the well-known mark owner, and is likely to damage the interests of the well-known mark owner; or
- the use would indicate a connection between the business in respect of which it is used and the well-known mark owner, and is likely to damage the interests of the well-known mark owner; or
- assuming the trademark is well known to the public at large in Singapore, the use would cause dilution in an unfair manner of the distinctive character of the well-known mark or would take unfair advantage of the distinctive character of the well-known mark.

A well-known mark owner would not be entitled to injunctive relief if the use of the trademark or business identifier began before the trademark became well known in Singapore, unless the trademark or business identifier has been used in bad faith.

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# Switzerland

Jürg Simon and the Lenz & Staehelin IP team

Lenz & Staehelin

## 1 Ownership of marks

### Who may apply?

In general, trademark applications may be filed by any natural or legal person. However, certain restrictions apply for the registration of collective marks and geographical marks. Applications may be jointly deposited by multiple applicants, in which case a single representative must be appointed. If the applicant is not domiciled or does not have a registered office in Switzerland, an address for service in Switzerland must be designated.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

Any sign capable of distinguishing the goods or services of one undertaking from those of other undertakings and capable of being represented graphically can be registered and protected as a trademark. This includes, but is not limited to, words, letters, numerals, figurative representations, three-dimensional shapes, holograms, colours, jingles, position marks, motion marks or any combination of such elements. Owing to the requirement of representability, olfactory marks as well as sound marks that cannot be represented in the form of musical notes are currently not considered registrable.

Signs deemed to belong to the public domain (ie, owing to their descriptive character or a need to preserve availability of the sign for competitors) as well as signs that are misleading or contrary to public policy, morality or applicable law are excluded from trademark protection (absolute grounds for refusal). Furthermore, the proprietor of an earlier trademark may oppose or contest a later mark or sign that is identical to the earlier mark and intended for the same goods or services or that is identical or similar to the earlier mark and intended for the same or similar goods or services such that a likelihood of confusion results (relative grounds for refusal). The Swiss Federal Institute of Intellectual Property (IPI) will, however, not examine *ex officio* a trademark or sign on relative grounds for refusal.

## 3 Common law trademarks

### Can trademark rights be established without registration?

Trademarks protected in a foreign jurisdiction that are not registered in or for Switzerland enjoy similar protection as registered marks if they qualify as well known in Switzerland within the meaning of article 6-bis of the Paris Convention. Whereas use in Switzerland is not necessarily required for a foreign trademark to be considered as well known, protection of such marks usually necessitates evidence of significant sales or advertising activity in Switzerland over a substantial period of time.

Furthermore, the Trade Mark Protection Act (TmPA) provides for a right to continued use of trademark-protected signs used prior to the filing of the trademark application. This right of prior use, which may only be assigned together with the undertaking holding the right, is limited to earlier users and to the extent of actual prior use. Moreover, it does not confer on the earlier user any trademark rights in relation to the sign at issue.

Finally, signs that are not registered as trademarks may enjoy protection under the Federal Act against Unfair Competition to the extent of their inherent or acquired distinctiveness.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration?

### What additional documentation is needed to file a trademark application?

Whereas duration of the registration procedure depends on the individual case, applications are generally examined and subsequently registered or objected to within three months after payment of the filing fee. Applications that are seemingly straightforward in terms of absolute grounds for refusal can be examined and registered within a few weeks. However, this fast-track procedure is only available for applications whose list of goods and services consists entirely of terms accepted by the IPI's e-trademark or classification tool. Applicants may also request an expedited processing, in which case the application will be processed within one month and the remaining steps taken within two months each.

The total cost for the registration of an average national mark in up to three classes is approximately 1,600 Swiss francs. This includes the filing fee as well as typical attorneys' fees. The filing fee amounts to 550 Swiss francs and includes protection for up to three classes for a duration of 10 years. Additional classes may be added for a fee of 100 Swiss francs per class. The fee for expedited trademark examination is currently set at 400 Swiss francs and the national fee for an international registration amounts to 100 Swiss francs. Attorneys' fees as well as potential translation costs may, of course, vary according to the scope and complexity of the case. In any case, the duration and cost of the registration procedure may substantially increase if the IPI raises objections against the pending application.

## 5 Classification system

### What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?

As Switzerland is party to the Nice Agreement, the goods and services for which the registration is sought have to be grouped according to the Nice Classification. Multi-class applications are available and result in substantial cost savings compared with multiple single-class applications (eg, the filing fee of 550 Swiss francs includes up to three classes and additional classes may be added for a fee of 100 Swiss francs per class).

## 6 Examination procedure

**What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?**

After filing of an application, the IPI will first verify whether all necessary documents have been submitted. If the application is considered complete, the applicant will receive a certificate of filing containing the filing date and the application number. The IPI will then conduct a formal and substantive examination. Thereby, the IPI will, inter alia, examine the application with respect to absolute grounds for refusal (ie, grounds for refusal that are based on public interests). In contrast, applications will not be examined ex officio for potential conflicts with other trademarks (ie, relative grounds for refusal). If no grounds for refusal can be found, the trademark will be registered and registration will be certified and published. Since applications are not examined ex officio for potential conflicts, letters of consent are not relevant in order to overcome objections based on third-party marks.

In the case of formal or substantive deficiencies, the IPI will object to the application and the applicant will be given the opportunity to remedy such deficiencies before the rejection becomes final. In order to prevent such rejection, the applicant may also modify the trademark or the list of goods and services. However, certain amendments to the application may cause the filing date to be postponed.

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

The use of a trademark or service mark does not have to be claimed before registration is granted or issued. Hence registration is also granted if the trademark has not been used. However, the TmPA provides for a five-year grace period. When a proprietor has not used the trademark in relation to the goods or services for which it is claimed for an uninterrupted period of five years following the expiry of the opposition period with no opposition having been filed or upon conclusion of opposition proceedings, the proprietor may no longer assert the right to the trademark, unless there are proper reasons for the non-use (article 12 paragraph 1 TmPA).

If use of the trademark is commenced or resumed after more than five years, the right to the trademark is restored with effect from the original priority date, unless non-use of the trademark has been invoked under paragraph 1 prior to its commencement or resumption of use (article 12 paragraph 2 TmPA).

In the registration proceeding the IPI does not examine use (or intended use) of a trademark and there is also no subsequent proceeding with which the IPI would demand proof of use. Non-use of a trademark may, however, be claimed by an opposing party in an opposition proceeding (when the proprietor tries to prevent a new registration it will subsequently need to prove the use of the mark if the grace period has lapsed), in a cancellation proceeding according to article 35 et seq TmPA or in a civil action for annulment.

## 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

If the IPI is of the opinion that a trademark cannot be registered (eg, because of absolute grounds for refusal) it issues an objection and grants the registrant a deadline to respond (administrative procedures).

If the IPI still refuses to register a trademark after the registrant's statement, it issues an administrative order which can be appealed within 30 days before the Federal Administrative Court (judicial appellate procedures). The decision by the Federal Administrative Court can then be appealed (again within 30 days from the notification of the

decision) to the Federal Supreme Court. Such an appeal can be made either by the registrant (if the Federal Administrative Court also refuses to register the trademark) or by the IPI (if the Federal Administrative Court grants protection).

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

In Switzerland a third party cannot oppose an application prior to registration but only seek cancellation of a trademark or service mark after registration. All trademark applications as well as registrations are published on the official IPI website, [www.swissreg.ch](http://www.swissreg.ch).

According to the TmPA the proprietor of an earlier trademark can file an opposition to a registration based on relative grounds for refusal (likelihood of confusion). Such an opposition must be submitted in writing to the IPI with a statement of reasons within three months (this deadline is non-extendable) of publication of the registration (article 31 TmPA). The opposition fee amounting to 800 Swiss francs must also be paid within this time limit. In addition to these administrative fees, an opposing party will also have to pay its attorneys' fees, which typically depend on the complexity of the case. As an average, 1,000 to 5,000 Swiss francs per submission can be expected.

After the exchange of one or more briefs, the IPI will render its opposition decision, which can then be appealed within 30 days (non-extendable) to the Federal Administrative Court, which then decides as final instance (in opposition proceedings an appeal to the Federal Supreme Court is not possible).

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

After registration, a trademark is protected for a period of 10 years. Afterwards, the trademark holder can continue to renew it for 10 years at a time for 700 Swiss francs. Since such renewal can be made continuously, Swiss trademark law can potentially grant indefinite rights.

The IPI will generally remind the holder when protection for its trademark is about to expire, but it is the sole responsibility of the holder to ensure the timely filing of an application for renewal.

## 11 The benefits of registration

**What are the benefits of registration?**

Since registration of a trademark is essential for its protection, the benefits of registration cannot be overstated. According to article 13 TmPA, a trademark right confers on the proprietor the exclusive right to use the trademark to identify the goods or services for which it is claimed and to dispose of it.

In addition to the right to prohibit others from using a sign that is excluded from trademark protection under article 3 paragraph 1 TmPA (identical trademark or a confusingly similar trademark for identical or similar goods or services) the trademark holder can also request border enforcement mechanisms against unauthorised goods. If the Customs Administration then, as a result of an application by the trademark holder, has reasonable grounds to suspect that certain goods intended to be transported into or out of the customs territory of Switzerland unlawfully bear a trademark, then it will notify the applicant and the declarant, holder or owner of the goods accordingly (article 72 TmPA).

**12 Licences**

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

Yes, licences may be recorded at the Trademark Registry. The specificities of a licence (exclusivity, limited range of goods or services, territorial limitations, sublicense etc) may also be recorded. Recording of licences is an option, not an obligation. Validity and enforceability of licensing agreements do not depend on recording of such licences. As an exception to this rule, licences on collective trademarks are valid only if recorded in the trademark registry. Recordal has the effect of rendering the licence effective against subsequently acquired rights in the trademark. Therefore, recordal of a licence is in general in the interest of the licensee. The request for recordal of the licence may be filed by the licensor or the licensee, confirmed by a statement of the trademark owner. The licensing agreement can, but must not, be presented for the recordal of a licence.

**13 Assignment**

**What can be assigned?**

Trademarks can be assigned as such (full assignment) or only for some goods or services for which they are registered (partial assignment). This usually includes goodwill. The business attached to a trademark must not be assigned together with the trademark. There is no obligation to include a value of consideration for goodwill in order to record the assignment of a trademark. The assignment is valid always for the entire territory of Switzerland.

**14 Assignment documentation**

**What documents are required for assignment and what form must they take?**

Notarisation or legalisation is not required. What is required is an assignment declaration, signed by the assignor, stating clearly who the parties are and what (trademark registrations or applications) is assigned.

**15 Validity of assignment**

**Must the assignment be recorded for purposes of its validity?**

The agreement concluded in order to create the obligation to assign is valid in any form. The assignment itself, however, must be in writing. It is effective in relation to third parties acting in good faith only upon recordal in the Registry.

**16 Security interests**

**Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?**

Security interests in trademarks are recognised in Switzerland. Notarisation is not required. They must not be recorded for the purpose of validity or enforceability. Recordal, however, can be advantageous with a view to enforcing security interests against good-faith acquirers of a trademark in which security interests exist.

**17 Markings**

**What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?**

Marking is not mandatory. Most commonly used for marking are the symbols ® or ™. The former may only be used in for a registered trademark. Its use for a mark which is not registered can be considered as an act of unfair competition (boasting of one's unregistered trademark as registered). There are no specific rules for the use of the symbol ™, but prevailing doctrine is of the opinion that it should be used only if at least a trademark application exists. The benefit of marking is its deterrent effect against third parties. To renounce marking can, in the case of trademarks that are close to being non-distinctive, jeopardise the legal standing of a trademark.

**18 Trademark enforcement proceedings**

**What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?**

**Civil court proceedings**

Civil legal action may be taken by a trademark owner in the case of trademark infringement by a third party. Under Swiss trademark law, only famous trademarks are eligible for protection against dilution.

Generally, each of the 26 cantons has designated a sole cantonal instance that is competent to rule on civil trademark disputes. In four cantons (Zurich, Bern, Aargau, Saint Gallen), specialised commercial courts are competent to rule on trademark matters. Any competent court may be requested to grant injunctive relief, prohibit an imminent infringement, remedy an existing infringement, require the defendant to provide information regarding infringing goods and distribution channels, award damages or order the surrendering of profits.

**Criminal proceedings**

The wilful infringement of a trademark right constitutes a criminal offence and is subject to a custodial sentence of up to one year or a monetary penalty (up to five years of prison if the offender acts for commercial gain). The cantonal criminal prosecution authorities handle criminal complaints and are competent to institute criminal proceedings against any alleged infringer.

**Custom seizure**

The Swiss customs authorities (Federal Customs Administration) are authorised to withhold infringing goods upon request of the trademark owner. Within 10 days after notification of the withholding of potentially infringing goods (extendable by another 10 days), the trademark owner must obtain an injunction by a civil court, a seizure order by a criminal prosecution authority or obtain the goods' owner to agree to the destruction of the withheld goods.

**19 Procedural format and timing**

**What is the format of the infringement proceeding?**

**Civil court proceedings**

Civil infringement proceedings are governed by the Swiss Civil Procedure Code. The proceedings are initiated by lodging a written statement of claim with the competent court, containing the claimant's prayers for relief, the alleged facts and the legal position as well as any documentary evidence available to the claimant. Affidavits and party-appointed expert opinions may be submitted, but are generally only considered as allegations of the submitting party. After the exchange of briefs, oral hearings may be held at the court's discretion in order to clarify the parties' positions, gather evidence or facilitate a settlement. A formal main hearing usually concludes the adversarial proceedings. Admissible evidence that the court may be requested to take includes live witness testimony, site inspections, court-appointed expert opinions as well as the questioning of the parties. Limited discovery may be granted by the court upon request (see question 23). Depending on the value in dispute, the case is decided by one or more legally qualified judges (in commercial courts, lay judges qualified in the relevant field may also be on the panel). For the time frame, see question 24.

**Criminal proceedings**

In the case of a criminal complaint, the cantonal criminal prosecution authorities decide whether to institute a criminal proceeding against any alleged infringer. If the gathered evidence is sufficient to bring an action, the authorities will prosecute the case in the cantonal criminal court. The injured trademark owner may participate in the proceeding as a private plaintiff.



## 20 Burden of proof

### What is the burden of proof to establish infringement or dilution?

In the context of civil legal proceedings, as a general rule, the burden of proof lies with the party deriving rights from an alleged fact. Generally, strict proof is the required standard of evidence that applies in the context of civil and administrative proceedings. This means that the judge must be convinced about a fact and any potential doubts must be negligible.

In the case of alleged trademark infringements, the trademark owner must prove to be the rightful owner of the trademark (in the case of registered trademarks, an excerpt from the relevant register is sufficient) and account for all relevant facts required to establish the defendant's infringing actions. In order to successfully assert dilution, the trademark owner must further provide sufficient proof of the trademark's fame. On the other hand, the defendant bears the burden of proof regarding any facts precluding the infringement of claimant's trademark, in particular the nullity of the allegedly infringed trademark. However, an exception applies if respondent asserts nullity owing to non-use of the trademark. In such case, it is sufficient for the respondent to provide prima facie evidence of non-use, such as a standard in-use search. The burden of proof regarding use sufficient to preserve the trademark rights will then be shifted to the claimant.

## 21 Standing

### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

#### Civil court proceedings

Any owner of a trademark whose right to a trademark is infringed or threatened may bring an action against the infringer. Exclusive licensees are also entitled to bring an infringement action in their own right unless this right has expressly been excluded in the licence agreement. Non-exclusive licensees may only join a proceeding that has already been initiated by the trademark owner in order to assert their damage claims.

Note that, according to the TmPA, any person with a legally protected interest may request the competent court to rule on the existence or non-existence of trademark rights. Given the generally accepted interest to keep the register free, claims for nullity of trademarks based on non-use can hence be brought against the trademark owner by practically anyone. In addition, professional, trade and consumer associations have standing to bring certain claims against guarantee and collective trademarks if a majority of their members are concerned by the matter and if, according to their by-laws, the associations' purpose includes the protection of the interest of their members or consumers.

#### Criminal proceedings

Criminal complaints may only be brought by the trademark owner that has been subject to a violation of its trademark rights as well as exclusive licensees. The complaint must be submitted within three months after the offender has become known to the complainant. Where the offender acts for commercial gain, he or she is prosecuted by cantonal criminal prosecution authorities ex officio.

## 22 Foreign activities

### Can activities that take place outside the country of registration support a charge of infringement or dilution?

In general, foreign activities cannot support a charge of infringement or dilution in Switzerland. However, activities abroad that have consequences in Switzerland may be deemed to constitute a violation of Swiss trademark rights (eg, if infringing goods are offered on foreign websites directed at Swiss consumers). Customs seizure measures are available for infringing goods arriving from abroad (see question 18).

## Update and trends

The Swiss Federal Appeals Court, in its decision of 22 January 2018 (which has been labelled 'case of the year' by the court itself), upheld the Swiss Confederation's appeal against the decision of the Swiss IP Institute to cancel the Confederation's SWISS MILITARY trademark based on the opposition of a Swiss watchmaker. The court's decision is important for two specific reasons. First, it confirmed that SWISS MILITARY is an official designation under the Federal Act on the Protection of the Swiss Coat of Arms and other Public Signs (CAPA). The scope of protection of a trademark (ie, the watchmaker's trademark), which had been registered despite the CAPA, is reduced to zero. Furthermore, the court held that there is no per se risk of confusion in cases of double identity of trademarks (identical goods or services, identical marks), but only a rebuttable presumption of a risk of confusion. This is the first time in Swiss trademark legal history that these important issues have been clarified by a federal court.

## 23 Discovery

### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

Any competent court may be requested to take evidence at any time if the applicant is in a position to credibly demonstrate that evidence is at risk or that it has a legitimate interest to obtain evidence (eg, in order to assess its chances in civil court proceedings). The court decides on such requests in summary proceedings.

Under the TmPA, the party whose trademark rights are infringed has a specific claim to information on infringing goods, distribution channels and quantitative data against the infringer, which may be asserted by way of civil proceedings (see question 18).

Moreover, once civil proceedings have been initiated, the adverse party may, upon request, be ordered by the court to disclose evidence in accordance with applicable procedural law. The court may also summon witnesses for live testimony or question the parties.

## 24 Timing

### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

The typical time frame for an infringement or dilution action ranges from six to 12 months to three years, depending, in particular, on the extent of the defendant's participation or counterclaims in the course of such proceedings. In the case of an appeal to the Federal Supreme Court, the time frame would typically be extended for another one to two years.

With respect to preliminary injunctions, the time frame is also variable. Ex parte injunctions can be rendered on the day of the request or within a few days. In the context of preliminary injunctions, where the defendant is heard, the proceedings can last between a few weeks and a few months. Appeals against preliminary injunctions would extend such proceedings for about one year.

## 25 Litigation costs

### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

Litigation costs can be divided in two components: court costs and attorneys' fees.

Court costs are calculated on the basis of the value in litigation, which is set by the parties (in the claim for the claimant and in potential counterclaims by the defendant). The claimant shall make an advance payment of the court fees (which can amount to the total amount of the estimated court fees). Cantons provide schedules of court costs, which generally correspond to a percentage of the value in litigation. For example, the court fees in the Canton of Geneva range from 200 to 2,000 Swiss francs (for a value of less than 10,000 Swiss francs) to 100,000 to 200,000 Swiss francs (for a value of more than 10 million Swiss francs).



Attorneys' fees associated with a trademark infringement or dilution action depend on the complexity and length of the preparation and proceedings. They are thus variable and it is difficult to set a typical range. For example, in simple and straightforward cases, such fees could amount to around 10,000 Swiss francs, but could be markedly higher in complex cases.

The prevailing party is entitled to recover from the other party the court costs and part of its attorneys' fees, it being specified that in the case of a partial decision, the court will split these costs and fees accordingly between the parties.

## 26 Appeals

### What avenues of appeal are available?

Trademark actions are decided in the first instance by a sole cantonal court (either a specialised cantonal court or the higher cantonal court). An appeal is thus possible only to the Federal Supreme Court. The grounds for an appeal are typically limited to the violation by the cantonal court of federal and international law. The Federal Supreme Court will only exceptionally review facts that have been found by the cantonal court.

## 27 Defences

### What defences are available to a charge of infringement or dilution, or any related action?

In the context of such actions the defendant could argue that it has prior rights, that there is no likelihood of confusion between the marks, that the claimant's trademark is null and void (eg, that it is descriptive, laudatory or misleading, or that it has become generic) or that the claimant's trademark has become non-enforceable through non-use. It could also argue that the claimant's trademark rights have lapsed, which under Swiss law is based on the general principle of good faith (including that the manifest abuse of a right is not protected by law).

In the context of a dilution action in particular, the defendant may argue that the claimant's trademark is not famous. Claiming that the claimant's trademark has become generic is also a common defence in dilution cases.

## 28 Remedies

### What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?

Civil remedies in infringement or dilution actions typically include damages, surrender of profits or restitution of unjust enrichment. A court can also order the assignment of the disputed trademark to the claimant, the forfeiture of items which unlawfully bear the trademark and the publication of the judgment. It is also worth noting that specific remedies are available in the context of preliminary injunctions, such as the securing of evidence and establishment of the origin of products.

Criminal remedies include monetary penalties as well as custodial sentences. It should be noted that under Swiss criminal law, legal entities can be subject to criminal penalties (fines) in certain circumstances.

## 29 ADR

### Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?

Civil trademark claims can be subject to 'traditional' ADR mechanisms, such as mediation and arbitration. The main advantage of such mechanisms would be confidentiality, which could help protect the reputation of the parties involved. Except for domain-name-specific ADR (UDRP and the comparable mechanism available for .ch domains), there are no specific ADR mechanisms focusing on trademarks. Such domain-name ADR is useful in particular to mitigate costs, as it is not expensive, or when the remedy sought is merely to obtain the transfer of a domain or its cancellation.

## 30 Famous foreign trademarks

### Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?

There is no special protection for famous foreign trademarks under Swiss law. However, the TmPA grants protection to trademarks that are well known in Switzerland within the meaning of article 6-bis of the Paris Convention. Such 'notoriously known' trademarks enjoy priority over newly registered trademarks if the owner can prove that its trademark is well known to the relevant market circles in Switzerland. Such demonstration of the well-known character is normally quite difficult and requires documentation of intensive use and advertising for the mark in Switzerland whereby such use must be linked to the claimed goods or services.

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# Taiwan

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## 1 Ownership of marks

### Who may apply?

Any domestic or foreign natural person, juristic person or business entity (business establishment or firm) who use trademarks to identify the goods or services they offer in trade may file a trademark application in the name of an individual, juristic person or business entity, except for collective trademarks, collective membership marks and certification marks, which are subject to the following rules:

- applicants for a collective trademark or collective membership mark are restricted to business associations, social organisations or groups that exist as a juristic person; and
- applicants for a certification mark are restricted to juristic persons, groups or government agencies who are capable of certifying another party's goods or services.

Foreigners from countries that provide reciprocal protection of trademarks or accede to an international treaty to which Taiwan accedes may be granted trademark registration.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

Under the Trademark Act, all forms of sensory signs that are distinctive enough to identify goods (trademarks) or services (service marks) from others can be registered as a trademark.

A trademark shall refer to any sign with distinctiveness, which may consist of words, designs, symbols, colours, three-dimensional shapes, motions, holograms, sounds, scents etc, or any combination thereof.

## 3 Common law trademarks

### Can trademark rights be established without registration?

The Trademark Act in Taiwan provides for trademark rights upon registration. Unregistered trademarks must be well known in order to be eligible for protection provided under the Fair Trade Act. Article 22 of the Fair Trade Act provides that no enterprise shall use a well-known trademark in the same or similar manner on the same or related goods or services that causes confusion. This provision does not apply to registered trademarks.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration?

### What additional documentation is needed to file a trademark application?

It usually takes eight to nine months to get the trademark application approved and registered, if it goes smoothly. It generally costs less than US\$1,500, including official fees and attorney fees, to file one trademark in one class up to registration, provided the number of designated goods or services for each class is under 20 items.

A scanned copy of a power of attorney signed by the applicant is needed for filing a trademark application. Filing an application in more classes or receiving the office action from the examiner regarding the acceptability of the specification of goods or services or the application as a whole would increase the estimated time and cost of prosecuting a trademark application.

## 5 Classification system

### What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?

From January 2017 the Taiwan Intellectual Property Office (TIPO) has followed the latest version (11th edition) of the International Classification of Goods and Services (the Nice Classification). Most goods or services listed in the Nice Classification may be claimed, as long as the goods or services are specifically designated.

Multi-class applications are available. Filing such an application will be more cost-effective than filing an application for one single class. Although the official fees for filing and registration are calculated by the number of classes rather than per application, the attorney fee for filing a multi-class application will be reduced for each additional class and the attorney fee for obtaining the trademark registration will only be charged per application. Moreover, costs are also reduced after the multi-class application is approved for registration, since official fees and attorney fees related to the recordation of change, assignment, licence or pledge will be calculated per trademark registration.

## 6 Examination procedure

### What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?

An application for registration of a trademark must be filed with TIPO, where the examiner will begin a formal examination followed by the substantive examination. The examiner may issue an approval of registration, a request for amendment to the application or a preliminary notice of refusal on absolute and relative grounds, including potential conflicts with prior filed applications or prior registered marks before the official refusal of the application. Letters of consent that are not obviously improper are acceptable to overcome the cited hindrance. Under the Trademark Law, similar trademarks can coexist under identical or similar goods or services if consent is obtained from the prior registered mark owners. Identical trademarks can also coexist based on letters of consent, provided the goods or services are not identical.

Upon receiving a preliminary notice of refusal, the applicant may submit a response within one month (for domestic applicants) or two months (for foreign applicants), which the examiner will take into account before refusing or approving the application. The applicant may request an extension of time in which to respond, but no further extensions will be granted unless justifiable reasons are provided.

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

Use of a trademark need not be claimed before registration is granted. Accordingly, it is not necessary to submit proof of use to obtain the trademark registration. After the trademark is registered, the proprietor should properly and continuously use the registered mark. Although there is no obligation for the registrant to submit proof of use to TIPO to maintain the registration, the registered mark will become vulnerable to non-use cancellation if the trademark has not been used for more than three consecutive years after registration. Any party suspecting non-use may file a petition of cancellation against the inactive registered mark, and the trademark will be cancelled unless the trademark owner shows proof of use of its trademark.

A trademark application that has been filed in a country mutually recognising priority with Taiwan may claim priority within six months following the filing date of which the trademark application was first filed in the given country.

## 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

A final refusal of the application issued by TIPO may be appealed to the Petitions and Appeals Committee of the Ministry of Economic Affairs within 30 days after receiving the official decision of refusal. The applicant may further file administrative litigation with the IP court if the appeal decision is unsatisfactory, and finally appeal to the Supreme Administrative Court as the last resort.

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

Taiwan adopts a post-registration opposition procedure. Once the trademark is approved to be registered and published in the Trademark Gazette, any party may file for opposition against the registration with TIPO within three months of the publication of registration.

The opposition procedure involves the opposing party filing a notice of opposition with TIPO identifying the basis for the opposition, and subsequently submitting a detailed rationale with evidence to support the opposition. The registrant will have the opportunity to file a counter-statement arguing why the registration should be maintained. The two parties can continue filing arguments and observations back and forth until both are content, and TIPO will issue a decision with grounds based on all the arguments and evidence presented by both parties.

In addition, a registered mark that is no longer in the three-month opposition period may be invalidated upon application by an interested party within five years after the date of registration. The grounds for opposition and invalidation are similar to those of registration refusal, among which prior trademark rights, well-known marks and bad-faith filing are the primary bases. Thus, if a brand owner has previously used its trademark on the same or related goods or services anywhere without obtaining registration or establishing reputation in Taiwan, it is still possible to file an opposition or initiate an invalidation action based on the bad faith of the applicant. Invalidation procedures are similar to those for opposition, but the petitioner who files an invalidation against a trademark registration based on the petitioner's prior trademark rights shall furnish proof that, during the period of three years preceding the date of request for invalidation, the earlier trademark

has been used in connection with the goods or services in respect of which it is registered and which he or she cites as justification for his or her request, or that there are proper reasons for non-use, provided the earlier trademark has at that date been registered for more than three years.

Once the opposed trademark's registration is contested and confirmed by a disposition of the opposition, no invalidation can be filed against such opposed trademark based on the same facts, evidence and grounds as those in the opposition.

The official fees for filing the opposition or invalidation against one trademark in one class are US\$140 and US\$245, respectively. The attorney fee will be charged hourly for reviewing and organising the evidence, drafting and filing the opposition or invalidation brief and the subsequent procedures for reporting the adversary's responses and filing supplemental briefs and reports, depending on the actual time consumed. Since the two parties can file arguments and observations back and forth in opposition or invalidation proceedings, the relevant costs for completing the proceedings are difficult to estimate, and would be around US\$2,200 to US\$4,800 (including the official fee) if there are no more than two rounds of arguments between the two parties.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

The term of protection for a trademark is 10 years from the date of its registration, and the rights of a registered mark can last indefinitely if the renewal fees are paid timely. A renewal request must be made within six months prior to expiry of the 10-year term or within six months (grace period) following the expiry date. Proof of use is not required when filing to renew a registered mark.

## 11 The benefits of registration

**What are the benefits of registration?**

A registered trademark entitles its proprietor to statutory exclusivity and remains valid within a given term throughout the entire territory of Taiwan. The proprietor of a registered trademark will:

- have the exclusive right to use the registered trademark for the goods or services specified in the registration;
- have the right to authorise use by other people of the registered trademark for the goods or services specified in the registration;
- have the right to sell the registered trademark or use it as a property to establish a pledge;
- be able to stop people from using the trademark for the goods or services that might be covered by the trademark registration and thereby cause confusion;
- be able to request customs to prevent the import or export of goods that infringe the registered trademark; and
- be able to take legal action against infringers that use the registered trademark as their own on identical or similar goods or services without the proprietor's consent.

In other words, a registered trademark enables the proprietor to better protect market share or profits by preventing people from counterfeiting it.

## 12 Licences

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

Yes. A trademark may be licensed to multiple licensees.

The essence of recordation of a trademark licence is to protect a third party from being damaged by the de facto licensing. A licensee might be damaged if the trademark owner assigns the trademark right to the third party: for example, if the licence is not recorded, the third party will not be bound by the previous licensing relationship. The licensee will have to claim its right from the original trademark owner rather than the third party.

**13 Assignment****What can be assigned?**

A trademark can be assigned with or without goodwill, and a partial assignment is possible for certain goods or services. A mark need not be assigned in connection with other business assets to be effective. An application for division of a trademark must be filed before the partial assignment can be recorded.

**14 Assignment documentation****What documents are required for assignment and what form must they take?**

The required documents for recording the assignment are the power of attorney executed by the assignee and the deed of assignment signed by both parties. Simply signed and scanned copies are sufficient.

**15 Validity of assignment****Must the assignment be recorded for purposes of its validity?**

The recordation of assignment with TIPO is not mandatory, but recommended. The assignment becomes effective upon the commencement of a contractual relationship between both parties.

**16 Security interests****Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?**

A trademark rights holder may create pledges on the trademark rights in order to secure the rights of its creditors. Any creation, change or extinguishment of a pledge becomes effective upon the commencement of contractual relationship between both parties, but an unrecorded entry shall have no locus standi against any third party. Multiple pledges on trademark rights may be created based on the value of the property concerned in order to secure the rights of creditors, provided that the sequence of pledge shall be determined by the precedence thereof. Without the licence of the trademark rights holder, a pledgee may not use that trademark.

To proceed with the recordation of pledge, the following information and documents are required:

- the period of pledge creation;
- pledge agreement and other documents proving the creation of a pledge (in the case of foreign companies, with a Chinese translation; the pledge documents need not be notarised or legalised); and
- executed power of attorney: simply signed and scanned copies are sufficient.

**17 Markings****What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?**

Using <sup>TM</sup> indicates an unregistered trademark; ® can be used only on a registered trademark. Marking <sup>TM</sup> or ® is not mandatory, but recommended, as these symbols can easily advise consumers that a trademark right is claimed.

**18 Trademark enforcement proceedings****What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?**

A trademark owner may use border enforcement mechanisms and file civil or criminal action against an alleged infringer. The Taiwan Intellectual Property Court (the IP Court) has subject matter jurisdiction over civil and criminal trademark infringement cases. However, a trademark owner may also file the civil or criminal action in a district

court. There is criminal liability for a trademark infringer knowingly using an identical or similar trademark for marketing purposes without the consent of the rights holder under the Trademark Act. Therefore, trademark infringement is an offence that is criminally prosecuted.

**19 Procedural format and timing****What is the format of the infringement proceeding?**

There is no discovery in any trial, so the plaintiff or prosecutor must collect sufficient evidence before filing the litigation. Live testimony is allowed in certain circumstances and expert witnesses are allowed in most situations. Generally there will be three judges in an infringement proceeding. It takes about 200 days for a civil case and 100 days for a criminal case in the IP Court.

Generally, the criminal procedure starts from the plaintiff's filing a complaint with the police or the court or the police's or prosecutor's discovery of trademark infringement. After that, the police will investigate evidence, take the suspect's statements and transfer the case to the prosecutor. Then the prosecutor will determine whether to prosecute the suspect. If so, the case will go into a normal criminal proceeding.

**20 Burden of proof****What is the burden of proof to establish infringement or dilution?**

In a civil action, the plaintiff has to prove that it is more likely than not that the defendant wilfully or negligently infringed the trademark.

In a criminal action, the prosecutor has to prove that it is beyond reasonable doubt that the defendant wilfully infringed the trademark.

**21 Standing****Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?**

A trademark owner may seek any remedy and bring a criminal complaint pursuant to the law. An exclusive licensee may seek the remedies and bring a criminal complaint within the scope of the licence.

**22 Foreign activities****Can activities that take place outside the country of registration support a charge of infringement or dilution?**

There is criminal and civil liability for an infringer who imports goods infringing the domestic trademark, regardless of whether the imported infringing goods were made or sold in foreign countries.

A trademark owner may use border enforcement mechanisms against unauthorised goods imported from other countries as well.

**23 Discovery****What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?**

There are no discovery proceedings in Taiwan. Therefore, generally a trademark owner will file a criminal complaint with the police because it is much easier for the police to collect evidence. The trademark owner may also save litigation costs, since the plaintiff in a criminal proceeding is the prosecutor and not the trademark owner.

If a trademark owner chooses to file a civil action for some reason, such as that it is difficult to prove the infringer's wilfulness or the trademark owner aims to acquire damages, it must collect evidence by itself. Effective methods for collecting evidence include hiring a private investigator, conducting due diligence, notarisation of evidence and sample purchase.

**24 Timing****What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?**

It takes about six months for the first instance of the IP Court to make a decision on whether to grant a preliminary injunction order (the



average grant rate between 2014 and 2016 was about 50 per cent). The appeal with the second instance court takes about another six months.

## 25 Litigation costs

### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

For a civil action, it may cost US\$5,000 to US\$7,000 for trial preparation, US\$25,000 to US\$35,000 for the first-instance trial and US\$20,000 to US\$30,000 for the second-instance trial.

Under current case law, the losing party bears the court fees, but does not bear the winning party's attorney fees.

## 26 Appeals

### What avenues of appeal are available?

There are three trial instances: first instance, second instance and the Supreme Court.

## 27 Defences

### What defences are available to a charge of infringement or dilution, or any related action?

The following defences are available to a charge of infringement or dilution.

#### Bona fide prior use defence

This is available if the infringer uses the trademark in good faith prior to the application date of the registered trademark.

#### Fair use defence

This is available if the asserted infringer's use of the trademark is a descriptive use: for example, indicating the quality and nature of the goods, is in good faith or such use is necessary for the goods or service to be functional.

#### International trademark exhaustion defence

If the goods have been put on the domestic or foreign market under a registered trademark by the trademark owner or its licensee, the trademark owner is not entitled to claim trademark infringement against such goods, unless such claim is to prevent the condition of the goods been changed or impaired after they have been put on the market or there exist other legitimate reasons.

However, if the domestic trademark owner is different from the foreign trademark owner, the aforementioned trademark exhaustion defence cannot be sustained, according to current case law.

## 28 Remedies

### What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?

The remedies for a trademark owner in a civil action are as follows.

#### Monetary damages

The trademark owner may choose to calculate the damages based on one of the following methods:

- damage incurred and lost profit;
- profits earned by the infringer; if the infringer cannot prove the cost or necessary expense, the sales amount would be deemed as the infringer's profits;
- up to 1,500 times the retail price of the infringing goods; if over 1,500 items of infringing goods were found, the amount of damages shall be a lump sum of the market value of the infringing goods; and
- the equivalent amount of royalty that may be collected from using the trademark under licensing.

A trademark owner may file a complaint with the judicial authority. However, the trademark owner cannot claim damages unless it files an incidental civil action during criminal proceedings.

## Injunctive relief

Injunctive relief, including a permanent injunction, will be granted to the successful trademark owner by the court in the judgment. A permanent injunction order can include a request to destroy infringing goods.

## 29 ADR

### Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?

#### Arbitration

Arbitration is available and enforceable, but not commonly used for trademark matters for the following reasons:

- it is difficult for the trademark owner to acquire evidence proving the infringement and damages without the assistance of judicial power; and
- the cost of arbitration is higher than the cost of a criminal action.

#### Mediation

If both parties agree, the court may arrange a mediation proceeding, in which both parties may negotiate the terms and conditions of settlement. Mediation is occasionally used by the court but is not effective since it is difficult to expect the trademark owner and infringer to have consensus on ceasing trademark use and damages.

## 30 Famous foreign trademarks

### Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?

Famous foreign trademarks can be protected only if they are famous in Taiwan. To prove fame, relevant evidence of domestic use of the trademark should, in principle, be submitted. However, even if a trademark has never been used domestically or its actual domestic use is not extensive, it can still be deemed famous if the objective evidence shows that the fame of the trademark established through extensive use in other countries has reached Taiwan. Therefore, whether the geographical scope of the use of the trademark is closely connected with Taiwan should be considered, including factors such as whether there are frequent economic, trade and travel activities or similar culture and language between that geographical scope and Taiwan. In addition, the fact that the goods of the trademark are extensively covered by newspapers and magazines sold in Taiwan or that the trademark has been widely and frequently discussed online in Chinese can also be used as a factor in considering the fame of the trademark.

Supporting evidence of use of a famous trademark must include a representation of the trademark and a date, or be supplemented by any materials that may be used to identify the trademark as used and the date of use. Such evidence of use is not limited to domestic materials. However, in the case of foreign materials, whether they can serve as evidence that the trademark is well known still depends on whether the domestically relevant enterprises or consumers may have come to know the trademark from those materials. The following material may serve as supporting evidence:

- invoices (at least 10 records per year), brochures, company profile, marketing documents, import and export documents and detailed statistical data of sales for the goods or services;
- advertisements in domestic or foreign mass media, such as newspapers, magazines or television, including advertising expenditure;
- documents relating to the sales outlets and channels of trade or types of distribution, including amount of annual sales;
- appraisal of the mark in markets by traders, ranking in sales amounts, ranking in advertising expenditure or the business status relating to the mark;
- proof of the year when the mark was adopted or created (eg, date of first use) and proof of continual use of the mark;
- domestic and or foreign registration information of the trademark;
- market survey reports issued by credible organisations;
- documents showing the recognition made by the administrative or judicial authorities (eg, court decision recognising the fame of the mark); or
- other evidence proving the fame of the mark.

The protection provided for a famous mark under the Trademark Act and the Fair Trade Act includes:

- the right to prevent another from registering or using a similar mark that constitutes a likelihood of confusion or likelihood of dilution of the distinctiveness or reputation of the said famous mark; and
- the right to prevent another from using names or words contained in a famous mark as one's company name, business group, association or domain or any other name identifying a business entity that constitutes a likelihood of confusion with the relevant public or a likelihood of dilution of the distinctiveness or reputation of the said famous mark.



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# Tanzania

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## 1 Ownership of marks

### Who may apply?

Any natural or artificial person who is a proprietor, joint proprietor, or an assignee or licensee of a mark can apply to the Trademark Registrar for registration of his or her interest in a mark.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

Any sign capable of being represented graphically and capable of distinguishing goods or services including name, word, combination of words, figure, picture, shape, letter, colour or combination of colours and personal names. Service marks may be registered, the provisions relating to marks for goods in principle apply to service marks as well. In some cases, the Trademark Office requests evidence of registration from other countries before accepting registration in Tanzania.

The following cannot be registered as a trademark:

- a mark that is not a visible sign;
- a mark that is graphically not representable;
- a mark that lacks distinctive character, in particular the mark is descriptive or it results directly from the nature of the goods;
- a mark whose use would conflict with public order or public morality;
- a mark that is capable of deceiving consumers with regard to any feature of the goods or services;
- a mark that is a geographical name;
- a mark that is identical with or imitates the armorial bearings, flags and other emblems, initials, names or abbreviations or initials of name or official sign or hallmark of any state or organisation;
- any mark that is essentially a reproduction or imitation in whole or in part of well-known trademarks, business or company names and that is used in relation to the same or similar goods;
- a mark that, as a result of the manner in which it has been used, would be likely to cause deception or confusion;
- a mark that would take unfair advantage of a registered and well-known trademark or that would be likely to cause deception or confusion with a registered or unregistered well-known trademark; and
- any mark that is substantially identical or deceptively similar to a prior trademark application or registered mark in relation to the same, similar or closely related goods and services.

## 3 Common law trademarks

### Can trademark rights be established without registration?

Trademark rights cannot be established without registration.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

Normally, the entire process of registering a trademark mostly takes about four to six months. On average it could cost between US\$500 and US\$600 to obtain a trademark registration in Tanzania in a single class. A power of attorney is required to register a trademark in Tanzania with no legalisation or notarisation. A translation document may also be required where the trademark is in a language other than English.

## 5 Classification system

### What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?

Trademarks are registered in Tanzania in accordance with the Nice Classification of goods and services under the internationally recognised class headings. Trademarks are registered by single-class applications with no cost saving for official fees; multi-class applications are allowed, and additional classes are treated as separate and distinct applications. In practice, however, attorneys provide discounts for multiple applications.

## 6 Examination procedure

### What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?

The Trademarks Office conducts an examination to ascertain:

- conformity with the formalities required under the Trade and Service Marks Act 1986;
- the registrability of the trade and service mark in accordance with the provisions of the Trade and Service Mark Act 1986; and
- whether the trade and service mark is required to be associated or some words or devices are required to be disclaimed.

The Trademarks Office accepts letters of consent to overcome an objection based on a third-party mark.

Once the Trademarks Registrar is satisfied with the application based on the above grounds, a letter of acceptance will be issued to the applicant. Otherwise, a letter of refusal will be issued to the applicant. Applicants may respond to rejections by applying for a hearing or making a considered reply in writing to the rejection within 30 days.

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

An applicant for the registration of trademark is not required to claim or prove use at any stage of the application process, including application, registration and renewal. Further, if no use of the mark has been made for a continuous period of three years after the date of issuance of the registration certificate, the mark may be vulnerable to cancellation by way of third-party application proceedings. Any person who has made an application in a Paris Convention country shall be entitled to registration of the trademark in priority to other applicants and the registration will have the same date as the date of the first application in the Paris Convention country. The priority application must be filed within six months of the date on which the application was made in the Paris Convention country.

## 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

If upon examination an application is provisionally refused registration, or if it is accepted subject to conditions that are not acceptable to the applicant, the Trademark Registrar will notify the applicant in writing of the objections and will give the applicant 30 days to submit a considered reply or request for hearing. Where an applicant does not respond as required above within the time allowed, the application is deemed to be withdrawn. Afterwards, the Registrar may then choose to conditionally accept the application or still reject it and will advise the applicant in writing of the grounds of the decision and the materials used to arrive to such decision. The decision of the Registrar here is subject to a right to appeal to the High Court. The High Court then has the power to consider the merits of the matter, to receive further evidence and make any ruling that it deems fit.

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

Once the application to the Trademarks Registry has been accepted, the application is advertised or published in the Trademarks Journal. Any interested party who may have an objection to the registration of the trademark may within a period of two months thereafter file a notice of opposition. This period cannot be extended. Alternatively he or she may apply for the cancellation of it at any stage after registration on the basis that registration of the mark amounts to an entry that was wrongly made on the register at the time of registration, the mark does not meet absolute requirements for registration or it is not capable of distinguishing the goods or services the application covers from those of other traders, or it is prohibited from being registered as it consists exclusively of an indication that serves to designate characteristics of the goods or services covered by the application.

Where a person decides to challenge an application, a notice of opposition stating the grounds of opposition of the registration is filed using the prescribed form. The official cost of filing notice of opposition is about US\$31, and in total costs US\$600 to US\$900. Upon receipt of the notice of opposition, the Registrar sends a copy of such notice to the applicant. The applicant is required to file a counter-statement, enumerating the grounds upon which he or she relies for the application, within two months of the receipt of the notice of opposition. If the applicant fails to file the counter-statement, the opponent will apply to the Registrar to abandon the opposed application. The official cost of

filing a counter-statement is about US\$31, and in total costs US\$600 to US\$900. Where the applicant files a counter-statement, the Registrar shall send a copy to the opponent and the opponent shall thereafter file evidence supporting his or her opposition by way of a statutory declaration within two months from receiving the same. The official cost is about US\$31, and in total costs US\$600 to US\$900. Upon receipt of the opponent's statutory declaration, the applicant is also given the opportunity to file his or her own reply to the statutory declaration within two months from the receipt of the same, adducing evidence upon which he or she relies for his or her application. Thereafter, the Registrar shall subsequently give notice of a hearing within 30 days and the matter decided, if the parties wish to dispose the matter by way of written submission then the opponent will be given 14 days to file a written submission and the applicant will be given 14 days to file a reply to the written submission and the opponent will be given another 14 days to file a rejoinder, if any, and decision from the Registrar will be issued within 30 days thereafter. All copies of documents submitted to the Registrar with regard to opposition proceedings must be in duplicate. An aggrieved party is allowed to appeal to the High Court after the decision of the Registrar.

Cancellation proceedings may be instituted against registered trademarks in Tanzania. A cancellation proceeding may be commenced either on the ground of non-use or other grounds. These other grounds are that the trademark:

- loss of distinctive character;
- fraud in the registration;
- failure to observe conditions for registration;
- registration was illegal under the Trade and Service Marks Act 1986;
- is similar to an earlier application or registered mark; or
- is similar to a famous or well-known trademark.

A brand owner may apply to the Registrar for a cancellation of a registered trademark on the ground of bad faith. Cancellation proceedings are charged on a case-by-case basis.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

A trademark registration is valid for a period of seven years from the filing of the application, and is renewable thereafter for subsequent periods of 10 years. The use of a trademark is not required for its maintenance. However, if the trademark is not used for a continued period of three years (as discussed in question 7), it becomes susceptible to revocation for non-use.

## 11 The benefits of registration

**What are the benefits of registration?**

Registration confers an exclusive right to use the trademark in relation to the goods and services for which it was registered and to institute an action for infringement of the trademark.

## 12 Licences

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

A licence can be registered against a trademark in Tanzania. A licensee is recognised as a registered user under the Trade and Service Marks Act 1986, and the recordal of a registered user is mandatory. Use of a registered trademark by a licensee is deemed to be use by the proprietor for the purpose of establishing use. Also, the licensee can join the proprietor as a co-claimant in an action for infringement of the registered trademark.



### Update and trends

The Trademark Registry in Tanzania has introduced an Online Registration System (ORS). Trademark applications and every trademark filing are now made online, and the registered certificates are also issued electronically.

### 13 Assignment

#### What can be assigned?

A trademark is assignable either with or without the goodwill of the business. A trademark is assignable in respect of all or some of the goods or services in respect of which it is registered.

### 14 Assignment documentation

#### What documents are required for assignment and what form must they take?

A prescribed form together with a duly stamped deed of assignment suffices for an assignment of trademark. Notarisation or legalisation is required to make the assignment valid. Also, an authorisation of agent (power of attorney) is required for the registration.

### 15 Validity of assignment

#### Must the assignment be recorded for purposes of its validity?

Yes. Where an assignment is not recorded at the Trademark Registry, an assignee cannot furnish the assignment agreement as proof of its title to the registered trademark.

### 16 Security interests

#### Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?

There are no provisions for the registration of a security interest on a trademark under the Trade and Service Marks Act 1986. However, in practice a security interest on a trademark can be registered upon application and the Trademark Registry will issue a registration letter to that effect.

### 17 Markings

#### What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?

Under the Trade and Service Marks Act 1986, the use of the words 'registered trade or service mark' means a reference to registration in the Trademark Register. Marking is, however, not mandatory.

### 18 Trademark enforcement proceedings

#### What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?

The Trade and Service Marks 1986 confers a civil right of action on the trademark owner to seek redress. The High Court is vested with the jurisdiction to entertain trademark infringement-related issues. Also, the Merchandise Marks Act 1963 prescribes a prison term of one year or a fine not exceeding 10,000 Tanzania shillings or both for offences established under the act. On conviction, the offender is liable to forfeit goods in respect of or by means of which the offence has been committed. Also the Fair Competition Act is empowered to search for, seize, detain and destroy infringing goods brought into Tanzania. A trademark owner may take advantage of this route by a petition to the Fair Competition Commission.

### 19 Procedural format and timing

#### What is the format of the infringement proceeding?

Infringement proceedings are required to be commenced by writ of summons. There is no time limit for commencing an action for the infringement of trademark. Discovery, live (oral) testimony and the use of expert witnesses are allowed. A single judge decides the action and it may take three to four years to complete the proceedings.

### 20 Burden of proof

#### What is the burden of proof to establish infringement or dilution?

As in other civil proceedings, the burden of proof is on the predominance of evidence. The onus is on the trademark owner to prove an alleged infringement.

### 21 Standing

#### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

A proprietor (owner) or registered user or licensee of a trademark has the standing to seek remedy for an alleged trademark violation. Power of prosecution for a criminal complaint lies in the police and the Director of Public Prosecutions.

### 22 Foreign activities

#### Can activities that take place outside the country of registration support a charge of infringement or dilution?

No. Tanzania trademark law and criminal law do not have extraterritorial effect. The alleged infringement must have been committed in Tanzania.

### 23 Discovery

#### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

A party may be compelled to disclose relevant documents or materials to an adversary through procedures such as interrogatories and discoveries.

### 24 Timing

#### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

Obtaining a preliminary injunction could take between four and seven days from the date of filing of the action; a trial up to obtaining a judgment could take between three and four weeks and a final appeal to the Court of Appeal could take between three and four years.

### 25 Litigation costs

#### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

The costs for infringement or dilution actions vary widely between cases, as they depend on numerous factors, such as the type of proceedings instituted (trial action versus application proceedings), the urgency of the matter, the amount and type of evidence adduced by each party, the length of time that the matter ensues for, and the number and type of any interlocutory proceedings. An award of costs is usually given to the successful party (taxed on the High Court scale).

### 26 Appeals

#### What avenues of appeal are available?

Appeal against the decision of the Registrar of Trademarks is made to the High Court and the decision of the High Court judge is appealed to the Court of Appeal.

**27 Defences**

**What defences are available to a charge of infringement or dilution, or any related action?**

Fair use, honest concurrent use, proprietor's abandonment of the trademark or non-use, as well as non-renewal can be raised as grounds of defence.

**28 Remedies**

**What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?**

The following remedies are available:

- order for injunctions restraining current and future acts of infringement;
- delivery of infringing goods and items;
- seizure and destruction of infringing goods; and
- accounts for profits, costs and damages.

**29 ADR**

**Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?**

In theory, ADR techniques are available for trademark disputes where the parties have provided for resolution of disputes by alternative means or where both parties agree to participate in and be bound by a finding, but they are not commonly used and are only enforceable in terms of a contract between the parties.

**30 Famous foreign trademarks**

**Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

Famous and well-known trademarks are allowed and afforded protection to be registered in Tanzania, and it is not essential to be domestically famous. However, the Trademark Registrar has discretion based on knowledge of the trademark as to its fame; the trademark will be protected against infringement including by dilution or tarnishing where use of an identical or similar trademark by a third party would be likely to take unfair advantage of or be detrimental to the distinctive character or repute of the registered well-known mark.

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# Turkey

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## 1 Ownership of marks

### Who may apply?

According to article 3 of the new Industrial Property Law No. 6769, which came into force on 10 January 2017, the following are entitled to trademark ownership:

- citizens of the Turkish Republic;
- real or legal persons who are domiciled or who have commercial establishments within the territory of the Turkish Republic;
- persons who have application rights arising owing to the terms of the Paris Agreement and the Agreement Establishing the World Trade Organization dated 15 April 1994; and
- in line with reciprocity principles, nationals of states that provide industrial property rights to nationals of the Turkish Republic.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

According to article 4 of the Industrial Property Law, trademarks should distinguish one enterprise's goods and services from another's and should explicitly define the protections and rights granted to the trademark owner by being registered, and can include names of persons, other words, colours, shapes, symbols, letters, numbers, sounds and labels. In addition, the Industrial Property Law defines registration of guarantee marks and joint marks.

Article 5 of the Industrial Property Law defines signs and symbols that cannot be registered as trademarks:

- signs that are not distinctive;
- signs that provide the type, kind, qualification, amount, purpose, value or geographical source, that provide the time of production of the goods or the time when the service is provided, or signs that include other qualifications of the goods or services exclusively or as their essential part;
- trademarks that consist exclusively of signs or indications that serve in trade to indicate the kind, characteristics, quality, intended purpose, value or geographical origin, or designate the time of production of the goods or of rendering of the service or other characteristics of goods or services;
- signs that exclusively or as a main element include signs and names that are generally used by all in the trade or that distinguish those that are subject to a specific profession, art or trade group;
- signs containing the shape of the product resulting from the nature of the product, which is necessary to obtain a technical result or which gives substantial value to the product;
- signs that will confuse the public regarding the qualification, quality and geographical source of the goods and services, place of production or geographical origin of the goods and services;
- signs that are to be refused pursuant to article 6-bis-2 of the Paris Convention;
- trademarks containing badges, emblems or escutcheons other than those covered by article 6-bis-2 of the Paris Convention that have not been authorised by the competent authorities and are of particular historical and cultural public interest;
- signs that contain religious symbols;

- signs that are contrary to public order and morality; and
- signs that consist of or include registered geographical indications.

## 3 Common law trademarks

### Can trademark rights be established without registration?

In principle, Turkish trademark law is based on the system of registration. Accordingly, a trademark owner is entitled to rights through registration.

However, in practice, it is possible for the unregistered trademark owner to appeal to the Turkish Patent Institute against third-party applications based on real right of ownership and bad faith. In addition, trademark infringements against non-registered trademarks are protected by articles regulating unfair competition under the Turkish Commercial Code.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

The period of trademark registration begins with the application for registration and ends with issuance of the registration document. The Turkish Patent and Trademark Office has gone through organisational developments, and with the new Industrial Property Law coming into force the publication period of trademark applications on the Official Trademark Bulletin has been decreased from three to two months; as a consequence this has speeded up the registration process of trademarks. Accordingly, the average trademark registration may take up to six to seven months.

The official cost of the registration process for trademarks with a single class of goods or services is around €170 to €175.

The estimated time and costs given above are purely for smooth registration processes; therefore in the following cases the time and costs would increase:

- provisional refusal decisions of the Patent and Trademark Office; or
- filing of third-party opposition to the published trademark

Another innovation brought in by the new Industrial Property Law is abolition of the requirement to submit a power of attorney document during the application process. Accordingly, additional document submission is not required.

## 5 Classification system

### What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?

The Turkish Republic became a party to the Nice Agreement Concerning the International Classification of Goods and Services

for the Purposes of Registration of Trademarks as of 12 July 1995 with Decision No. 95/7094 of the Board of Ministers. The agreement came into force on 1 January 1996. Turkey has signed the revised Geneva version dated 1997.

The Patent and Trademark Office classifies goods and services in accordance with the Nice Agreement and publishes communiques accordingly.

Turkish trademark law allows multi-class trademark applications.

## 6 Examination procedure

**What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?**

The trademark application process consists of a formal examination, search of absolute grounds for rejection, opposition to decision of the Patent and Trademark Office and opposition to publication of an application, and assessment of the views and oppositions of third parties. The final part of the process is registration of the trademark.

To duly claim registration, the application submitted to the Patent and Trademark Office must be subjected to formal examination. If any deficiencies are found during the formal examination the applicant shall be informed regarding these deficiencies or mistakes and be given a period of two months in order to remedy the deficiencies. As the law points out, if the formal requirements have not been met during the two-month period, the requests are either dropped or only partially accepted.

Once the formal examination is finalised, absolute reasons for rejection are evaluated by experts also by considering the type of goods and services. If any of the circumstances listed in article 5 of the Industrial Property Law are found in part or whole, then the application will be partially or wholly rejected on the grounds of absolute rejection defined in article 5.

Pursuant to article 5/3 of the Industrial Property Law, coexistence agreements and letters of consent are now enforceable, which allows the applicants to overcome the absolute grounds of rejection (ex officio refusal grounds) by obtaining the prior rights owner's consent.

The applicant has the right to appeal against the decision of the Patent and Trademark Office within a period of two months.

Applications that have been duly submitted, that have not been rejected on the above grounds, or that have not been appealed or else have been appealed and accepted by the Patent and Trademark Office shall be published in the Official Trademark Bulletin. Oppositions made in relation to article 5 and article 6 of the Industrial Property Law to the publications in the Official Trademark Bulletin may be proposed by whom it may concern within a period of two months.

The application is registered and published in the Official Trademark Bulletin in the following circumstances:

- if the application has satisfied all relevant criteria or has done so within any additional period available;
- if any oppositions have been rejected by the Patent Institute; and
- if the registration fee has been paid.

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

As the result of another innovation brought in by the new Industrial Property Law, in the case of opposition made on the grounds of similarity of the applicant's trademark to a previously registered trademark, the applicant must be able to submit evidence proving that the goods or services have been widely used in Turkey or must propose justifiable reasons regarding non-use of the trademark within a period of five years prior to the application date. The opposition shall be rejected

if the opposition cannot submit any contrary evidence suggesting otherwise.

In addition, an invalidation lawsuit may be brought by the people who it concerns if the trademark has been seriously inactive for five years following the date of registration.

## 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

Applicants may submit a written and reasoned appeal against the decisions of the Patent and Trademark Office within a period of two months starting from the date of notification. Appeals submitted to the office are reviewed by the Re-Evaluation and Re-Examination Board. Applicants may apply to the Ankara Court on Duty of Intellectual and Industrial Property Rights against the final decisions given by the board.

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

Duly made applications and applications that have not been rejected by the Patent and Trademark Office are published in the Official Trademark Bulletin.

Oppositions may be brought within a two-month period on the basis of the grounds set out in article 6 of the Industrial Property Law.

Third parties who did not oppose the publication within the given period of two months may file an invalidation action based on the same opposition grounds.

One of the listed reasons for opposition under article 6 of the Industrial Trademark Law is bad faith. The Patent and Trademark Office demands substantial and concrete evidence explicitly showing bad faith. In order to demonstrate bad faith:

- the trademark owner opposing must prove that the trademark is widely known and actively used in Turkey and that the applicant should have been aware of such circumstances;
- the existence of a prior professional or commercial relationship between the applicant and the opponent;
- the existence of figurative similarities between the two trademarks in question; and
- the existence of similar conditions must be put forward with substantial evidence.

The official fee for filing an opposition against the Official Trademark Bulletin is €30.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

Trademark protection begins with the application and is granted for 10-year periods. Every 10 years, renewal of trademark registration provides continuation of protection. Applications for renewal shall be made within six months starting from the end date of the 10-year period of protection, otherwise they will be invalidated. Renewal of trademarks does not require any documents indicating active use of the trademark.

## 11 The benefits of registration

**What are the benefits of registration?**

In principle, Turkish trademark law is based on the registration system. Rights arising from trademark registration are solely granted to the trademark owner. Trademark registration gives the trademark owner the right to prevent the use of any same or similar goods or services that



may cause likelihood of confusion or cause detrimental damage to the reputation of the trademark or may gain unfair advantage over third parties. Within this scope the trademark owner is entitled:

- to file a civil lawsuit in order to identify, prevent or stop trademark infringement, to compensate the damage or loss caused by the infringements and to demand preliminary injunctions in order to further stop the violations;
- to file a criminal complaint in relation to the actions causing trademark infringement and to demand a search and the confiscation decision; and
- application to customs in order to stop the import and export of goods or services causing trademark violations.

## 12 Licences

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

It is possible to register licences at the registry of the Patent and Trademark Office. Registration of licences is important as it enables allegations to be made against third parties; however, it is not legally mandatory. If the licence is not registered at the trademark registry, rights relating to licences can only be secured against third parties after a notification declaring the licence right has been sent.

## 13 Assignment

**What can be assigned?**

Trademarks may be transferred including all goods or services or only part of them. On the other hand, it has been foreseen that trademarks may be transferred with or independently from the business.

## 14 Assignment documentation

**What documents are required for assignment and what form must they take?**

The documents listed below must be submitted in order to register the partial or complete transfer of the trademark:

- transfer agreement containing the trademark registration number and the name of the trademark, and explanations regarding the transferred goods and services in the cases of partial transfer;
- Turkish translation of transfers contracted in foreign languages by a sworn Turkish translator if the transfer agreement is signed in a foreign language; and
- power of attorney if the transfer is filed by a trademark agent.

## 15 Validity of assignment

**Must the assignment be recorded for purposes of its validity?**

It is possible to register the transfer agreement in the registry of the Patent and Trademark Office. This registration is not a formal requirement, but the rights transferred cannot be secured in relation to third parties unless the transfer agreement has been registered. For this reason, it is highly recommended that the transfer agreements be registered.

## 16 Security interests

**Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?**

Trademarks can be pledged independently from the business and can be given as security. Both pledge and security procedures shall be registered in the registry and published following the request of one of the parties.

The following documents need to be submitted for registration and publishing of the pledge;

- a pledge agreement containing the registration number and name of the trademark; and
- if the agreement is executed in a foreign language, a Turkish translation signed by a sworn Turkish translator.

## 17 Markings

**What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?**

The rights holder of a registered trademark may use the symbols ® or ™ as the rights holder wishes. However, this use is not legally obligatory.

The use of the above-mentioned symbols helps the registered trademark to become recognised by third parties. Use of these symbols has no positive or negative influence legally; however, it is considered a precaution against potential trademark infringement.

## 18 Trademark enforcement proceedings

**What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?**

The Industrial Property Law gives the trademark holder the right to file a civil lawsuit and, if necessary, the right to carry out criminal proceedings in the event its trademark is infringed.

Determination, prevention and ending of infringement, preventing the sale of products that are the source of infringement and requesting compensation of both material and immaterial compensation are all within the scope of civil lawsuits. In addition, a preliminary injunction may be requested from the court before or during the lawsuit. This request may include stopping actions constituting infringement by confiscation of goods, collection of all types of advertising material (catalogues, signboards, business cards etc) and prevention of access to related websites. There are specialised civil IP courts in the cities of Istanbul, Ankara and Izmir. In other cities, civil courts of first instance are the courts on duty for IP-related lawsuits.

With regard to criminal lawsuits, the trademark rights holder has the right to file a criminal complaint with the public prosecutor and to demand the filing of a criminal lawsuit against infringing parties. There are specialised criminal IP courts in the cities of Istanbul, Ankara and Izmir. In other cities, the criminal courts of first instance are on duty.

In addition, according to the Customs Law and Customs Regulations, a trademark rights holder has the right to apply to the customs in order to stop and prevent further imports and exports related to the products causing infringement and, if necessary, can request confiscation of such products.

## 19 Procedural format and timing

**What is the format of the infringement proceeding?**

### Civil lawsuits

The claimant may request determination of evidence from the court before filing the actual civil lawsuit. This determination of evidence may be carried out in the workplace or warehouse of the defendant or the website or social media accounts belonging to the defendant, depending on the case. In practice, the court instructs an expert in the related field to carry out the examination, following which the expert submits a report to the court. Since this determination process is carried out without making a prior notification to the defendant, it brings about successful results for determination of the infringement action.

In relation to infringement lawsuits IP courts are authorised; in places without IP courts, civil courts of first instance are on duty. The geographically authorised courts are determined by:

- the defendant's domicile;
- the place in which the infringement occurred or its results were seen; and
- if the claimant's domicile is abroad, the workplace of the trademark attorney (who must be registered with the Patent and Trademark Office) at the time of filing the case.

Preliminary injunction decisions are given before or during the lawsuit against infringement actions and include the prevention, stopping of infringement, the collection of products that are the source of infringement, collection of all types of advertising material (signboards,

business cards, catalogues etc), and prevention of access to certain websites and social media accounts in relation to the infringement. The IP courts tend to be in favour of giving preliminary injunction decisions and usually a security deposit is requested from the claimant.

The lawsuit petition given by the claimant is notified to the defendant and the defendant is given two weeks' notice to respond by a written petition and to submit its responses and relevant evidence to the court. Following the petitions submitted by both parties, the parties are given the opportunity to submit one more petition each. After the procedure of exchanging petitions, the court assigns a date for a preliminary hearing. During the preliminary hearing, the claims and defences of both parties are heard and it is decided whether the parties can come to an agreement before continuing with the trial. If the parties are unable to come to an agreement, the court moves on to the inquiry stage. At this stage, the court will request an examination report from an independent group of experts. This is the most important point of the lawsuit. The group of experts shall base its report on the evidence and the claims of both parties that have all been added to the lawsuit file. Both parties are entitled to object to the experts' report within two weeks. The court shall evaluate the objections and if the court does not find any deficiencies, the objections will be disregarded. If the court does find deficiencies in the experts' report, the experts may be asked to re-evaluate their findings or the court might assign a different group of experts to perform the task. Both parties are entitled to appeal the court's decision within two weeks starting from the day of notification.

Civil lawsuits heard in courts of first instance are usually finalised between 16 and 20 weeks. The appeal procedure may take up to 12 months to be finalised.

### Criminal lawsuits

The criminal procedure begins with the rights holder filing a criminal complaint to the prosecutor. The rights holder usually requests a search and confiscation decision when filing the criminal complaint. With the request of the prosecutor, the search and confiscation decision is given by the judge of the criminal court and is executed by the police department. The goods are seized and later destroyed at the end of the trial.

The prosecutor usually requests an expert report in relation to the confiscated goods. With the detection of infringement by the expert, lawsuits are filed in the criminal courts against the suspects. After the suspects are heard at the criminal trial, the lawsuit file is sent again to the expert. The expert analyses the file and, with the expert's final report, the court decides either to punish the suspects or to acquit them.

In Turkey, criminal cases are usually the most effective way to prevent the production, distribution and sale of infringing products and are also a lot less costly when compared with civil lawsuits.

## 20 Burden of proof

### What is the burden of proof to establish infringement or dilution?

According to Turkish procedural law, the court is obliged to examine and evaluate the evidence submitted by both parties. If all the facts have been established by the evidence submitted, there is no point in defining who bears the burden of proof. However, if the evidence submitted was not sufficient for the court to come to an opinion on the case, then determination of which party has the burden of proof needs to be made. In this case, in principle, the claimant has the burden of proof.

## 21 Standing

### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

Following publication of the trademark in the Official Trademark Bulletin, the applicant acquires the right to file all types of civil and criminal lawsuits, to demand determination and preliminary injunctions, to address complaints to the prosecutor and to demand search, confiscation and collection decisions. However, if the legal action has been made in relation to a trademark application rather than registration, then the court must wait until the decision in relation to the trademark application has been made. The rights holder of an exclusive licence may also take precautionary legal measures against infringement.

## 22 Foreign activities

### Can activities that take place outside the country of registration support a charge of infringement or dilution?

Turkish courts are only competent to hear cases regarding infringements that have taken place within the Turkish borders.

## 23 Discovery

### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

The trademark rights holder may demand determination of evidence from the court before filing the actual lawsuit. This determination of evidence may be carried out in the workplace or warehouse of the defendant, or may be carried out on the websites or social media accounts belonging to the defendant, depending on the case. Courts authorise experts to carry out the determination of evidence, and after their final observations the experts submit a report to the court. As the determination of evidence is carried out without making a prior notification to the defendant, it results in successful determination of the infringement.

## 24 Timing

### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

Civil lawsuits filed at courts of first instance are usually finalised within 16 to 20 weeks. The appeal stage may be finalised in 12 to 18 months. In this context, the average civil lawsuit takes two-and-a-half to three years to be finalised.

Criminal lawsuits filed in courts of first instance are usually finalised within six to 12 months. The appeal stage may be finalised in 18 to 24 months. In this context, it takes approximately two to three years to finalise a criminal lawsuit.

## 25 Litigation costs

### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

Expenses from beginning to end of a lawsuit should be examined in two separate categories:

- expenses in relation to the lawsuit (case fee, expert fee etc), for which the court decides that the defendant be held responsible; and
- expenses in addition to court expenses (transport, accommodation etc), which cannot be compensated, and therefore each party pays its own expenses in this category.

Expenses in a lawsuit amount to an average of €1,500.

The court also decides on a fee that needs to be paid to the defendant in order to cover attorneys' fees. This fee cannot be above the yearly maximum limit that is announced each year by the Turkish Bar Association. For IP courts the fee set for 2017 is approximately €700.

The claimant may demand the costs made and the fee given to the attorney to be paid by the defendant by filing a separate lawsuit.

## 26 Appeals

### What avenues of appeal are available?

With the Law of Civil Procedure that came into force in 2016, the appeal system has been transformed into a two-stage system. Regional courts of justice were established and these courts began operating as regional courts of appeal. The decisions given by these courts are under the supervision of the Court of Appeals. With these innovations, reduction of the workload of the Court of Appeals and faster and more precise court decisions have been achieved.

**27 Defences****What defences are available to a charge of infringement or dilution, or any related action?**

Possible defence arguments to be raised in an infringement lawsuit are listed below:

- parallel import;
- fair use in trade;
- non-use;
- no likelihood of confusion or similarity;
- use is not trademark-related;
- trademark has become generic and is used to define a type of product;
- true ownership of rights; and
- loss of rights owing to silence.

**28 Remedies****What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?****Civil lawsuits**

In civil lawsuits, the following may be resolved by the court:

- confiscation of goods constituting infringement, wherever they are located, including at customs;
- confiscation of all marketing material (signboards, business cards, catalogues etc) constituting infringement;
- prevention of access to websites constituting infringement;
- confiscation of any devices and machinery that are used for the production of infringing products;
- to grant property rights for products, devices and machinery that has been confiscated;
- at the infringer's expense, to change the shape of confiscated goods and of devices and machinery; to remove the trademarks on such goods; or to spoil such goods if eliminating the infringement is inevitable;
- to pay non-pecuniary and material damages; and
- to announce the decision in a newspaper having the highest daily circulation.

**Criminal lawsuits**

In criminal lawsuits, the following may be resolved by the court against infringers:

- a person who produces goods, offer services, exposes for sale or sells, imports or exports, buys, keeps, transports or stores goods for commercial purposes by infringing on trademarks of third parties by means of adaptation and confusion shall be sentenced to up to three years' imprisonment and fined up to 20,000 days' wages;
- a person who removes the mark indicating that the trademark is under protection without authorisation from the goods or packaging shall be sentenced to imprisonment for one to three years and fined up to 5,000 days' wages;
- a person who disposes of a third-party trademark by means of transferring trademark rights, issuing a licence or pledging without authorisation shall be sentenced to imprisonment for two to four years and shall be fined up to 5,000 days' wages; and
- all confiscated goods shall be destroyed.

**29 ADR****Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?**

ADR techniques are not applicable in Turkish practice.

**30 Famous foreign trademarks****Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

The new Industrial Property Law protects well-known trademarks in the context of article 6-bis-1 of the Paris Convention even if the trademarks are not put into use in Turkey. Such protection has been regulated as a relative ground for refusal in subsection 4 of article 6 of the Industrial Property Law.

Moreover, there is a record of well-known trademarks established by the Patent and Trademark Institute, and registration in this record is made according to the standards of the WIPO Committee of Experts. However, registration in the record does not constitute absolute proof of the trademark's well-known status, although it is considered important evidence.

To benefit from the protection regulated under article 6-bis-1 of the Paris Convention, the following must be proved:

- how long and where the trademark has been in use;
- distribution of countries around the world where the trademark is registered;
- distinctive features of the trademark; and
- promotion activities and market share in related sectors.

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# Ukraine

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## 1 Ownership of marks

### Who may apply?

Any individual or legal entity, regardless of citizenship or residence, may apply for trademark registration independently or jointly in Ukraine according to the Law of Ukraine 'On Protection of Marks for Goods and Services' (the Law).

Applicants from outside Ukraine can apply only if represented by certified trademark attorney, the official register of which is publicly accessible at the website of the responsible public authority (the Ministry of Economic Development and Trade of Ukraine). Exceptions to this rule may only be established in bilateral agreements: applicants from Russia, Belorussia and Georgia do not need to be represented by a Ukrainian trademark attorney before the intellectual property office in trademark registration matters.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

The law establishes no difference between a trademark for goods and service mark.

Any sign or combination of signs capable of distinguishing goods or services is eligible for trademark protection according to the Law if no grounds for refusal are revealed during examination. The Law specifies further that words including proper names, letters, numbers, figurative elements, colours and colour combinations and any combination thereof are registrable. According to the Rules of Completing and Submitting Application for Mark for Goods and Services in Ukraine (the Rules), lights and sounds are added as eligible for trademark protection if the Ukrainian Intellectual Property Office is capable of publishing them in the trademark register. A few colour marks and a number of sound marks have been found in the trademark register.

Once a trademark is registered, the holder obtains the exclusive right to use it in the course of commercial activity by labelling goods and while offering them for sale, as well as in business documents. The holder also has the exclusive right to authorise and prohibit use of the registered trademark. The above scope of rights is effective as of the date of filing.

## 3 Common law trademarks

### Can trademark rights be established without registration?

In Ukraine, only registered trademarks are protected under the Law. The sole exclusion is well-known (famous) trademarks, which are protected pursuant to article 6-bis of the Paris Convention without being registered in Ukraine if declared as such by the Appeal Chamber or court.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

Trademark registration timing usually depends on the particular case. From practical experience it takes 12–18 months to have a trademark certificate issued if no Office Action or preliminary refusal interrupts the process. Otherwise, an extra two to three months should be added for the applicant to prepare a written reply to the Office Action or preliminary refusal and to consider the examiner's response.

The official fee for trademark registration is 1,000 hryvnia (approximately €33) per class, regardless of number. Colour marks require an additional payment of 500 hryvnia (approximately €16.3), which is charged notwithstanding the classes chosen by the applicant.

The accelerated procedure for registration takes about nine months and involves additional expenses for the applicant: the acceleration of one figurative trademark in one class would cost 9,396 hryvnia (approximately €310).

Initially, trademark filing requires a signed power of attorney if the applicant wants to engage a proxy (trademark representative).

## 5 Classification system

### What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?

Ukraine is a party to the Nice Agreement, so all applicants are recommended to use its groups of goods and services accordingly in the course of preparing trademark applications.

## 6 Examination procedure

### What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?

The Ukrainian Intellectual Property Office (Ukrpatent) carries out the formal examination, where the completeness of filed application is to be verified. The substantive examination is aimed at revealing the absolute or relative grounds for refusal, if any.

A sign may not be granted legal protection if it recreates or imitates state emblems or state symbols, flags, official names of states, emblems and abbreviated or full names of international intergovernmental organisations; certification marks; or awards and other distinctions of honour. Similarly, a mark is not eligible for protection if it is non-distinctive, descriptive, deceptive or generic, or recreates the natural form of the goods.



When reviewing relative grounds for refusal examiner should decide whether there is a likelihood of confusion between the mark applied and:

- earlier registered trademarks or earlier applied marks for the same goods or services;
- unregistered marks, protected in accordance with international agreements (eg, well-known marks);
- earlier trade names known in Ukraine;
- certification marks; or
- geographical indications protected in Ukraine.

Also, marks recreating protected industrial designs, copyrighted works without authorisation from the rights holder, or names and images of persons known in Ukraine without their consent may not be registered.

An applicant may present to the Ukrpatent a letter of consent from the holder of an earlier trademark with the aim of registering the mark. However, such a document only permits the trademark to be registered and does not eliminate the risks of cancellation of a registered mark or antitrust regulator requests. The related drawbacks are that the Ukrpatent is not obliged to consider such a letter to grant protection – even though having a letter of consent, the applicant may still receive a refusal. At the same time, the rights holder of the earlier registered mark may revoke the consent (eg, after trademark registration) and claim invalidation of the trademark.

If the examiner suggests that any of the grounds for refusal prevent the mark from being registered, the applicant will be notified of provisional refusal. An applicant may object to the examiner's arguments by submitting a written response.

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

An applicant has the right to claim priority based on a trademark application filed in any Paris Union member state or the introduction of goods into the market if and only if the date thereof falls within a six-month period after registration.

In Ukraine there is no requirement to ensure the use of a mark before filing. An applicant is free to use the mark whenever he or she wishes to. Hence, no proof of use needs to be submitted with a trademark application.

However, if a mark is facing preliminary refusal based on lack of distinctiveness it is good to provide proof of use as a part of the argument in favour of acquired distinctiveness.

Any third party may request the invalidation of a registered trademark if the mark has not been in use for a continuous three-year period. However, pursuant to the Association Agreement between the EU and Ukraine, the term of trademark non-use is five years. The respective changes to the law will follow.

## 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

If an applicant does not agree with the final refusal of trademark registration it is possible to oppose such a refusal at the Appeal Chamber of the Ministry of Economic Development and Trade of Ukraine. The applicant may submit opposition against the refusal of trademark registration supported with relevant evidence within two months after acknowledging of refusal. The term of consideration of the opposition is two months; an extra two months may be added at the request of the applicant.

The decision of the Appeal Chamber is not final, and may be challenged in court. The applicant must bring the action within a two-month period after receipt of the Appeal Chamber's decision.

In addition, the applicant is free to address the court directly if the final decision on trademark registration is not satisfiable.

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

Trademark applications are published eight to ten weeks after payment of the filing fee, when the filing date is established. Any person may file a motivated opposition against a trademark application if there is a reason to believe that the mark does not comply with protection requirements. The opposition may be filed at any time, but not later than five days before the issuing of the final decision. The opposer is required to pay an official fee of 1,000 hryvnia (approximately €33) to submit the opposition to the trademark application.

The party filing the opposition does not usually receive any feedback from the Ukrpatent or applicant. Such opposition is intended to draw the examiner's attention to possible weaknesses of the mark. Further correspondence (ie, counter-arguments from the applicant) must be submitted to the Ukrpatent directly.

It is possible for the owner of a famous foreign brand who has not registered a trademark in Ukraine to oppose a similar or identical trademark application registered in bad faith, referring to its misleading nature as to the manufacturer of goods, which is a ground for refusal according to the Law.

Passing-off infringements are subject to unfair competition law, so remedies offered by unfair competition regulation are available to the rights owner.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

A registered trademark remains valid for 10 years since filing date. The trademark holder must pay a maintenance fee of 3,000 hryvnia (approximately €100) within a six-month period before the expiration date. However, if the trademark holder fails to do so, the maintenance fee together with an extra fee for delayed payment may be paid within six months after the expiration date.

If no payment is received, even after the extra term, the trademark remains expired. At the same time, the holder of the expired trademark has the exclusive right to file a new application for the same mark for three years after expiration.

No proof of use is needed to maintain the registration.

## 11 The benefits of registration

**What are the benefits of registration?**

The trademark holder has the right to certain specific remedies, such as a request for immediate preventive measures for protection of IP rights and securing evidence; suspension of customs formalities towards counterfeit goods; seizure and destruction of the counterfeit goods and devices and materials for their production; and statutory compensation as an alternative to damages (however, the amount is not specified in the Law, so courts refuse to apply this without certain legal guidance).

Enforcement through the customs register is also available to the rights holder. Recording of a trademark in the customs register ensures that customs will check the goods during customs clearance and report if trademark infringement is detected, and if the rights holder alleges that trademark infringement has occurred, the customs formalities will be suspended for at least 10 days, or longer if the court so decides.

**12 Licences**

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

There is no imperative rule as to the state recording of licences. However, a party to the licence agreement may announce that the mark is being licensed to the public by requesting a state recording and publishing note about the licence agreement concerning a particular trademark.

Whereas there is a legal basis for recording, the Ukrpatent has no technical equipment for keeping records and no register of trademark licences has been created so far.

**13 Assignment**

**What can be assigned?**

Any registered trademark may be subject to assignment regardless of its economic value. The trademark holder is free to dispose of a mark as a whole as well as partially, for certain goods or services.

The Law prohibits assigning a trademark if there is a possibility of misleading consumers as to the goods, service or the producer thereof.

**14 Assignment documentation**

**What documents are required for assignment and what form must they take?**

The assignment must be made in written form without any further formalities such as notarisation or legalisation.

**15 Validity of assignment**

**Must the assignment be recorded for purposes of its validity?**

If a change in the holder of a registered trademark occurs, the Law requires a trademark assignment agreement to be registered with the Ukrpatent. Any party to the agreement may apply for the registration by providing all original copies of the assignment agreement and payment respective fee. The Ukrpatent keeps one copy of the agreement for the record. The registration proceeding must be carried out within two months after submitting the documents. The assignment agreement is valid and enforceable from the date of registration by the Ukrpatent.

**16 Security interests**

**Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?**

Security interests in intellectual property is a controversial matter, even in theory. There is no special regulation in this field. However, from a practical point of view, there have been a couple of cases where the trademark lien was enforced.

**17 Markings**

**What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?**

The rights holder is free to inform the general public, including competitors and consumers, about ownership of a registered mark. The use of marking or other notice is not mandatory.

There is no established form of marking: it can be either the symbol ® or a written notice (eg, 'The X trademark is the sole property of the Y company').

Marking mainly serves to provide notice of the owner's claim to the mark. Also, it may help a rights holder to ensure its rights in the trademark by avoiding descriptive use of the mark.

**18 Trademark enforcement proceedings**

**What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?**

Apart from the previously mentioned opposition proceeding, a trademark owner may enforce its rights via customs bodies. For this purpose, the rights holder must apply to enter the registered trademark into the customs register of IP objects. After having a trademark recorded in the customs register, the trademark owner obtains the right to cease customs clearance of goods bearing the respective trademark without authorisation for 10-day term, after the expiration of which owner must confirm that the respective claim has been filed against the importer of the counterfeit goods. Otherwise, the customs clearance must be renewed.

The unauthorised use of a registered trademark if it causes damages of €574 or more is considered a criminal offence. A person who commits the crime may receive a fine of 17,000 hryvnia (approximately €554) to 34,000 hryvnia (approximately €1,110).

In the course of ongoing judicial reform, the Higher Intellectual Property Court has been established. However, the procedure for selection of judges appears to be time-consuming, so its anticipated introduction into the national IP system and judicial system is only on paper so far. It is hoped that all judges will be selected, and the court will begin to consider IP disputes in 2019.

**19 Procedural format and timing**

**What is the format of the infringement proceeding?**

Cases dealing with trademark infringement are currently considered by the rules of commercial procedure or civil procedure. The procedural measures available to the parties are very similar.

The trademark owner may apply to secure evidence before filing the claim itself if there is reasonable belief that certain evidence could be destroyed, or that it will be difficult to present the evidence during the court proceeding. Documents related to the future process may be discovered by this means. The procedure may also be applied to witness testimony, forensic examination and the obligation to undertake or withhold particular actions. Securing evidence is not mandatory.

Witness testimony as evidence was introduced to the commercial procedural code at the end of 2017.

A forensic examination report is traditional evidence widely used in IP disputes, as the court usually has no specific knowledge of the fields required to judge the case. Hopefully, with the inception of the Higher Intellectual Property Court, this procedural option will be used less often, due to the judges' IP expertise.

In criminal procedures the authorities decide whether the activities of alleged infringer are sufficient to be treated as a criminal offence. If this is the case, the authorities will bring the case to the court.

**20 Burden of proof**

**What is the burden of proof to establish infringement or dilution?**

In court proceedings, each party must support its claims with evidence. So, in trademark infringement the claimant needs to prove that defendant did use the registered mark in the infringement cases. In dilution cases the claimant must prove that the likelihood of confusion exists between its trademark and the defendant's trademark, or that the use of the mark for unrelated goods or services weakens the ability to identify goods with the genuine trademark in free-riding cases.

### Update and trends

Ukraine is facing a major change in its IP system. The proposed changes are currently subject to public discussion. The most discussed issue relating to trademarks is the exhaustion regime.

#### 21 Standing

##### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

The trademark owner has the right to protect the trademark in its entirety. The licensee may bring an action only if he or she has a mandate from the rights owner. The rule applies to all proceedings, including criminal complaints.

#### 22 Foreign activities

##### Can activities that take place outside the country of registration support a charge of infringement or dilution?

As a rule, foreign activities cannot be accepted as evidence of trademark infringement or dilution in Ukraine. At the same time, however, activities outside Ukraine that lead to legal consequences within Ukraine (eg, the counterfeit goods are produced abroad and localised or imported to Ukraine only) may be considered as an infringement of trademark registration in Ukraine. A customs seizure may also be enforced (see question 18).

#### 23 Discovery

##### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

The claimant may request the court to secure the evidence before the court proceeding if the requested evidence is at risk (see question 19). Also, the court may be requested to take evidence during the court proceeding if the claimant proves that it has used all possible options to obtain it and the evidence is of legal interest in the case.

The court must consider a motion requesting the securing of evidence in the hearing, in which the court may order the adversary party to present documents to the attention of the court (and other parties), to provide written witness testimony and to question witnesses or parties in the court hearing.

#### 24 Timing

##### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

The court proceeding in commercial cases lasts 90 days, with the option of an extra 60 days. However, numerous postponements of court hearings, the time needed for forensic examination (experts are usually overloaded, so it takes couple of months to get the forensic examination report) substantially increase the term of case consideration. Typically, IP cases are considered in the first instance within six to eight months. A considerable number of cases in Ukraine go to appeal or cassation, so the time to obtain the final decision increases respectively by an extra 65 days (appeal) and 70 days (cassation). The timing also depends on the defendant's responsiveness and willingness to participate in the action.

In total, the time frame for one case may reach up to three years.

The preliminary injunction timing is more certain: the *ex parte* application for preliminary injunction is usually considered within the terms established by the procedural code (ie, two days after filing the application).

#### 25 Litigation costs

##### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

Litigation costs consist of the court fee and other related costs, including the attorney's fee, witness relocation costs, costs of forensic examination etc.

The court fee is calculated based on the claim amount, but should not exceed the minimum and maximum established by the respective regulation: the range is from 1,762 hryvnia (approximately €58) to 616,700 hryvnia (approximately €20,085).

Attorneys' fees are very variable and are calculated on a case-to-case basis, depending on the complexity of the case and the resources needed to provide effective representation of the party's interests.

The court may order the litigation costs of the prevailing party to be recovered from the other party (the court fee and a reasonably motivated amount of the attorney's fee etc). Should the court reach a partial decision the litigation costs must be split between the parties respectively.

#### 26 Appeals

##### What avenues of appeal are available?

Nowadays a party may appeal the decision to the Court of Appeal, either civil or commercial. Appeal courts review the decisions of the courts of first instance located within the relevant appellate district.

In turn, the decision of the Court of Appeal can be challenged in the Supreme Court. The decision of the Supreme Court is final.

However, the expected Higher Intellectual Property Court will consider IP cases as a court of first instance as well as an appeal instance. For this purpose, the Appeal Chamber will be formed within the court.

The decision of the Appeal Chamber similarly may be challenged in the Supreme Court.

#### 27 Defences

##### What defences are available to a charge of infringement or dilution, or any related action?

The defendant has the right to participate in the proceeding by responding to the claim and submitting evidence. The defendant may also argue that the claimant has not submitted sufficient evidence of infringement.

Additionally, the defendant may refer to the absence of likelihood of confusion, prior rights, non-commercial use, trademark exhaustion etc.

The Law states that a third party may ask for the cancellation of the trademark based on the absence of genuine use during the past three years or on the fact that it has become generic.

#### 28 Remedies

##### What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?

The infringed party is free to use one of the following remedies: seizure of counterfeit as well as materials and equipment used for its manufacturing, and destruction of such counterfeit; the publication of information in the mass media about the infringement of the intellectual property rights and the content of the court decision regarding such infringement; damage recovery; and removal of the illegally used trademark from goods.

Also, the claimant may request an injunction against the infringer; immediate preventive measures for the protection of IP rights and securing evidence; suspension of customs formalities towards counterfeit goods; and seizure and ravage of the counterfeit goods and devices, and materials for its production etc.

Injunctive relief applies if the non-use of such measures can significantly impede or prevent the execution of a court decision or effective protection or restoration of the rights of the claimant or the challenged rights or interests of the claimant.

In criminal proceedings an offender may be ordered to pay a fine from 17,000 hryvnia (approximately €554) to 34,000 hryvnia (approximately €1,110).

**29 ADR****Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?**

ADR techniques are not popular in Ukraine. However, recently introduced procedural codes (both civil and commercial) contain a procedure called court mediation. Before the court reviews the merits of the case, each party may request court mediation. In this case the judge must take the part of mediator and participate in the negotiation, leading to amicable settlement of the case.

The most popular out of court measure is the cease-and-desist letter, which, however, is not legally enforceable until the matter is brought to court.

**30 Famous foreign trademarks****Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

The Paris Convention grants protection for well-known foreign trademarks. The Law states that the trademark is recognised as well known by the Appeals Chamber or by the court.

The trademark must be perceived as well known in Ukraine. The rights holder must present proof of recognition of the trademark by customers; the duration, volume and geographic area of use and promotion of the trademark by the rights holder; records confirming foreign registrations of the trademark; and information about the recognition of the trademark as well known in other jurisdictions.

Well-known foreign trademarks, after being declared by the respective body as such, are granted the same scope of protection as a registered trademark in Ukraine without any further formalities.



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# United Kingdom

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## 1 Ownership of marks

### Who may apply?

Any individual or entity may apply for a trademark where they are using a mark (or allowing someone else to use it with their consent) or intend to use it as an indicator of origin for goods or services.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

A UK trademark may be registered if it is a sign that is capable of being represented graphically, and which is capable of distinguishing the goods and services of one undertaking from those of other undertakings.

The requirement for a sign to be capable of graphical representation means that it is more difficult in practice to register smells, sounds, colours and moving images as trademarks in the UK. However, this requirement is due to be removed for UK trademarks by 15 January 2019. Following the removal of this requirement, it will become easier to apply for sound, colour, smell and moving image marks. This requirement has already been removed for EU trademarks that cover the UK (with effect from 1 October 2017 onwards).

Under UK law, even if a UK trademark complies with the above requirements, it will not be registered if:

- it is descriptive of the goods or services covered by the mark (eg, the quality, origin or quantity of the goods);
- its use has become customary for the goods or services covered by the mark;
- it is otherwise devoid of any distinctive character, unless the mark has acquired distinctiveness prior to the application for registration;
- it consists exclusively of a shape that:
  - results from the nature of the goods;
  - is necessary to obtain a technical result; or
  - gives substantial value to the goods;
- it is contrary to public policy or morality;
- it is deceptive;
- it has been applied for in bad faith;
- it contains a specially protected emblem (eg, the royal arms, a national flag, hallmarks); or
- its use has been prohibited in the UK.

If the subject matter of a mark fails to comply with the requirements set out above (the 'absolute grounds for refusal') then it cannot be registered, but it may still be capable of protection at common law (see question 3).

## 3 Common law trademarks

### Can trademark rights be established without registration?

It may be possible for the owner of an unregistered trademark, name, trade dress or 'get up' of a product to protect its brand at common law under the tort of passing off. To claim protection under passing off, a claimant must be able to establish that:

- it owns goodwill attached to the goods or services in the UK;

- the defendant has made a misrepresentation that is likely to confuse the public into thinking that the goods or services offered by the defendant are those of the claimant; and
- the misrepresentation has caused damage to the claimant.

An actionable misrepresentation under the law of passing off may include the use of an identical or similar trademark, thereby effectively providing protection for common law trademarks.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

An application for a UK trademark that does not encounter any objections or oppositions would typically take around three to four months from the filing of the application to proceed to registration, although this depends on the workload of the UK Intellectual Property Office (the UKIPO). The UKIPO's filing fees for a trademark in a single class are £170 for an online application or £200 for a paper filing, with an additional fee of £50 for each additional class. If the applicant is based outside the UK, then he or she must appoint agents within the European Economic Area (EEA) or Channel Islands to act as an address for service when filing the application.

Many applicants instruct lawyers or trademark attorneys to draft the specification of goods and services and to file the application on their behalf, which incurs additional fees. If the examiner raises any objections or a third party seeks to oppose the application then this will extend the time frame and is likely to increase the costs associated with the registration.

## 5 Classification system

### What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?

The UK uses the Nice International Classification system. It is possible to file multi-class applications for UK trademarks, with the cost savings set out at question 4.

## 6 Examination procedure

### What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?

The current UKIPO practice for examination of trademark applications is set out in the Examination Guide contained in the Manual of Trade Marks Practice.

The UKIPO will examine an application to establish whether it complies with the 'absolute grounds' criteria set out at question 2. If an application fails to comply with these requirements then it will be rejected.

Following substantive examination, the UKIPO will identify whether there are any pre-existing UK or EU trademarks that are either identical or so similar that there would be a likelihood of confusion (the relative grounds of refusal). If such a mark exists this will not prevent registration, but the examiner is required to notify the owner of the earlier UK trademark if the application is accepted for publication.

The UKIPO will not raise an objection of its own accord to an application on the basis of a prior third-party mark during the examination process. There is therefore no need to file a letter of consent at this stage, although an applicant may choose to do so in response to the examination report.

If the UKIPO examiner objects to the application the applicant will have two months to respond. Depending on the objection, the applicant may request a hearing, file evidence of use (to show acquired distinctiveness) or amend or divide the application (to allow those classes for which the application is acceptable to proceed).

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

A trademark need not be in use before registration is granted. However, an application for a UK trademark requires a declaration that the applicant is either using or intends to use the mark.

While the UK trademark office does not require evidence of use to be filed, if a trademark is not used within five years of registration then it may be vulnerable to a revocation action by a third party and the owner will need to submit evidence of use to defeat the action.

Foreign applications in countries that are either a party to the Paris Convention or that have an agreement with the UK for reciprocal protection of trademarks will be granted a right of priority for six months from the date of the application. This means that if that applicant files an application for the same mark and same classes of goods and services in the UK within the six-month period, then they will be able to claim priority from the date of the foreign application.

## 8 Appealing a denied application

**Is there an appeal process if the application is denied?**

If the UKIPO denies a trademark application, the applicant can appeal to the trademark office within two months of the decision. The appeal may involve the applicant requesting a hearing before a senior officer to discuss the case. Once the written decision of the hearing is available, if the applicant remains unhappy with the decision, they can appeal either to an 'appointed person', who is usually a respected barrister or solicitor specialising in trademark law, or to the High Court.

## 9 Third-party opposition

**Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

UK trademark applications are published for opposition, with third parties given two months to file an opposition. It is also possible for third parties to file a notice of threatened opposition, which increases the opposition time to three months. The proprietor of a registered trademark can oppose an application on the basis that:

- the mark is identical to the opponent's prior registration and covers identical goods and services;

- the opposed mark is identical or similar to the opponent's mark for identical or similar goods and services and there is a likelihood of confusion; or
- the opposed mark is identical or similar to the opponent's mark and the use of the opposed mark would be detrimental or take unfair advantage of the pre-existing mark's reputation.

Similarly, a third party that has unregistered rights may oppose an application on the basis that it gives rise to an action in passing off (see question 3 for further detail). An opponent could also file an opposition based on the absolute grounds of refusal set out at question 2 (including bad faith). The opponent would need to file a notice of opposition and pay the appropriate fee (£100-£200).

It is also possible for a third party to seek cancellation of a mark after registration on the grounds that it is invalid (ie, the absolute or relative grounds of refusal existed at the time it was registered). It is also possible for a third party to pursue a revocation action against a mark that has:

- not been used for five years following registration;
- become a common name for the goods or services for which it is registered in the industry; or
- been used in a manner that misleads the public.

The third party would need to file a notice of cancellation and pay the appropriate fee (£200). The costs of fully contested opposition and cancellation proceedings can vary considerably depending on the amount of evidence that is filed and the approach taken to the proceedings by the parties.

## 10 Duration and maintenance of registration

**How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

A UK trademark registration initially remains in effect for 10 years, with the possibility to renew for further periods of 10 years indefinitely. There is no need to submit evidence of use to the UKIPO when applying for renewal.

## 11 The benefits of registration

**What are the benefits of registration?**

In the UK, it is often easier, quicker and more cost-effective to use a registered trademark to prevent another entity from using the same mark, rather than relying on unregistered rights in a passing off action. This is the case whether the trademark is being enforced before the courts or by the UK's customs authorities. For the same reason, a registered trademark is more likely to act as a deterrent to infringers.

If a mark is registered it will also make it easier for a proprietor to oppose any future applications by third parties to register an identical or similar mark.

It is also easier to exploit and commercialise a registered trademark (eg, through licensing arrangements) in the UK.

## 12 Licences

**May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?**

A licence may be recorded against a trademark at the UKIPO. If a licence is not recorded then it will be ineffective against a person acquiring a conflicting interest in or under the registered trademark in ignorance of that licence. In addition, recording a licence can provide the licensee with rights to bring infringement proceedings in certain circumstances. Finally, if a licence is not recorded within a period of six months, a licensee who subsequently brings infringement proceedings may not be entitled to recover their legal costs.

### 13 Assignment

#### What can be assigned?

A registered trademark can be assigned with or without goodwill. However, if the trademark concerned does have associated goodwill it would be usual for this to be assigned with the registered mark. If not, then care will be needed to ensure that the respective rights of the assignor or assignee following assignment are provided for in the agreement to ensure that the assignee's intended use of the registered trademark will not infringe any unregistered rights in the goodwill in the mark that has been retained by the assignor.

A registered trademark can be wholly or partially assigned. If it is partially assigned, then the mark can be divided into two registered trademarks, with one being retained by the assignor and the other being assigned to the assignee.

Under UK law goodwill attaches to the business and therefore it is not possible to assign goodwill in a mark independent from the underlying business to which that goodwill attaches.

### 14 Assignment documentation

#### What documents are required for assignment and what form must they take?

An assignment of a registered mark is not effective unless it is in writing signed by or on behalf of the assignor or their representative. No other formal requirements, such as notarisation, are required.

### 15 Validity of assignment

#### Must the assignment be recorded for purposes of its validity?

An assignment does not need to be recorded for purposes of its validity. However, until it is recorded the assignment is ineffective as against a person acquiring a conflicting interest in or under the registered trademark in ignorance of it. This means that a third party could potentially acquire the registered mark from the previous recorded owner if the new owner has not yet recorded their interest.

### 16 Security interests

#### Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?

Security interests over a registered trademark can include mortgages and fixed or floating charges. The security interest does not need to be recorded for the purposes of its own validity or enforceability against the trademark owner. However, if the interest is not recorded the security will be ineffective against a person acquiring a conflicting interest in or under the registered trademark in ignorance of the security. This means that the registered trademark could be assigned to a third party without the encumbrance of the security interest.

It is not possible to record security interests over goodwill at the UKIPO but if the trademark owner is a registered company or similar corporate vehicle it will be possible to register such security interest at Companies House.

### 17 Markings

#### What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?

It is not mandatory to use any words or symbols to indicate trademark use or registration. If a trademark is registered then it is common to use the ® symbol or sometimes the words 'registered trademark'. It is a criminal offence to use these symbols or otherwise represent that a mark is registered in the UK when it is not.

There are no direct legal benefits of using the ® symbol, but it serves to make it clear to potential infringers that the mark is registered, which may have a deterrent effect.

### 18 Trademark enforcement proceedings

#### What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?

A trademark owner's primary means of redress for the infringement of its registered trademark will be to issue infringement proceedings. The trademark owner would usually have the choice of bringing proceedings before the High Court; or the Intellectual Property Enterprise Court, which is intended to be a lower cost forum for claims with a value between £10,000 and £500,000.

In respect of counterfeit goods, a number of bodies are empowered to enforce criminal offences relating to the use of signs that are identical to, or likely to be mistaken for, a registered trademark, in particular trading standards. Trademark owners can also take advantage of border enforcement mechanisms – which may result in goods being seized (and potentially destroyed) by Customs authorities when goods are entering the UK from outside of the EEA. It is also possible for trademark owners to bring private criminal prosecutions for trademark infringement, although this is fairly unusual.

### 19 Procedural format and timing

#### What is the format of the infringement proceeding?

The usual procedure in infringement proceedings in the High Court is as follows:

- proceedings are issued and the parties exchange statements of case;
- the parties agree or the court determines the directions and timetable of the case leading up to trial;
- the parties search for, and disclose to each other, relevant documents;
- the parties exchange witness statements and any expert reports;
- the parties exchange written arguments prior to trial;
- trial takes place, including cross-examination of each parties' witnesses and experts where appropriate; and
- judgment is delivered.

A similar but more streamlined procedure takes place in the Intellectual Property Enterprise Court. In particular, claims before the Intellectual Property Enterprise Court may involve little or no disclosure of documents, may not involve cross-examination of witnesses and may even be decided on the papers alone without an oral hearing.

The length of proceedings can vary depending on the size and complexity of the dispute, but would typically take a year to a year-and-a-half in both the High Court and the Intellectual Property Enterprise Court.

When a criminal case is brought by way of private prosecution, the prosecutor lays 'an information' before the magistrates' court – this is a summary of the case in writing – and the magistrates' court will then issue and serve a summons on the offender requiring them to attend court within a month. When the individual appears in court, they will enter a plea. If the defendant pleads guilty then the magistrates' court can arrange sentencing, or in more serious cases it may commit the case to the Crown Court for sentencing. If the offender pleads not guilty then the case will proceed through disclosure and will be committed for trial. Most cases will remain in the magistrates' court, but where the case is more serious or where the defendant elects a trial by jury, the case may be transferred to the Crown Court.

### 20 Burden of proof

#### What is the burden of proof to establish infringement or dilution?

In civil proceedings for trademark infringement the burden of proof will lie with the claimant (usually the trademark owner) and they will be required to establish that burden on the balance of probabilities.

In respect of criminal proceedings, the burden of proof is the normal criminal standard that the tribunal or jury is sure that the offence

## Update and trends

### Brexit

The UK is currently due to leave the EU on 29 March 2019. Absent agreement between the EU and the UK, EU trademarks will cease to have effect in the UK on that date. However, the UK and EU are currently negotiating a Withdrawal Agreement that provides for a transition period until 2020, during which the UK will effectively be treated as part of the EU and hence EU trademarks will still have effect in the UK.

The UK government has also confirmed that whatever the outcome of the Withdrawal Agreement negotiations, owners of EU trademark registrations will be granted an equivalent UK trademark registration when the UK does leave the EU trademark system. The position with pending EU trademark applications may be less straightforward and it appears that applicants will have to reapply for UK trademark registration and claim priority from the pending EU trademark application. Applicants for valuable EU trademarks may wish to consider applying for UK trademarks now to increase the chances of securing registered trademark protection in the UK before the UK leaves the EU trademark system.

### Implementation of the EU trade marks directive

The UK government has now published The Trade Marks Regulations 2018 (SI 2018/825), which will implement the EU Trade Marks Directive by amending the Trade Marks Act 1994 with effect from 15 January

2019. One of the key amendments is the removal of the requirement for a UK trademark to be capable of being represented graphically. Following the removal of this requirement, it will become easier to apply for sound, colour, smell and moving image marks. In addition, the absolute ground of refusal which provides that a mark shall not be registered if it consists of a shape that (i) results from the nature of the goods; (ii) is necessary to obtain a technical result; or (iii) gives substantial value to the goods, shall be extended to other types of sign beyond shapes. It is likely that many of these signs would have already been refused registration on the basis that they are devoid of distinctive character.

### Blocking injunctions

In 2016, it was confirmed that blocking injunctions (which require an ISP to block its users' access to certain websites) are available in cases of trademark infringement. However, there was an appeal as to who should bear the cost burden of such an order. The Supreme Court has recently overturned the decisions of the Court of Appeal and High Court and ruled that where the ISP is acting as a mere conduit the trademark owner (and not the ISP) should bear the costs of implementing the order. This decision will make it more costly for brand owners to have blocking orders implemented, so will make them a less attractive remedy (*Cartier International AG and others v British Telecommunications plc and another* [2018] UKSC 28).

has been committed. It is of relevance here that it is a defence for a person charged with a criminal trademark infringement offence to show that he or she believed on reasonable grounds that their use of the sign was not an infringement of the registered trademark. Therefore, if this defence is raised, the tribunal must be sure that the defendant did not have this belief.

## 21 Standing

### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

The following may bring a civil claim for infringement of a registered trademark: the owner; an exclusive licensee in circumstances where the exclusive licence provides that the licensee has the right to bring such infringement proceedings; and any other licensee in circumstances when they have called on the trademark owner to take infringement proceedings and the trademark owner has refused to do so or has failed to do so within two months of being called upon by the licensee. However, this right of other licensees is subject to any provisions to the contrary in their licence or any licence through which their interest is derived.

Anyone can bring a private prosecution for criminal trademark infringement. However, the Department of Public Prosecutions retains the right to take over any such prosecution and then discontinue it.

## 22 Foreign activities

### Can activities that take place outside the country of registration support a charge of infringement or dilution?

In general only activities taking place within the UK can support an infringement claim. However, such activities may take place without the alleged infringer or the alleged goods entering the UK. An example of this would be the sale of infringing goods through a website that is accessed by consumers in the UK. The UK courts have taken the view (supported by rulings of the Court of Justice of the European Union (CJEU)) that offers for sale, and any subsequent sales, from foreign-based websites can infringe trademarks in the UK when the website is directed, at least in part, to UK consumers.

In addition, proceedings can be brought in the UK when allegedly infringing acts are threatened. This means that it may be possible to bring infringement proceedings in the UK on the basis of preliminary activities taking place wholly outside of the UK.

## 23 Discovery

### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

The standard position in trademark infringement proceedings is that both parties are required to disclose relevant documents in their possession as part of the proceedings. It is also possible to seek preliminary disclosure of certain specified documents prior to the commencement of proceedings, either from the potential defendant or third parties, whether those parties are located inside or outside the country.

## 24 Timing

### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

If the urgency of the matter justifies it, preliminary injunctions can be heard and dealt with very quickly. However, a more usual position would be for a preliminary injunction to be heard within a time period of one to three months, with potentially a short initial hearing after three to four days to decide whether a preliminary injunction should be put in place prior to the full hearing of the application.

It is also possible to expedite proceedings, often referred to as a 'speedy trial', within a few months. However, it is more usual for trials of trademark infringement proceedings to be listed between one and one-and-a-half years after proceedings are issued. In certain extreme cases, where there are a number of preliminary issues to be dealt with, this timetable can stretch further.

Appeals of first-instance trademark infringement proceedings have generally tended to be held six to nine months from the original decision. However, the Court of Appeal is currently suffering a significant backlog, which has meant that some appeals have taken up to a year or more to be heard.

## 25 Litigation costs

### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

The costs of litigation can vary enormously depending on the value and complexity of the case and the resources of the parties involved. On one end of the scale, the Intellectual Property Enterprise Court operates a cap on recovery of costs from the other side of £50,000 (although the legal costs actually incurred can often be significantly higher than this). However, it would not be unusual for high-value cases before the High



Court to incur legal costs in excess of £1 million on each side if the case proceeds to trial. In extreme cases, costs can be significantly higher than £1 million, especially when the potential costs of appeals and possibly even references to the CJEU on aspects of EU law are included.

## 26 Appeals

### What avenues of appeal are available?

Decisions of the High Court and the Intellectual Property Enterprise Court can be appealed to the Court of Appeal. It is necessary to obtain permission to appeal, either from the court whose decision is to be appealed or, if such permission is denied, directly from the Court of Appeal itself. Decisions of the Court of Appeal can potentially be appealed to the Supreme Court, which is the UK's highest court. Again, it is necessary to obtain permission to appeal from either the Court of Appeal or the Supreme Court, such permission generally being hard to obtain in trademark cases.

## 27 Defences

### What defences are available to a charge of infringement or dilution, or any related action?

There are some subtle differences between the defences currently available for EU trademarks, which can be relied upon in infringement proceedings in the UK, and UK trademarks, but in broad terms the defences are the same for both marks, namely:

- the honest practices defences, which only apply if the use is in accordance with honest practices in industrial or commercial matters;
- an own name defence – for EU marks this defence only applies to natural persons and not companies and similar entities;
- a descriptive use defence – for EU marks this defence has recently been broadened to also include non-distinctive use;
- an intended purposes defence, which is intended to enable third parties to advertise their product as accessories or spare parts for branded goods – for EU marks this defence has recently been broadened to include any use for the purpose of identifying or referring to the proprietor of the trademark's goods or services;
- an acquiescence defence, which applies if a later mark has been registered and used for five years with the knowledge of the owner of the earlier mark; and
- an earlier local right defence, which provides that a registered trademark is not infringed by the use of an earlier common law right in a particular locality (such 'local' right not being sufficient to invalidate the registered trademark).

UK law also provides that a registered trademark is not infringed by the use of another registered trademark for the goods and services for which it is registered. The practical reality of this is that the owner of the registered trademark will need to take steps to invalidate a later trademark registration before it succeeds in any trademark infringement proceedings brought against the use of that mark. However, it is

generally thought that this provision is not compatible with the UK's obligations under EU law and is therefore vulnerable to being declared invalid by the courts.

## 28 Remedies

### What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?

A successful claimant in trademark infringement proceedings will normally be entitled to seek either damages – the loss caused to them by means of an infringement or, if it is not possible to point to such a loss, a payment on the basis of a reasonable royalty – or an account of the profits of the defendant that are attributable to their infringing acts. A successful claimant would also normally be granted a permanent injunction preventing the defendant from infringing in the future. It is harder to obtain a preliminary injunction prior to the determination of the dispute at trial, as the UK courts will not focus on the merits of the dispute but will instead ask who will likely suffer the most irreparable harm if the preliminary injunction is or is not granted. Also important is that the successful party would normally be awarded its legal costs.

A successful criminal prosecution in the Crown Court could result in the infringer being imprisoned for up to a maximum of 10 years or facing a fine or both. However, as set out at question 19, the majority of cases will remain in the magistrates' court, where the maximum sentence is six months' imprisonment or a fine or both. The court can also order the defendant to deliver up or destroy any infringing goods, and if it suspects that the infringer may have concealed criminal property or removed it from the UK then it could make a confiscation order. Finally, where the claimant has suffered quantifiable loss, the court may make a compensation order.

## 29 ADR

### Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?

Arbitral awards are generally enforceable and the use of arbitration or other ADR techniques to settle disputes is fairly common, especially when the dispute arises from a commercial relationship (eg, a licence agreement). In many cases, contractual agreements will provide for arbitration or mediation to resolve any dispute. It is also open to parties to use ADR to resolve disputes when they have not had any previous commercial relationship, but the engagement of a formal ADR process for such a dispute would be fairly unusual.



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**30 Famous foreign trademarks**

**Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

The proprietor of a trademark that is entitled to protection under the Paris Convention or the WTO agreement as a well-known trademark is entitled to an injunction to prevent use in the UK of a trademark or the essential part of a trademark that is identical or similar to the well-known trademark in relation to identical or similar goods or services, where the use is likely to cause confusion.

It is generally accepted that to qualify for protection the trademark must be well known in the UK.

There has been relatively little case law on this provision in the UK. This is probably in part because such protection would only be required if there has been no use of the mark in the UK at all. If there has been use of the mark in the UK then it is likely to have obtained goodwill, which will be protectable under the UK law of passing off.

# United States

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## 1 Ownership of marks

### Who may apply?

Any juristic person, whether an entity or an individual, may file an application for registration of a mark.

An application may be filed on the grounds prescribed by the Trademark Act of 1946 (the Lanham Act), namely:

- use of a mark in commerce regulated by the US Congress, namely commerce between US states or territories or commerce between the United States and foreign jurisdictions;
- intent to use a mark in commerce, as defined above. This is a basis for receipt of a filing date, not a basis for registration;
- foreign trademark application 'first filed' in a Paris Convention country, within the six months priority filing period. The effective filing date is the date on which the underlying foreign application was filed in the foreign country, and this is a basis for receipt of a priority filing date, not a basis for publication or registration;
- foreign registration in a country of applicant's origin. Such a country must be a party to a treaty or agreement with the United States that provides for registration based on ownership of a foreign registration or must extend reciprocal registration rights to nationals of the United States; and
- request for extension of protection to the United States of International Registration (IR) under the Madrid Protocol.

The standards of the application's substantive examination are applied regardless of the filing basis.

## 2 Scope of trademark

### What may and may not be protected and registered as a trademark?

Eligible for registered protection as well as common law protection are any word, phrase, name, tag line, as well as non-traditional marks, such as smell, sound, image, design or colour, used or intended to be used as a trademark or service mark, or as a certification mark.

The Trademark Act provides a list of marks ineligible for registered protection:

- immoral, deceptive or scandalous marks; marks that may disparage or falsely suggest a connection with persons, institutions, beliefs, or national symbols, or bring them into contempt or disrepute; however, the 'disparagement' clause has been invalidated by the US Supreme Court in *Matal v Tam*, 137 S Ct 1744 (2017); and the 'immoral' and 'scandalous' clauses have been invalidated by the Federal Circuit in *In re Brunetti*, 877 F.3d 1330 (Fed. Cir. 2017).
- those that consist of or comprise the flag, coat of arms or other insignia of the United States, US state or a foreign nation;
- those that consist of or comprise a name, portrait, or signature of a living individual except with written consent; and
- primarily geographically deceptively misdescriptive, functional or generic (ie, incapable of becoming distinctive), as applied to the listed goods and services.

Certain marks that may be prima facie ineligible may still be registered subject to meeting requirements discussed in question 6.

## 3 Common law trademarks

### Can trademark rights be established without registration?

The United States belongs to the common law system that recognises trademark rights based on mark's use and not mere registration. A registration affords a significant edge to its owner, for both defensive and enforcement purposes, yet a party first to use the mark may claim exclusive rights to it, at least in the geographic area of its first use. Establishing such common law rights may be a more time and cost-intensive exercise as opposed to the statutory presumption of exclusive rights conferred by a registration. It is, thus, equally important to be the first to commence the mark's use in commerce as well as to apply for the mark and, if possible, register it.

## 4 Registration time frame and cost

### How long does it typically take, and how much does it typically cost, to obtain a trademark registration? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration? What additional documentation is needed to file a trademark application?

The process of trademark filing, examination and registration with the US Patent and Trademark Office (USPTO) has become more time- and cost-efficient over recent years.

All applications can be filed electronically online, and the application's particulars are issued immediately upon filing. It is still possible to file paper-based applications, but for cost and convenience purposes it is recommended to use the e-filing. Applications are reviewed by the USPTO within three to five months of the filing, sometimes sooner.

If no substantive objections issue or only technical questions arise, such as the wording of the listed goods and services, which in many instances may be overcome fairly quickly, the application proceeds to publication and, in the absence of an opposition, to registration if the mark is based either on use in the US or on a foreign registration, or is a Madrid Protocol IR extension. The entire process in such a scenario, from filing to registration, may take nine to 12 months.

If the USPTO has substantive objections to the mark or there is a need to file the Statement of Use for an intent-to-use application, the registration process may on average take up to two years or longer. A third-party opposition may delay it further.

The cost of filing an application and prosecuting it to registration, provided there are no major hurdles to it, can be below US\$2,000. Additional costs would be incurred for multiple classes (under International Classification of Goods and Services) encompassed by the application.

Also, in advance of filing, the mark's owner may consider conducting a US trademark search in order to establish, subject to search limitations, the mark's availability for use and registration. The costs related to such a search may vary depending on its scope and time frame.

In the case of more than minor technical issues or repeated USPTO objections, or both, or if the application is based on the intent to use and Statement of Use or extension of time are needed, the costs may increase and be in the US\$2,000 to US\$4,000 range and up. A third-party opposition, which is effectively an inter-partes litigation, involves significant further costs and time.

An application must include the full name and address of the applicant, its form and country of incorporation, the mark or its form or drawing if design elements are included, and the concise list of goods or services to be encompassed by the mark. An official filing fee payment must accompany the application. The fee for e-filing, payable online, is reduced vis-à-vis paper-based filing, and additional fee savings are available, depending on the application meeting certain filing requirements.

No documentation (eg, a power of attorney or certificate of good standing) is required in support of an application filing.

## 5 Classification system

**What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?**

For the purpose of classification of goods and services, the United States follows the Nice Classification, established by the Nice Agreement (1957). The USPTO is guided by the Acceptable Identification of Goods and Services Manual, which reflects the tenth edition of the Nice Agreement (2016 version) but mandates a stricter policy on the language of goods and services. One of the more common types of objections issued by the USPTO during a mark's examination is a request to identify in more specificity the encompassed goods and services.

Multi-class applications are available and, if the applicant retains a counsel and does not act pro se, may bestow a cost saving on the owner, primarily in attorney fees, since the USPTO charges an identical fee for each class of application, whether filed as a single- or multi-class one. Equally, prosecution of a single multi-class application often costs less in attorney fees than for separate single-class applications.

Incorrectly classified goods and services may be reclassified during examination and additional classes may be added as long as the list of goods and services originally filed for is not expanded. However, Madrid Protocol IR extensions are ineligible for inter-class revisions or new class additions.

## 6 Examination procedure

**What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?**

Besides reviewing applications for technical and procedural compliance with statutory requirements, such as applicant's information, payment of prescribed fees, application bases and material in support, as well as specification of goods and services, the USPTO conducts examination of marks on both absolute and relative grounds.

The principal bases for rejection on absolute grounds, besides those listed in question 2, are that the mark is allegedly:

- merely descriptive;
- misdescriptive;
- primarily geographically descriptive; or
- merely a surname.

Further, the USPTO reviews applications on relative grounds in order to ascertain that there is no likelihood of confusion between the applied mark and third-party prior pending applications or registrations for identical or confusingly similar marks encompassing the range of the same or related goods and services. In the case of citation of prior marks deemed by the USPTO to be confusingly similar, and as an alternative to arguments against such citation, a consent agreement or letter of consent from the owners of the cited marks would be given substantial weight by the USPTO and would usually suffice to resolve this objection. Such consent may not be 'naked'; it should be detailed and elaborate the parties' position as to the respective marks' differences, it should state why the parties believe that no likelihood of confusion exists and it should detail the parties' agreed-upon efforts to avoid such confusion.

Once an examination report, also known as an Office Action, is issued, the applicant must review and respond thereto in an attempt to

meet all requirements or overcome objections. If the issues are not all dealt with or certain objections remain, the USPTO may issue further Office Actions, including, eventually, a final Office Action. The applicant has six months to address the issues raised in each Office Action, regardless of their nature and complexity. No extensions of time are available and failure to respond in a timely manner to an Office Action would lead to abandonment of the application.

The USPTO maintains a Principal and a Supplemental Register. Marks that were rejected for registration on the Principal Register on certain absolute grounds, such as those listed above, and provided the applicant did not overcome such objections, may be eligible for registration on the Supplemental Register. Though not as comprehensive as registration on the Principal Register, the Supplemental Register affords significant advantages to a mark's owner.

Applications barred from registration on the Principal Register and based on use in the US or on foreign registration in the country of an applicant's origin may be eligible for the Supplemental Register protection. Madrid Protocol IR extensions, however, are ineligible for registration on the Supplemental Register.

## 7 Use of a trademark and registration

**Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?**

An applicant may base its US application, for both application and registration purposes, on its foreign country of origin registration and forego the use in the US requirement in order to register the mark. Also, if the US application is filed within six months after the 'first filed' foreign application, it may assert the benefits of Paris Convention priority from the latter, though the priority claim alone does not constitute a basis for the mark's registration with the USPTO; only foreign registration does. In support of the latter, either at the time of application filing or subsequently (eg, when requested by the USPTO at the time of examination), the applicant must submit a simple copy of the foreign Certificate of Registration along with the English language translation (if not originally in English) and translator's verification. There is no need to submit a copy of the priority application in support of the Paris Convention priority claim.

An applicant for an IR extension of protection under the Madrid Protocol may equally forego the use in the US requirement, registering the mark in the US through the IR mechanism.

The owner of a mark filed on the foreign registration or IR basis must still maintain a good faith intent to use the mark in the US in commerce and must attest to such intent in the application by signing a declaration in the USPTO e-filing form or the WIPO IR form designating the United States for extension of protection.

An applicant may also file an application either on use or intent to use the mark in the US basis, but will be then able to register the mark with the USPTO only after establishing use in the US in commerce on or in connection with the listed goods and services.

For a use-based application, the applicant must meet the use requirements, including a statement of the mark's dates of first use anywhere in the world and use in US commerce, supported by specimens (proofs) of such use, at least one per class covered by application. The USPTO may request additional specimens.

For an intent-to-use application, there is no need to establish use at the time of filing, but a mark filed on this basis, once it clears the examination process and publication, will not proceed to registration but to allowance. At this stage, and once the mark's use commences on listed goods and services, the applicant must file a statement of use, utilising the six months period after the date of allowance, extendable by additional consecutive six months periods, for a total not exceeding 36 months from the allowance date.

A registered mark that has not been in use in the US on or in connection with the listed goods and services for three or more years from the registration date may become vulnerable to non-use expungement upon petition by an interested party to the USPTO Trademark Trial and Appeal Board (TTAB), a body within the USPTO in charge of hearing



and deciding certain types of trademark matters, including oppositions, cancellation actions and appeals on rejection of applications.

## 8 **Appealing a denied application**

### **Is there an appeal process if the application is denied?**

If an Office Action issues during a mark's examination and the applicant does not overcome it, the USPTO may issue, after the first or subsequent Office Action that remains unresolved, a final Office Action, restating any requirements or refusals that remain outstanding.

As with a non-final Office Action, the applicant has six months to respond and may submit a response (called 'request for reconsideration'). However, the applicant must either comply with all requirements or present arguments resolving the refusals, barring which the application will be finally rejected. To safeguard its rights in the application if the applicant is unable to overcome all the issues raised in the final Office Action, the applicant may, along with the request for reconsideration, file a notice of appeal with the TTAB.

Once an appeal is filed, it is stayed by the TTAB until the request for reconsideration is decided upon. If all issues are resolved in the latter, the application proceeds to acceptance and publication. If objections to an application are maintained, then the appeal proceeding resumes and is reviewed by the TTAB, based on briefs submitted to the TTAB by the applicant, who may also request an oral hearing, and the USPTO examining attorney.

An applicant dissatisfied with the TTAB decision may appeal it to the United States Court of Appeals for the Federal Circuit. An alternative appeal approach is by a civil action filed in a United States district court.

## 9 **Third-party opposition**

### **Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?**

Trademark applications on the Principal Register are published, upon acceptance, in the USPTO Official Gazette. An interested third party then has 30 days to commence an opposition thereto with the TTAB. Applications on the Supplemental Register are not published for oppositions and proceed to registration after being accepted. A prospective opposer may seek one or more extensions of time to file the notice of opposition - up to 90 days without applicant's consent and for up to additional 60 days only with such consent, the total extensions period not to exceed 150 days.

If the interested third party (plaintiff) does not file a notice of opposition within the 30-day publication period or, if sought, the 150-day extension period, or if the objected mark is on the Supplemental Register and may not be opposed, the plaintiff may institute a cancellation action, which is a proceeding separate from the non-use cancellation action available only after a mark's alleged non-use for three years after the registration.

The possible bases for opposition and invalidation are:

- likelihood of confusion with the interested third party's mark;
- dilution of the third party's prior mark;
- lack of applicant's bona fide intent to use the mark in the US in commerce;
- a mark's ineligibility for registration that was not entertained by the USPTO during examination, such as mere descriptiveness, immorality, genericness or functionality; and
- the applicant's fraud committed on the USPTO during the mark's prosecution.

In a cancellation action, if the registration has been registered for more than five years and its owner has filed an incontestability declaration attesting to mark's continuous use for five years, discussed in question 10, the plaintiff may be barred from raising certain grounds for its action, such as a mark's descriptiveness.

Once a notice of opposition or a petition to cancel are filed, and provided the preliminary conditions, such as the plaintiff's standing and grounds for either action, are met, the TTAB sets a timeline for proceeding and applicant (defendant) has 40 days to file its answer. Most deadlines in the inter partes TTAB proceedings, once initiated, may be extended upon parties' stipulation.

There is no onus on the opposer or the petitioner to cancel ownership of an earlier US registration. However, trademark rights are territorial. A mark's use and registration abroad would normally have no bearing on proceedings before the TTAB. However, since the United States is a common law jurisdiction, the plaintiff may base its action on the common law rights, derived from use of its mark in the US or the asserted well-known status of its trademark.

The cost of filing an action with the TTAB is usually within the US\$1,000 to US\$2,000 range, including official fees. Since an opposition proceeding or a cancellation action are effectively a litigation, subsequent attorney's fees would vary widely, depending inter alia on the length and complexity of issues and whether the matter is resolved in a settlement.

## 10 **Duration and maintenance of registration**

### **How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?**

A trademark registration is valid for 10 years from the registration date, and can be renewed indefinitely for additional consecutive 10-year periods, subject to meeting the use in the US in commerce requirement.

Use of the mark in the United States is a prerequisite for a mark's continued maintenance.

A declaration of a registered mark's use on or in connection with the listed goods and services must be filed at the time of renewal, between the ninth and 10th years. International Registration extensions, renewable via the central maintenance mechanism with WIPO, are still due for filing the declaration of use with the USPTO, just as any national registration.

Besides filing a declaration of use every 10 years from registration or at renewal, the owner must file a declaration of use between the fifth and sixth anniversaries of the mark's registration. This duty applies to all marks, regardless of registration basis. In addition to filing the fifth or sixth year declaration, if the mark registered on the Principal Register has been used in the US by its owner exclusively and continuously for five years or more after registration, the registrant may file a declaration of incontestability, rendering the mark incontestable in certain respects (including defences against invalidation action) and affording the registrant a number of advantages in a mark's protection and enforcement. The latter declaration, provided its requirements are met, can be filed at any time after the fifth year from the mark's registration.

A declaration of use must be supported by specimens of use in the US, which are in effect proofs showing such use on or in connection with the listed goods and services. The optimal specimens for goods are tags, labels, or product packaging, and for services - brochures, catalogues or advertisements, or photographs of the above, showing the mark as used in the US commerce.

Goods and services on which the mark is not in use at the time of filing a declaration of use must be omitted from the registration.

All submissions in connection with maintenance or renewal can be done via e-filing, and simple photographs of material in support suffice. There is no need for additional documentation.

## 11 **The benefits of registration**

### **What are the benefits of registration?**

While the United States is a common law country, with rights stemming primarily from a mark's use, a trademark registration bestows on its owner a number of significant benefits. The USPTO maintains a Principal and a Supplemental Registers. The Principal Register registration affords a broader array of tools for a mark's protection and enforcement, yet the Supplemental Register still presents its owner with a number of meaningful advantages:

- registration on the Principal Register constitutes a prima facie presumption of its owner's exclusive rights to use the mark nationwide in the US on or in connection with the listed goods and services;
- registration on the Principal Register creates a rebuttable presumption of the mark's ownership by the registrant and a constructive notice of such rights;
- the owner of a registration on either Register may use the ® symbol;
- in enforcement, a registration on either Register allows its owner to bring a civil court action for trademark infringement rather than just the common law equitable doctrines, such as passing off;
- the owner of a mark registered on either Register may pursue an enforcement action before a US federal (rather than state) court of appropriate jurisdiction and seek, along with other remedies, treble damages and attorney's fees;
- registration on the Principal Register allows its owner to record the mark with the US Customs and Border Protection, the largest US federal agency, in charge, inter alia, of fighting trademark counterfeiting and effectively blocking importation to the US of counterfeit goods;
- the owner of a registration on the Principal Register may file a declaration of incontestability after five years of continuous use post-registration; and
- registration on either Register is listed in the USPTO database and can be identified by third parties in a trademark search (ie, act as a deterrent to the adoption of potentially conflicting marks), and due to the USPTO relative grounds examination citation system, can constitute a bar to later-filed applications for confusingly similar marks for identical or related goods and services.

## 12 Licences

### May a licence be recorded against a mark in the jurisdiction? Are there any benefits to doing so or detriments to not doing so?

It is of paramount importance for a trademark's owner to control all uses of its mark by approved third parties, such as licensees or franchisees, and such use and mechanism of its control must be set in a written instrument (eg, licence agreement). Use of a mark under a licence, which should provide, for example, for quality control, inures to the benefit of the mark's owner and may prevent assertion of a mark's dilution or abandonment.

A trademark owner may record the licence with the USPTO. However, there is no duty to do so, and often the registrant would decide against it to prevent disclosure of sensitive information contained in the licence agreement. All forms and documents submitted to the USPTO are made part of the public record available for free online review.

## 13 Assignment

### What can be assigned?

Trademark applications and registrations are freely assignable. The only exception is a trademark application filed on the intent-to-use basis, which can be assigned only upon filing of a statement of use or amendment to allege use or, if prior to establishing use, subject to the condition that the assignment is to the successor of applicant's business or portion of the business to which the mark pertains, if such business is existing and ongoing.

An assignment can be of the entire mark or only with respect to some of the listed goods and services.

A trademark assignment must always be together with the goodwill of the business or part of the business to which the mark pertains. Also, the assignment must be for a valuable consideration, though it is not necessary to indicate the exact remuneration.

## 14 Assignment documentation

### What documents are required for assignment and what form must they take?

The assignment instrument must be in writing and signed at least by the assignor or the mark's owner. There is no need for notarisation or legalisation, and since recordation of assignment can be done through e-filing, a simple copy of the executed assignment agreement suffices.

## 15 Validity of assignment

### Must the assignment be recorded for purposes of its validity?

Recordation of assignment is a ministerial act and the USPTO record is prima facie evidence of its execution, but it does not determine a mark's validity or title in the application or registration.

A trademark assignment must be recorded with the USPTO in order to take effect against subsequent purchaser for valuable consideration, and the assignee has a three-month period after the agreement's execution to record the assignment in order to have precedence over subsequent purchasers. In addition, failure to record the assignment may eventually lead to a claim of a mark's use not inuring to the owner's benefit and an allegation of abandonment.

## 16 Security interests

### Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?

Security interests are recognised and usually take the form of an agreement in writing. There is no duty to record a security document, and its recordation with the USPTO is not a determination of the effect of the document on the chain of title. However, since such recordation is made in the public interest in order to give third parties notification of equitable interests or other rights relevant to trademark ownership, it is recommended to record a security interest with the USPTO for the holder of the interest to safeguard its rights and have priority over subsequent bona fide security interest holders or purchasers of the mark.

There is no prescribed form and no formalities are required. A simple copy of the signed agreement is sufficient in order to e-record it with the USPTO.

## 17 Markings

### What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?

Use of marking to indicate trademark use and registration is not mandatory. However, the use of appropriate symbols provides notice of a claim of either common law or registered rights in a trademark, and the use of symbols identifying a registered mark may confer on its owner, in the event of an enforcement action, certain presumptions and right to damages.

Until a mark's registration, whether an application therefor has not yet been filed, is pending or was refused by the USPTO, the mark's owner may use the ™ symbol for a trademark or ℠ for a service mark, effectively providing a notice of claim of common law rights to the mark in connection with the goods and services on which such a symbol is used.

The owner of a registration on either the Principal or the Supplemental Register may use the ® symbol, constituting a notice of the registrant's exclusive registered rights to the mark for goods and services listed in the registration. Alternatives to the ® symbol are 'Registered in United States Patent and Trademark Office' or its abbreviation 'Reg US Pat & Tm Off'.

## 18 Trademark enforcement proceedings

### What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?

There are several types of enforcement proceedings that are available to the trademark owner. The most common is litigation in a federal or state court. The remedies available in litigation are injunctive relief to prevent continued infringement, destruction of infringing merchandise, an award of monetary damages and, in exceptional cases, the award of attorney's fees. Although federal and state courts have concurrent jurisdiction over trademark infringement litigation, by far the majority of trademark infringement litigation is brought in federal courts.

In addition to trademark infringement litigation, an aggrieved trademark owner who operates a US industry may apply for exclusionary relief before the US International Trade Commission (ITC). ITC proceedings often proceed more quickly than typical court litigation, but no monetary relief is available.

Finally, US Customs and Border Protection, a branch of the Department of Homeland Security, operates a very effective border enforcement programme. Owners of US trademarks may record those registrations with Customs, and Customs will detain or seize at the border infringing merchandise. This protocol provides for very cost-effective enforcement of trademark rights.

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## 19 Procedural format and timing

### What is the format of the infringement proceeding?

Trademark infringement litigation follows the typical format of civil litigation in the United States. Discovery is allowed on all relevant issues and live testimony is typically taken at trial or at hearings on preliminary injunctive relief. Expert testimony is quite common, especially with respect to the use of trademark confusion surveys and the award of monetary damages. Motions for preliminary injunctive relief are decided by the court without a jury, as are motions for permanent injunctive relief where no claim for damages is made. However, if a claim for damages is made, then either party may demand the right to have the case tried before a jury.

Appeals from judgments entered after trial are heard by appellate courts in either the federal or state systems, depending on where the original litigation was commenced.

In addition to the civil remedies described above, criminal enforcement proceedings are available at both the federal and state levels. Counterfeiting is a crime in the United States and in virtually every state. As with all criminal matters, the federal government or state is the complaining party and is represented by a United States attorney or state district attorney, as the case may be. A person found liable for criminal trademark counterfeiting may be subject to a fine or imprisonment.

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## 20 Burden of proof

### What is the burden of proof to establish infringement or dilution?

The burden of proof to establish infringement or dilution is by a preponderance of the evidence. That is, the evidence must show that it is more likely than not that infringement or dilution has occurred.

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## 21 Standing

### Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

The trademark owner or exclusive licensee has the right to commence an action for trademark infringement. With respect to criminal complaints, typically the trademark owner brings suspected activities to the attention of the government, and the case is then prosecuted by the government.

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## 22 Foreign activities

### Can activities that take place outside the country of registration support a charge of infringement or dilution?

The US Constitution allows Congress to regulate activities that take place in interstate or foreign commerce. Thus, any activity that implicates United States commerce, even if partially conducted abroad, can give rise to a charge of infringement of a United States trademark.

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## 23 Discovery

### What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

Discovery in trademark infringement litigation is subject to the same rules as apply to other forms of civil litigation in the United States. That is to say, discovery can be wide-ranging and expensive, even though

there are ongoing attempts, especially in federal court, to curb discovery abuses. Discovery can take the form of requests for production of documents, written questions known as interrogatories, requests for a party to admit the genuineness of documents or the existence of facts, and depositions in which a party or an individual is subject to pretrial examination by counsel for the other side. Discovery using any of these vehicles is available to subjects that are relevant to the action, and under circumstances where the value of the discovery is proportional to its significance to the case.

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## 24 Timing

### What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

The typical time frame for obtaining preliminary injunctive relief is approximately three months from the filing of the complaint, depending on the jurisdiction. If the case proceeds to trial, then it is not typical for trademark infringement litigation to take more than two years to run its course. If the lower court judgment is appealed, it is not untypical for the appellate process to take about a year.

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## 25 Litigation costs

### What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

Unfortunately, trademark litigation like other civil litigation in the United States can be quite expensive. It is not uncommon for litigation costs through trial to exceed US\$1 million, including trial preparation and trial. Appeals to either the federal or state courts of appeal can add an additional US\$100,000 or more to this amount.

In federal (but not state) trademark infringement litigation, a prevailing party can recover its attorney's fees if it is able to establish that the case is 'exceptional' in the words of the statute. Recent case law defines exceptional as a case which stands out from the others, either in terms of the lack of merit of a defendant's position, or the unreasonable way in which the defendant has litigated the case. Note that a prevailing defendant can also recover attorney's fees subject to the same standards.

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## 26 Appeals

### What avenues of appeal are available?

Appeals from either the grant or denial of preliminary injunctive relief and from judgments entered after trial are made to separate appellate courts. In the federal system, appeals in a trademark infringement cases are heard by one of the 11 regional federal circuits. Each panel is composed of three appellate judges (who often have prior experience as district trial court judges). In the appeal process, the parties rely on their briefs and on the record developed in the court below. There is no additional taking of testimony or introduction of new evidence permitted. In very rare cases, appeals can be taken from the decisions of these appellate courts to the United States Supreme Court. The Supreme Court generally only hears trademark infringement cases where there is a split in authority among the regional circuits, or where there is a particularly important issue of law to be clarified.

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## 27 Defences

### What defences are available to a charge of infringement or dilution, or any related action?

There are several defences available to a party who is charged with infringement. These defences include that the plaintiff's trademark is invalid, for example, as being generic, merely descriptive without evidence of acquired distinctiveness, has been abandoned, and the like. In addition, the accused infringer typically alleges that his or her activities are not likely to cause confusion, mistake or deception or that his or her activities constitute a 'fair' use. An example of a fair use is a party making descriptive, non-trademark use of the term to describe his or her goods. This fair use defence is specifically codified in the federal trademark statute.

**28 Remedies**

**What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?**

A wide range of remedies is available to the successful plaintiff in trademark infringement litigation. Turning first to injunctive relief, this is available either preliminarily or on a permanent basis where the party can demonstrate (in addition to success on the merits) that it is likely to be irreparably harmed from the infringement, that monetary damages would be inadequate, that the balance of hardships tips in its favour and against the accused infringer, and that the public interest would not be harmed by grant of an injunction.

Monetary relief is available both in terms of damages that the plaintiff can prove as well as disgorgement of the defendant's profits, both of which are subject to the principles of equity. In awarding monetary relief, the amount of money awarded is to be apportioned to include only the damages or profits attributable to the infringement.

**29 ADR**

**Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?**

ADR techniques are available and commonly used. Indeed, many federal courts in trademark cases and other civil litigation require that the parties engage in an ADR proceeding. ADR proceedings may take place before magistrate judges (who are lower-level federal judicial officers) or private mediators. Sometimes the private mediators operate without a fee to assist the courts, and sometimes, especially in high-value cases, parties take advantage of private mediation services.

Other than the cost of preparing for and attending ADR proceedings, there is little risk involved. The potential benefit is that the parties may be able to resolve their dispute without excessive resort to costly litigation. In addition, with the aid of a skilled mediator, the parties may be able to fashion complex remedies in terms of permitted uses of a trademark which would be outside the purview of a judge or jury.

**30 Famous foreign trademarks**

**Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?**

Despite the Paris Convention, the law is unsettled in the United States as to whether a famous foreign trademark would be protected even if it has not been used or become famous in the United States. US trademark law has traditionally been based on use in the United States, with the relatively recent adoption of the intent-to-use system (in 1989). Although owners of registrations based on foreign applications do not need to prove trademark use in the United States to obtain registration, it is not certain that famous trademarks that are not subject to US registrations (or use) can be protected.

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