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**THE
COMMUNITY TRADE MARK**

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The Community Trade Mark

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This brochure may serve as a manual and practical guide for trade mark professionals and participants in trade and industry who wish to acquire a Community trade mark or to understand the procedures involved before the Office for Harmonization in the Internal Market. Recent developments such as the EU expansion and the accession of the European Community to the Madrid Protocol have been included in order to provide an up-to-date and complete overview over the field of Community trade marks.

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1. Introduction

Trade marks are a key element in corporate policy for establishing a good reputation and presenting a company's goods and services to the public. In this way, the origin of goods and services can be identified in respect of a company and consumers can build up trust in the company's products. As a consequence of European integration, it is becoming ever more important for businesses to focus their trade mark policies on the greater European market.

Prior to the introduction of the Community trade mark, companies could protect their marks throughout the European Union only by either filing a host of national applications or by filing international trade marks through the Madrid Agreement or the Madrid Protocol where the various countries of the European Union (EU) had to be designated. This approach was usually time and cost intensive.

The Community trade mark offers the unique advantage of uniform protection in all 27 EU Member States on the basis of a single registration. Applicants must only deal with a single registration procedure and only a single trade mark is to be renewed.

Since 1996, when the first Community trade marks were filed with the Office for Harmonization in Alicante, the Community trade mark has been well accepted by the public. With the total number of applications approaching 600,000 in 2007, the Community trade mark has proven to be very successful and its importance continues to grow.

2. The Community Trade Mark - Basics

References to the respective Articles of the European Council Regulation (EC) No. 40/94 (CTMR) and Rules of the Commission Regulation (EC) No. 2868/95 of December 13, 1995 (CTMIR) which are forming the legal basis for the registration of Community trade marks may be found in the top right corner at the beginning of each chapter.

2.1 What is a Community Trade Mark?

[Art. 4, R. 10]

The Community trade mark has its name from the fact that it offers protection for a trade mark throughout the entire European Community, nowadays designated more correctly as European Union. Thus, the Community trade mark provides the possibility of protecting a trade mark in all countries of the EU by filing only one application. It is neither necessary nor possible to designate any specific countries.

[Art. 28, Rule 2]

A Community trade mark can be filed for goods as well as for services. It is possible for one application to cover different classes of goods or services. The international classification system of the Nice Agreement has been adopted for the filing of Community trade marks.

A sign must mainly meet two conditions in order to be registrable as Community trade mark. Firstly, a sign must be capable of distinguishing the goods or services of one undertaking from those of other undertakings. Secondly, it must be possible to represent the sign in graphic form. Signs capable of being represented graphically may be words, invented or belonging to a known language, or:

- personal names,
- signatures,
- letters, numerals,
- acronyms, logos,
- slogans,
- designs, figures and pictographs (also in colour),
- portraits of people,
- collections of words or graphical elements and signs associating verbal and graphical signs, e.g. labels,

- three dimensional trade marks such as the shapes of goods or of their packaging,
- colours or colour combinations, or
- sound marks, in particular musical phrases.

Some signs are exempt from registration. These are discussed in the chapter on absolute grounds for refusal of a trade mark registration.

2.2 Historical perspective

The necessity for a uniform European trade mark became apparent soon after the establishment of the European Community with the Treaty of Rome in 1957. As early as 1964, a first draft for a “Convention on European Trade Mark Law” was issued. Nevertheless, the first palpable proposal for a Community trade mark did not appear until 1980.

The free flow of goods among the members of the European Community was one of the fundamental freedoms stated in the Treaty of Rome. However, incongruencies in individual national trade mark laws posed a threat to this principle by potentially discriminating against different applicants and proprietors of trade marks in the Member States.

The first step in solving this problem was to harmonize the national laws of the Member States. This was achieved by the “First Council Directive to Approximate the Laws of the Member States Relating to Trade marks” (89/104/EEC), which is known as “the First Directive”. The First Directive sets forth a common definition of trade marks and establishes absolute and relative grounds for refusal of registration and cancellation of national trade marks. However, it leaves EU Member States to develop their own procedures for registration and maintenance of national trade marks. In this respect, the First Directive has stopped short of a complete harmonization of the national trade mark laws, but must nevertheless be seen in association with the following Regulation for which it has prepared the ground.

The second step towards greater harmonization in accordance with the Treaty of Rome was the introduction of the Community trade mark. The legal basis for the Community trade mark was set out in:

- the European Council Regulation (EC) No. 40/94 of December 20, 1993 on the Community trade mark (effective March 15, 1994), referred to as CTMR, and

- the Commission Regulation (EC) No. 2868/95 of December 13, 1995 (effective April 1, 1996) implementing Council Regulation (EC) No 40/94 on the Community trade mark, referred to as CTMIR.

The CTMR goes beyond standardisation by establishing an alternative to the conventional national trade mark registration.

Since 1996 it is possible to register a trade mark for all the Member States of the EU with one single application submitted to a central office. As such, the Community trade mark coexists with national trade marks, which may, however, inhibit the registration of a Community trade mark. The Community trade mark has proven to be a great success, with the cumulative number of applications approaching 600,000 in 2007 (cf. Table 1)¹.

Table 1: Statistics on the number of Community trade mark applications

Year	No. Applications
1996	43,144
1997	27,280
1998	31,634
1999	41,295
2000	57,383
2001	48,911
2002	45,231
2003	57,697
2004	58,980
2005	64,797
2006	77,460
2007 (until April)	21,385
1996 – 2007	575,197

The position of the Community trade mark as a fully established legal institution is unchallenged and has significance for all areas of European economic interaction. With recent developments like the accession of the EU to the Madrid Protocol and the expansion of the EU to new Member States, that shall be discussed in more detail below, the importance of the Community trade mark continues to grow.

¹ <http://oami.europa.eu/en/office/stats.htm>.

2.3 Legal Basis of the Community Trade Mark

The legal basis of the Community trade mark is laid down in the 14 Titles and 160 Articles of the Council Regulation (EC) No. 40/94 on the Community trade mark (in the following denoted as CTMR, abbr. for Community Trade Mark Regulation), which was adopted by the Council of Ministers of the European Union on December 20, 1993, after more than 13 years of negotiations. Additional provisions can be found in the implementing rules of the CTMIR.

Recent important amendments to these two main Regulations of the Community trade mark have been made to accommodate for EU expansion and the accession of the European Community to the Madrid Protocol. Both topics will be discussed in depth in the following chapters.

Amendments based on the Madrid Protocol:

- Commission Regulation No. 782/2004 amending the implementing Commission Regulation (EC) No. 2868/95.
- Commission Regulation No. 781/2004 amending the Regulation No. 2869/95 concerning fees.
- Commission Regulation No. 1992/2003 amending the Council Regulation (EC) No. 40/94.

Amendment based on EU expansion:

- Insertion of Article 142a on EU expansion into the Council Regulation (EC) No. 40/94.

Further important amendments:

- Commission Regulation No. 422/2004 significant clarifications of the Council Regulation (EC) No. 40/94.
- Commission Regulation No 1042/2005 of 29 June 2005 amending Regulation (EC) No 2869/95 on the fees payable to the Office for Harmonization in the Internal Market (Trade Marks and Designs).
- Commission Regulation No 1041/2005 of 29 June 2005 amending Regulation (EC) No 2868/95 implementing Council Regulation (EC) No 40/94 on the Community trade mark.

2.4 The “Community Trademark Office” OHIM

[Art. 2]

The authority administering in practice the Community trade marks, i.e. the “Community Trade Mark Office”, is the “Office for the Harmonisation in the Internal Market (trade marks and designs)”, also called “Office for Harmonisation” or abbreviated “OHIM”. It was established by Article 2 of the CTMR. Initially, proposals were made to call the office “European Trademark Office”. However, in 1993 the term Office for the Harmonisation in the Internal Market (trade marks and designs) was chosen in order to make clear that the Office would also be responsible for designs. The official abbreviation of the Office is OHIM and it will thus be referred to as the OHIM in this brochure.

Regarding Community trade marks, the OHIM is responsible for all stages of a Community trade mark, from the examination of the registrability of a sign as Community trade mark to opposition or cancellation proceedings initiated by third parties, as well as the renewal of a Community trade mark. It also manages the Community trade mark Register where details regarding a Community trade mark are recorded and kept available for inspection by the public.

The OHIM is a body of the EU and it is located in Alicante, Spain. It has an independent legal personality and is represented and managed by its president. The OHIM is responsible for balancing its budget from its own revenue, which is derived mainly from registration and renewal fees.

The following are bodies of the OHIM:

- Examining Divisions,
- Opposition Divisions,
- Cancellation Divisions,
- Trade mark Administration and Legal Divisions, and
- Boards of Appeal.

Even though examiners are integrated in Examining Divisions for organizational reasons, the CTMR provides for the jurisdiction of individual examiners in registration proceedings. However, applications may and usually will be considered by several examiners.

The Opposition and Cancellation Divisions are composed of three members. At least one member of each Division has to be legally trained.

The jurisdiction of the Administration and Legal Divisions covers those areas that do not fall into the jurisdiction of the examiners or the Opposition or Cancellation Divisions.

Decisions of the Examining, Opposition, Cancellation, Legal and Administration Divisions may be brought before the Boards of Appeal of the OHIM whose decisions may ultimately be brought before the courts of the EU. Each Board of Appeal has three members, namely one chairperson and two further members. At least two of the members of the Board have to be legally trained. The members of the Board are independent and are not bound by instructions in their decision making.

2.5 Competent Courts for Community Trade Marks

The jurisdiction of courts regarding Community trade mark cases is split between national courts of each Member State as Community trade mark courts and the EU courts.

2.5.1 Community Trade Mark Courts

[Art. 92]

The Member States must designate national courts as so called Community trade mark courts. These courts decide in cases concerning infringement of Community trade marks or compensation and to some extent cases regarding the validity of Community trade marks.

Community trade mark courts have exclusive jurisdiction for:

- all infringement actions,
- actions concerning a declaration of non-infringement, if these are permitted under national law,
- all actions brought with respect to compensation claims arising from a published, but not yet registered Community trade mark application (cf. Art. 9), and
- counterclaims for revocation or for a declaration of invalidity of a Community trade mark (cf. Art. 96).

In most cases, an action can be brought before the national Community trade mark court in the Member State in which the defendant is domiciled or has an establishment. If neither is the case, the action may be brought before the court of the Member State in which the plaintiff is domiciled or

has an establishment. Otherwise, the action may be brought before the courts in Spain where the OHIM is located.

The Community trade mark court will apply the procedural law of its Member State and as the material law the provisions of the CTMR or, on matters that are not covered by the CTMR, the applicable national law.

The enforcement of decisions of Community trade mark courts in different Member States can be effected according to the Council Regulation (EC) No 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters.

2.5.2 European Union Courts

The European Union courts, i.e. the European Court of First Instance and the European Court of Justice are responsible for overseeing the legality of the OHIM's decisions.

For example, decisions of the OHIM Boards of Appeal may be contested before the European Court of First Instance. The action may be brought on grounds of lack of competence, infringement of an essential procedural requirement, infringement of the Treaty, of this Regulation or of any rule of law relating to their application or misuse of power.

Ultimately, decisions of the European Court of First Instance may be appealed before the European Court of Justice within two months after notification of the decision of the European Court of First Instance. However, proceedings before the European Court of Justice are limited to points of law.

Further, national courts including Community trade mark courts may refer cases to the European Court of Justice for preliminary rulings regarding the harmonization or European jurisprudence and the interpretation of European law or regulations like the First Directive. Thus, the European Union courts play an important role in applying and interpreting the CTMR and the national trade mark laws and are therefore important for the harmonization of trade mark law in Europe.

3. Principles of the Community Trade Mark

3.1 Unity throughout the EU

[Art. 1]

The Community trade mark has unitary character. That means it has an equal effect throughout the whole EU. It may only be registered, transferred, surrendered, declared invalid or prohibited for the whole territory of the EU. It is not possible to limit the geographic scope of the protection to certain Member States. Furthermore, there is one single registration procedure, which is centrally handled before the OHIM.

3.2 Legal Autonomy

[Art. 14]

The effects of the Community trade mark are governed exclusively by the CTMR, especially with respect to the acquisition (Art. 25) and conferred rights (Art. 9) of a Community trade mark. However, all matters, which are not covered by the CTMR are governed by the corresponding national legislation (Art. 97). In infringement cases in a Member State, the laws of that Member State are to be employed (Art 14 No.1, Art 98).

3.3 Coexistence with National Trade Marks

According to the principle of coexistence, a Community trade mark does not displace or substitute a trade mark which is protected by national law. Instead, the same sign may simultaneously be protected as trade mark nationally and on an EU-wide basis, thus enabling coexistent double protection.

3.4 Who may own a Community Trade Mark?

[Art. 5]

Proprietors of a Community trade mark may be natural or legal persons, including authorities established under public law, provided that they are:

- nationals of the EU Member States,
- nationals of states party to the Paris Convention or the World Trade Organization (WTO),
- nationals of states not party to the Paris Convention, but who are domiciled or have their seat or real and effective industrial/commercial establishments within Paris Convention territories, or
- nationals of states, which accord to nationals of all the Member States the same protection for trade marks, as they accord to their own nationals and that recognise the registration of Community trade marks as proof of registration of a trade mark in the country of origin, if nationals of the Member States are required to deliver such proof.

Thus, natural and legal persons from nearly all countries in the world may be the proprietor of a Community trade mark registration.

4. Registration Procedure

[Art. 6]

Community trade marks can only be obtained by registration in the Community trade mark Register, handled by the OHIM. In contrast to e.g. German trade mark law, a Community trade mark may not be acquired through the mere prestigiousness or the notorious publicity of a trade mark in the market.

The registration procedure has three stages:

- filing of an application and subsequent examination of formalities and absolute grounds for refusal,
- publication of the application and possible opposition proceedings, and
- registration and publication thereof.

4.1 Application

4.1.1 Filing the Application

[Art. 25]

The application for a Community trade mark can be filed:

- either directly at the OHIM in Alicante, or
- at the national patent and trade mark offices of the European Community Member States, including the Benelux Trade Mark Office.

An application filed at one of the national offices shall have the same effect as if it had been filed on the same date at the OHIM. If the application was filed at a national office, the national office forwards the application to the OHIM within two weeks after filing and may charge the applicant a fee for receiving and forwarding the application. If the application does not reach the OHIM within two months after filing, it receives the filing date on which the application did finally reach the OHIM.

[Rule 79-83]

The application may be filed either online, by telefax or regular mail or personally at the OHIM. The facsimile signature on a telefax is equivalent to an original signature. Furthermore, the use of the official form of the OHIM is not obligatory, but strongly recommended.

4.1.2 Requirements for the Application

[Art. 26, Rule 1]

It is absolutely necessary that the application for a Community trade mark contains certain particulars. The following are the most important:

- a request for the registration of a Community trade mark,
- information identifying the applicant,
- a list of goods and/or services,
- a representation of the trade mark.

[Rule 4]

The application fee is due within one month after filing the respective documents at the OHIM or the national offices. Where the classes of goods and services exceed three, additional class fees fall due. The application will only be accorded an application date if these requirements are fulfilled. If a requirement for filing is not fulfilled, the OHIM will issue an invitation to comply with the missing requirements within a period of 2 months and the filing date will become the date on which the last requirement is completed.

4.1.3 Appointed Representative

[Art. 88, Rule 75-78]

If the applicant is a legal or natural person with a domicile, principal place of business or industrial/commercial establishment in the EU, there is no obligation to appoint a representative before the OHIM. Nevertheless, it is often advisable to use the services of a specialised professional representative. This helps to avoid difficulties arising from insufficient knowledge of trade mark law, procedural rules and time limits.

4.1.4 Representation of the Community Trade Mark

[Rule 3]

If no special graphical feature or colour is claimed the Community trade mark can be typed in normal script as letters, numerals or signs in the application. Otherwise, the mark must be reproduced on a separate piece of paper no larger than DIN A4. Three dimensional marks should consist of a photographic or graphic representation of the mark, which may, and preferably should, contain up to six different perspectives of the mark. An indication of an international recognized colour code is optional, however recommended by the OHIM for trade marks consisting of a colour per se. For a sound mark filed online, electronic sound files can be attached to the application.

4.1.5 Priority

[Art. 29-33, Rule 6]

Within 6 months from the date of filing of a national application in a state party to the Paris Convention, it is possible to file a Community trade mark application claiming the priority date of the first application. The right of priority has the effect that the date of priority counts as the date of filing of the Community trade mark application for the purposes of establishing

which rights take precedence. The effects of priority are valid for the whole territory of the EU.

The priority must be claimed either:

- when filing the application for the Community trade mark, or
- within two months after the application date of the Community trade mark application.

For claiming priority it is necessary to file a priority declaration indicating the application date and the country of the previous application. Within a period of three months after claiming priority, the official number of the previous application must be indicated and a copy of the previous application must be filed. The copy does not have to be certified. It is also sufficient to submit a printout of an official database. However, printouts of private or commercial databases are not sufficient.

Priority can only be claimed if the trade marks are identical and the goods and services are identical as far as priority shall be claimed. If the list of goods and services for the Community trade mark is broader than the list of goods and services of the trade mark of which priority shall be claimed, it is possible to claim partial priority for those goods and services that overlap in the list of goods and services of both trade marks.

[Art. 30]

If the previous application was not in a language of the OHIM, the OHIM will request the applicant to file a translation of the application in one of the languages of the OHIM within a time period of three months.

4.1.6 Seniority

[Art. 34,35, Rule 8]

The Council Regulation also provides the possibility of claiming the seniority of a national trade mark. The effect of seniority is that once the Community trade mark is registered, it is possible to allow the earlier national trade mark to lapse due to non-payment of the renewal fees. The rights in the earlier registration will continue to be effective through the Community trade mark due to the seniority claim. It is, however, important to note that the effects of seniority are only valid for the territory of the Member State where the national trade mark was filed. Seniority does not extend to whole territory of the EU.

The prerequisites for a valid seniority claim are:

- a national trade mark registration,
- the identity of the proprietor of the Community trade mark and the proprietor of the national trade mark,
- identical signs, and
- identical goods and services as far as seniority shall be claimed.

The last three prerequisites are referred to as “triple identity”.

Seniority can be claimed either right at the time of the application of the Community trade mark, within two months thereafter or after the registration of the Community trade mark.

If seniority is claimed either at the time of the application of the Community trade mark or within two months thereafter, the above mentioned prerequisites must be fulfilled at the date of the application of the Community trade mark. It is not sufficient that the prerequisites are fulfilled within two months after the application even if seniority is only claimed at the date where all prerequisites are fulfilled for the first time. However, changes that occur prior to or after the date of application of the Community trade mark do not affect the seniority once seniority has been claimed correctly. If seniority is claimed after the registration of the Community trade mark, the prerequisites must be fulfilled at the time of the seniority claim.

Seniority can only be claimed from a prior trade mark that is registered:

- in an EU Member State,
- in the Benelux Trade mark Office, or
- as an international registration having effect in a Member State of the EU.

It should be noted that seniority cannot be claimed from an earlier Community trade mark for a new Community trade mark application.

It is further necessary that the prior trade mark is registered. Accordingly, seniority cannot be claimed from a national trade mark that has been acquired by mere use under the law of the respective Member State. Also, it is disputed, however practice of the OHIM, that the trade mark has to be registered at the date of the application of the Community trade mark. It is not considered sufficient if the national trade mark is registered within two months after the application of the Community trade mark even if seniority

is only claimed at the date. In that case, seniority can only be claimed after registration of the Community trade mark.

It should also be noted that, as personal identity between the proprietor of the Community trade mark and the proprietor of the national trade mark is required, affiliations between companies are not sufficient for claiming seniority. However, the mere change of the name of the proprietor of the national trade mark does not contravene this requirement of personal identity as long as the identity of the proprietor as legal person has remained the same. Also, changes in ownership of the Community trade mark or the national trade mark are irrelevant if these occur after the date of application of the Community trade mark or, if seniority is claimed after registration of the Community trade mark, after the claim of seniority.

Like with priority, partial seniority can be claimed for those goods and services that overlap in the list of goods and services of both trade marks.

If seniority shall be claimed it is necessary to submit a copy of the relevant registration within three months after the application of the Community trade mark or within two months after the claim of seniority. The copy does not have to be certified. It is also sufficient to submit a printout of an official database. However, printouts of private or commercial databases are not sufficient.

Seniority ends if the earlier trade mark is declared to have been revoked or to be invalid or if it is surrendered prior to the registration of the Community trade mark or if the required triple identity is no longer given at any point of time, for example because the Community trade mark has been transferred without the national trade mark of which seniority is claimed.

Contrary thereto it is possible, however not advisable, to let the national trade mark lapse due to non-renewal before the registration of the Community trade mark. In this case, the proprietor risks a loss of rights if the national trade mark is allowed to lapse and the Community trade mark is then not registered, for example due to opposition proceedings initiated by third parties.

4.1.7 Languages

[Rule 95-99]

For Community trade marks, the term official languages of the EU has to be differentiated from the languages of the Office. This difference is for example important for the application of a Community trade mark.

The 22 official languages of the EU are Bulgarian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Rumanian, Swedish, Slovak, Slovene and Spanish.

The 5 languages of the Office are English, French, German, Italian and Spanish.

Applications for Community trade marks must be filed in one of the official languages of the EU. This language will be considered to be the first language of the Community trade mark. However, the applicant must indicate a second language of the Community trade mark that must be one of the languages of the Office, which he accepts as a possible language for opposition, revocation or invalidity proceedings.

If the application is filed in a language other than a language of the Office, the OHIM will arrange for the application to be translated into the second language as indicated by the applicant. If the applicant is the sole party of the proceedings before the OHIM, the language of proceedings shall be the language used for filing the application. The OHIM may, however, send written communications to the applicant in the second language as indicated by the applicant.

Notifications of oppositions and applications for revocation or invalidity must be filed in one of the two languages indicated in the application provided that this is a language of the Office.

4.2 Examination and Search

4.2.1 Examination of Formalities

[Art. 36, Art. 27, Rule 9]

At first, the OHIM examines whether the application is in accordance with the conditions set out in Art. 26. If the application is incomplete, the applicant will be given the opportunity to remedy any deficiencies within a prescribed time period. After compliance with this request, the date on which the deficiencies are remedied is recorded as the filing date of the application. The OHIM also examines whether the application complies with the conditions set forth in the CTMIR. If any of these deficiencies are not remedied within the prescribed time period, the OHIM will refuse the application.

4.2.2 Examination of Absolute Grounds for Refusal

[Art. 7]

A sign may not be registered if the OHIM finds that absolute grounds for refusal apply. Thus, the following shall not be registered:

1. Signs which do not fulfil the requirements set forth in Art. 4 of the CTMR, according to which a Community trade mark may consist of any signs capable of being represented graphically, particularly words, including personal names, designs, letters, numerals, the shape of goods or of their packaging, provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings.
2. Trade marks which are devoid of any distinctive character, unless the sign has become distinctive in relation to the goods or services as a consequence of its common use.
3. Trade marks which consist exclusively of descriptive signs or indications which may serve in trade to designate the:
 - kind,
 - quality,
 - quantity,
 - intended purpose,
 - value,
 - geographical origin,
 - the time of production, or
 - other characteristics of the goods or services

unless the sign has become distinctive as a consequence of its use on the market.

4. Signs which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade, unless the trade mark has become distinctive due to its common use.
5. Trade marks which consist exclusively of the shape which results from the nature of the goods themselves or the shape of goods which is necessary to obtain a technical result or gives substantial value to the goods.

6. Trade marks which are contrary to public policy or to accepted principles of morality.
7. Trade marks that deceive the public, for instance as to the nature, quality or geographical origin of the goods or services.
8. Trade marks which have not been authorised by the competent authorities and are to be refused pursuant to Art. 6ter of the Paris Convention.
9. Trade marks which include badges, emblems or escutcheons other than those covered by Art.6ter of the Paris Convention and which are of particular public interest, unless consent to their registration has been given by the appropriate authorities.
10. Trade marks of wines, where the trade mark corresponds to the geographic origin of the wine.
11. Trade marks, which contain or consist of a designation of origin or a geographical indication and have been registered in accordance with Regulation EEC 2081/92, in so far as they correspond to one of the situations covered by Article 13 of the said Regulation.

The above-mentioned grounds for non-registrability are applicable even if they are only given in part of the European Union.

[Art. 38, Rule 11]

The OHIM examines whether there are absolute grounds for refusal of a Community trade mark as stated above, in particular such as mere descriptiveness or the lack of any distinctive character of the trade mark. If the trade mark is not registrable according to the CTMR in respect of some or all of the goods or services, the application will be partially or completely rejected.

If the trade mark contains an element which is not distinctive, the OHIM may request a disclaimer, according to which the applicant states that he disclaims any exclusive rights to the non-distinctive element.

Before rejection of the application, the applicant must be given the opportunity to withdraw or amend the application or to submit his arguments in favour of the application. Oral proceedings shall be held either at the request of the applicant or of the OHIM.

4.2.3 Search

[Art. 39]

The OHIM does not undertake searches on individual request. However, once a Community trade mark application has received a filing date, the OHIM establishes a Community Search Report with respect to earlier Community trade mark applications and registrations. These earlier Community trade marks for identical or similar goods and services are cited in the search report and may be invoked against the application.

In addition, the national offices of European Union Member States (incl. the Benelux Trade mark Office) have the possibility to conduct searches in their own registers and forward these to the OHIM within 2 months after reception of the application. Most countries in the EU have decided to conduct national searches, with the notable exceptions of Germany, Italy, France, Cyprus, Estonia, Latvia, Malta and Slovenia. Furthermore, Lithuania has temporarily suspended its participation. These search reports are forwarded to the applicant of the Community trade mark by the OHIM. The applicant can then decide whether to withdraw the application in view of the search reports or whether to proceed with the application. However, unlike some national offices, the OHIM will not refuse an application on its own initiative based on the results of the search reports.

In the light of the missing national search reports of the above-mentioned countries, it is good practice to conduct a private search in these countries prior to filing a Community trade mark application. Also, effective from March 10, 2008, national searches conducted after the application of a Community trade mark will be optional and subject to an additional fee.

4.2.4 Publication of the Application

[Art. 40, Rule 12]

If the application is maintained by the applicant after transmission of the Search Report, it will be published in part A of the Community Trade Mark Bulletin, but not before a period of one month after the date on which the OHIM transmits the search report to the applicant.

Upon publication of the Community trade mark application, the OHIM notifies the proprietors of earlier Community trade mark applications or registrations cited in the Community Search Report of the publication of the Community trade mark application. The proprietors of these earlier Community trade marks as well as proprietors of other earlier rights will then have the option to oppose the younger Community trade mark application.

4.2.5 Observations by Third Parties

[Art. 41]

Following publication of the Community trade mark application, any natural or legal person may submit written observations to the OHIM, explaining which absolute grounds for refusal oppose registration of the trade mark ex officio. However, these individuals or groups are not parties to the proceedings before the OHIM. The observations are communicated to the applicant, who can then comment on them vis-à-vis the OHIM.

4.3 Opposition

[Art. 42, Rule 15-22]

Within a period of three months following the publication of a Community trade mark application, proprietors of earlier rights have the possibility to file an opposition against the Community trade mark application based on relative grounds of refusal.

The written opposition must give particulars concerning the opposed trade mark as well as the earlier rights on which the opposition is based. Furthermore, the opposition must also specify the grounds on which it is made. The opposition fee must be paid within the opposition period, otherwise the opposition is deemed to have not been filed.

Table 2: Statistics on the Community trade mark oppositions filed ²

Year	No. Oppositions
1997	851
1998	11.059
1999	10.609
2000	11.500
2001	12.879
2002	9.802
2003	9.939
2004	10.721
2005	17.373
2006	14.109
2007 (until April)	3.993
1996 - 2007	112.835

² <http://oami.eu.int/en/mark/aspects/default.htm>.

4.3.1 Grounds for opposition

[Art. 8]

An opposition may be based on relative grounds for refusal, i.e. on earlier rights existing for the same or a similar sign as applied for.

The following earlier rights may be relied upon in for an opposition:

- Community trade marks,
- national trade marks or Benelux trade marks,
- international trade marks with protection in one of the Member States of the European Union,
- trade marks which are well-known in the sense of Art. 6bis of the Paris Convention at the date of application of the Community trade mark's application or the priority claimed, or
- non-registered trade marks or other signs used in the course of trade of more than mere local significance, provided that pursuant to the law of the Member States governing that sign:
 - rights to that sign were acquired prior to the date of application or the claimed priority date of the Community trade mark, and
 - that sign confers on its proprietor the right to prohibit the use of a subsequent trade mark.

An opposition may also be based on an earlier trade mark application provided that the earlier trade mark application is registered later on. If the earlier trade mark application is not registered, the opposition will become inadmissible.

The Community trade mark application will be rejected in view of the opposition if:

- the earlier trade mark is identical to the Community trade mark application and the goods/services of both trade marks are identical,
- the earlier trade mark is identical or similar to the Community trade mark application and the goods/services of both trade marks are identical or similar and there exists a likelihood of confusion in the territory in which the earlier trade mark is protected,
- an agent or representative of the proprietor of a trade mark applies for registration thereof in his own name without the proprietor's consent, or

- the Community trade mark application is identical or similar to an earlier trade mark and is to be registered for non-similar goods or services if the earlier trade mark has a reputation in the EU or, in the case of an earlier national trade mark, the national trade mark has a reputation in the Member State concerned and where the use of the Community trade mark would take unfair advantage of or be detrimental to the distinctive character or the reputation of the earlier trade mark.

4.3.2 Opposition Proceedings

[Rules 16-19]

After an opposition has been filed, the OHIM will notify the applicant that the Community trade mark application has been opposed and that the admissibility of the opposition will be checked by the OHIM.

When the opposition is found admissible, the OHIM will send a communication to the parties informing them that the opposition proceedings shall be deemed to commence two months after receipt of the communication. This two-months period is called “cooling off period”. The purpose of the cooling off period is to allow the parties to negotiate for a friendly settlement in order to solve their conflict without formal proceedings. The initial time limit of the cooling off period is two months, but it may be extended up to a total of 24 months if both parties submit requests for such an extension before the period expires. Whereas the cooling off period used to be extended by two-months intervals, the OHIM now extends the cooling off period to the maximum of 24 months with the first request for extension of this time limit without the necessity of repeated requests.

If one of the parties wishes to continue with the opposition proceedings, it can notify the OHIM by an irrevocable declaration that it wishes to opt out of the cooling off period. The OHIM will confirm this request and the adversarial part of the proceedings will commence two weeks after receipt of this notification.

If the application is withdrawn or restricted during the cooling off period, i.e. before commencement of the adversarial part of the opposition proceedings and if the limitation has led to the conclusion of the opposition proceedings, the opposition fee will be refunded.

[Art. 43, Rule 19]

If the parties cannot solve their conflict before the end of the cooling off period, the adversarial part of the opposition proceedings commence.

As often as necessary, the OHIM will invite the parties to file observations. Firstly, the opposing party will be invited to present further facts, arguments and evidence in order to support the opposition. In particular, the opposing party shall submit proof of existence, validity and scope of protection of the earlier trade mark or earlier right as well as proof of entitlement to file the opposition. The OHIM will then communicate the submission of the opposing party to the applicant and shall invite him to file a reply to this submission within a certain period of time to be set by the OHIM, usually two months. All submissions and evidence must be filed in the language of the proceedings or be accompanied by a translation that shall be filed in the time limits applicable for filing the originals. The OHIM will not take into account all submissions or documents or parts thereof that have not been submitted or been translated into the language of the proceedings within the applicable time limit.

[Art. 74]

When considering relative grounds for refusal, the OHIM is restricted to examine only those facts provided by the parties themselves within the applicable time limits.

[Art. 43, Rule 22]

In the opposition proceedings, the applicant can request the opposing party to provide proof that the earlier trade mark was put to genuine use in the EU during a period of five years preceding the publication of the new Community trade mark application. However, if the applicant wishes to request such proof from the opponent, the applicant must do so within the first time limit set for the applicant by the OHIM for submitting a reply to the opposition. Where proof of use cannot be submitted, the OHIM will not take into consideration those goods and services where proof of use was requested.

[Art. 75]

Oral proceedings are held either at the request of the OHIM or the parties to the proceedings. However, in practice, oral proceedings are rarely held.

If the examination of the opposition is successful for some or all of the goods or services for which the Community trade mark application was filed, the registration of the younger Community trade mark application will be refused for these goods or services. Otherwise, the opposition will be rejected and the decision to refuse the opposition will be published.

[Art. 81]

The losing party has to bear the costs of the proceedings that are determined in the Commission Regulation (EC) No 2869/95 of 13 December

1995 on the fees payable to the OHIM. However, these are limited to maximum rates of currently 300 EUR for the attorney's costs of the winning party. Where each party succeeds and fails to some extent, the OHIM shall decide a different apportionment of costs.

4.4 Appeal

[Art. 57-63, Rule 48-51]

Any final decision of an OHIM body is subject to appeal by a party that has been adversely affected by the decision. These bodies are:

- Examining Divisions,
- Opposition Divisions,
- Administration of Trade Marks and Legal Division, and
- Cancellation Divisions

Accordingly, decisions of an Examining Division to reject a trade mark application on absolute grounds may be appealed as well as decision of an Opposition Division.

The appeal must be filed in the language of the disputed decision, within a time period of two months after notification of said decision. The appeal fee must be paid within the same time limit. Arguments in support of the appeal are to be filed within four months after notification of the disputed decision. These time periods are not extendable.

After first examining the allowability of the appeal, the Board of Appeal decides on its outcome. These decisions are published in the Official Journal of the OHIM and made available on the OHIM's internet.

Oral proceedings may be granted if the Board considers these useful.

[Art. 63]

It is possible to bring an action before the European Court of Justice against decisions of the Boards of Appeal. Grounds for such an action are:

- lack of competence,
- infringement of an essential procedural requirement,
- infringement of the Treaty,
- infringement of the Council Regulation,

- infringement of any rule relating to the application of the Treaty or Regulation, or
- misuse of power.

The action must be brought before the Court of First Instance or ultimately before the European Court of Justice within two months of the date of notification of the decision of the Board of Appeal.

4.5 Registration of a Community Trade Mark

[Art. 45, Rule 23]

If

- the Community trade mark application has been found to meet the requirements of the Council Regulation,
- no opposition has been filed or an opposition has been rejected, and
- the registration fees have been paid on time (extendable 2 months' deadline)

the Community trade mark application is entered into the Register. The registration is subsequently published in the Community trade mark Bulletin (Part B). After publication of the registration, the proprietor of the Community trade mark can invoke the rights conferred by his trade mark vis-à-vis third parties, for example in infringement proceedings.

5. Effects of the Community Trade Mark

5.1 Rights conferred by a Community Trade Mark

[Art. 9]

The proprietor of a Community trade mark has exclusive rights thereto. He is entitled to prevent all third parties from using identical or similar signs without his consent in the course of trade throughout the EU. The following actions are considered to be an infringement of a Community trade mark:

- use of signs identical to the Community trade mark with respect to goods or services which are identical to those for which the Community trade mark is registered,

- use of signs identical or similar to the Community trade mark for goods or services which are identical or similar to the goods or services covered by the Community trade mark if there is a likelihood of confusion or association on the part of the public between the sign and the Community trade mark, and
- use of any sign which is identical or similar to the Community trade mark with respect to goods or services which are not similar to those for which the Community trade mark is registered. However, in this case, it is required that the Community trade mark has a reputation in the EU and that use of the sign would take unfair advantage of or is detrimental to the distinctive character or reputation of the Community trade mark.

In case of an infringement, in particular the following actions may be prohibited:

- affixing the sign to the goods or packaging,
- offering the goods or services, putting them on the market under that sign or stocking them for these purposes,
- importing or exporting the goods under that sign, or
- using the sign on business papers and in advertising.

These rights are effective from the date of publication of the registration of the Community trade mark. However, reasonable compensation may be claimed in respect of matters arising after the date of publication of a Community trade mark application which would be prohibited after publication of the registration of the Community trade mark. A decision thereon, however, is to be deferred until the registration has been published.

5.2 Limitation of the effects of Community Trade Marks

[Art. 12]

The proprietor of a Community trade mark is not entitled to prohibit a third party from using in the course of trade and according to honest business practices:

- his own name or address,
- indications concerning the kind, quality, quantity, intended purpose, value, geographical origin, time of production or other characteristics of the goods or services, and

- the trade mark, where it is necessary to indicate the intended purpose of the product or service, in particular as accessories or spare parts.

[Art. 13]

Moreover, a Community trade mark proprietor is not entitled to prohibit the use of the trade mark in relation to goods, which were put on the market in the European Union by himself or with his consent. It should be noted that this principle of so-called exhaustion of rights is valid only for the EU and for goods, but not for services.

An exhaustion of rights is not given where legitimate reasons for the proprietor exist to oppose a further commercialisation of the goods, especially where the goods are changed or impaired after they have been put on the market.

6. The Community Trade Mark as an Object of Property

Community trade mark applications and registrations can be objects of property to the extent stated below.

6.1 Transfer of Ownership of a Community Trade Mark

[Art. 17, Rule 31, 32]

A Community trade mark may be transferred separately from any transfer of the undertaking. This transfer may refer to some or all of the goods or services. If the undertaking as a whole is transferred, this includes the transfer of the Community trade mark unless otherwise agreed. However, such a transfer must not result in the public being misled as to the type, quality or geographic origin of the goods and services.

The transfer shall be entered in the Register and published upon request of one of the parties. The assignee is not entitled to invoke the rights conferred by the Community trade mark as long as the transfer has not been recorded in the Register.

6.2 Rights in rem

[Art. 19]

A Community trade mark may be given as security or be the subject of rights in rem. Such rights may and, in order to have effect vis-à-vis third parties, should be entered in the Register and published upon request of one of the parties.

6.3 Levy of execution

[Art. 20]

A Community trade mark may be levied in execution. Levy of execution can be entered in the Register and published upon request of one of the parties.

6.4 Insolvency and similar proceedings

[Art. 21]

A Community trade mark may only be involved in insolvency or similar proceedings in a Member State in which the debtor has his centre of main interest. An entry to this effect may be made in the Register and published upon request of the competent national authority.

6.5 Licensing

[Art. 22, Rule 33-35]

A Community trade mark may be subject to a licensing agreement. A contractual licence granted in respect of a Community trade mark may:

- be exclusive or non-exclusive,
- cover the whole or just part of the European Union,
- cover some or all of the goods or services.

Like a transfer of the Community trade mark itself, the grant or transfer of a license may and, in order to have effect vis-à-vis third parties, should be entered in the Register and published upon request of one of the parties.

A breach of the license agreement is considered an infringement of the rights conferred by the Community trade mark to the extent that the licensee contravenes any provision in the licensing agreement with regard to:

- its duration,
- the form in which the Community trade mark may be used,
- the scope of the goods or services for which the license is granted,
- the territory in which the Community trade mark may be used, or
- the quality of the goods manufactured or of the services provided by the licensee.

Given a breach of this kind, the licensor may invoke the rights conferred by the Community trade mark against the licensee.

The licensee is also entitled to bring action for infringement of a Community trade mark if the licensor gives his consent thereto. However, the licensee of an exclusive licence may also bring such action if the licensor does not himself initiate infringement proceedings within an appropriate period after formal notice. In addition, in order to obtain compensation for damages, the licensee is entitled to intervene in infringement proceedings brought by the proprietor of a Community trade mark.

7. The Community Trade Mark - Further Important Aspects

7.1 Duration and Renewal

[Art. 46, Art. 47, Rule 30]

The duration of the Community trade mark registration is ten years from the date of filing of the application. The Community trade mark may be renewed indefinitely for further ten year periods. No evidence of use must be filed together with the request for renewal.

7.2 Use of the Community Trade Mark

[Art. 15, Rule 22]

An important aspect of the Community trade mark is the requirement for genuine use in the territories of the EU. Within a period of five years following the registration of the Community trade mark, the proprietor must put the Community trade mark to genuine use in the EU for the goods or services for which the Community trade mark is registered.

During these first five years following the registration of the Community trade mark, the so-called grace period, third parties may not request proof of use in opposition or infringement cases and no third party may challenge

the Community trade mark on grounds of non-use. However, after this initial five year period, proof of use may be requested at any time by third parties and the proprietor must then be in a position to furnish proof of use for a substantial period of time within the last five years prior to the respective request.

In this context, it is important to note that use in a single EU Member State may be considered sufficient to fulfil the requirements for use in the whole EU. Among others, the following is considered as proper use:

- use of the Community trade mark in a form differing in elements which do not alter the distinctive character of the registered mark,
- affixing the Community trade mark to goods or packaging in the EU solely for export purposes, and
- use of the Community trade mark with the consent of the proprietor, e.g. use by a licensee.

If the proprietor of a Community trade mark has not commenced proper use within a period of five years after registration or if such use has been suspended during an uninterrupted period of five years, the following consequences will apply unless there are proper reasons for non-use:

- If an opposition is based on a Community trade mark which has been registered for five years at the time of publication of the opposed Community trade mark application, the proprietor of the opposed application may contest use of the opposition trade mark. If the opponent cannot file evidence in order to prove proper use, the opposition will be rejected.
- The same applies for infringement proceedings where the supposedly infringed trade mark has been registered for more than five years.
- Furthermore, non-use of a Community trade mark which has been registered for more than five years may be a ground for revocation either through the filing of an application with the OHIM or on the basis of a counterclaim in infringement proceedings.

7.3 Amendments of a Community Trade Mark Application

[Art. 44, Rules 13 and 26]

A Community trade mark application may only be amended at the applicant's request by correcting the name and address of the applicant, errors of wording or of copying or obvious mistakes, provided that such amendments do not substantially change the trade mark. The name of the applicant can be amended freely if the change is not the consequence of a transfer.

It is also possible to amend the list of goods and services as long as this does not cause an extension of the list of goods or services. The amendment has to be requested in one of the two languages of the Community trade mark application. Where the amendments affect the representation of the trade mark or the list of goods or services and are made after publication of the application, the trade mark application shall be published as amended.

7.4 Alterations of a Registered Community Trade Mark

[Art. 48, Rule 25 and 26]

Basically, it is not possible to alter a registered Community trade mark. However, the Community trade mark registration may be altered with respect to the name and address of the proprietor as long as such corrections do not substantially affect the identity of the trade mark. The alteration is made at the proprietor's request which has to be filed in one of the five languages of the Office. The publication of the registration of the alteration contains a representation of the Community trade mark as altered. Third parties whose rights may be affected by the alteration, have the possibility to challenge the registration of the alteration within a period of three months following publication.

7.5 Restriction and Withdrawal

[Art. 44]

An applicant may restrict or withdraw his application for a Community trade mark at any time. If he does so after publication of the application, the restriction or withdrawal will also be published.

7.6 Division

[Art. 44a]

A Community trade mark application or registration can also be divided so that goods and services included in the original Community trade mark are divided up into one or more divisional Community trade marks. However, a division is not possible in certain situations. For example, in pending opposition or cancellation proceedings it is not possible to divide off those goods and services that are subject to the opposition or cancellation. Division of a Community trade mark is also not possible before a filing date has been accorded and during three months following the publication of the application, i.e. during the opposition period.

7.7 Surrender

[Art. 49, Rule 36]

The proprietor of a Community trade mark may surrender the Community trade mark in respect of some or all goods or services. The declaration of surrender must be filed with the OHIM in writing by the proprietor of the trade mark. It is effective from the date of entry into the Register.

However, there are certain limitations for entering the surrender in the Register. If a proprietor of a right, such as a right in rem has been entered in the Register, surrender is only possible with his consent. Furthermore, if a license has been registered, the proprietor of the Community trade mark must prove that he has informed the licensee of his intention to surrender.

7.8 Revocation

[Art. 50, Rule 37-41]

The following may be grounds for the revocation of a Community trade mark:

- After the expiry of the so-called grace period of five years after registration, the Community trade mark has not been put to genuine use in the EU for the registered goods or services within a continuous period of five years and there are no proper reasons for this non-use.
- The Community trade mark has become the common name in the trade for a product or service for which it is registered as a consequence of an activity or inactivity of the proprietor.

- The Community trade mark is suitable to mislead the public in particular regarding the nature, quality or geographical origin of its goods or services, because of the use by the proprietor or with the proprietor's consent.
- The proprietor of the Community trade mark no longer fulfils the requirements of proprietorship, for example the proprietor is no longer a national or resident of a relevant state.

If one of the above grounds for revocation is given, the Community trade mark may be revoked for all or for part of the goods and services for which it is registered, either on application to the OHIM or on the basis of a counterclaim in infringement proceedings.

[Art. 55]

Any natural or legal person and any group or body representing the interests of manufacturers, producers, suppliers of services, traders or consumers, which under the terms of the governing law has the capacity to sue and be sued in its own name is entitled to file an application for revocation with the Office.

7.9 Invalidity

[Art. 51-56, Rule 37-41]

A registered Community trade mark may be declared invalid for all or for part of the registered goods and services either on application to the OHIM or on the basis of a counterclaim in infringement proceedings.

[Art. 55]

An application for declaration of invalidity on absolute grounds may be filed by any natural person or representative of manufacturers, producers etc. In case the application is based on relative grounds, the application may be filed by the proprietor of the earlier rights.

The following absolute and relative grounds may be invoked to justify the invalidity of a Community trade mark registration:

Absolute grounds for invalidity are:

- the registration of the Community trade mark although the proprietor did not fulfil the requirements of proprietorship, for example the proprietor was not a national or resident of a relevant state,

- the registration of the Community trade mark although there were absolute grounds for refusal (cf. Art. 7), or
- a bad faith action of the applicant when filing the application.

[Art. 51 (2)]

If a Community trade mark has acquired distinctive character as a consequence of its later use, it may not be declared invalid, even if there were absolute grounds for not registering the Community trade mark at the outset.

Relative grounds for invalidity may be:

- an earlier conflicting trade mark,
- a non-registered trade mark or another sign used in the course of trade and being of more than mere local significance,
- an earlier right if this right is considered to constitute a relative ground for invalidity according to the corresponding national law governing the protection of this earlier right, in particular a right to a name, personal portrayal, a copyright or industrial property right, or
- the filing of the Community trade mark in the name of an agent or representative of the proprietor without the proprietor's consent.

[Art. 53]

There are no direct time limits for filing an application for declaration of invalidity. However, if the proprietor of a Community trade mark or national trade mark or another earlier sign has acquiesced for a period of five successive years in the use of a later Community trade mark in the EU while being aware of such use, he is no longer entitled either to apply for declaration of invalidity or to oppose the use of the later mark on the basis of the earlier right. This leads to a coexistence of the older right and the younger Community trade mark.

As in opposition proceedings, the proprietor of the contested Community trade mark may in invalidity proceedings request the holder of an earlier Community trade mark who is party to the invalidity proceedings, to furnish proof of use of the trade mark in the five years preceding the application for declaration of invalidity. Even though this is not explicitly stated in the CTMR, it was established by case law that the same should apply in cases of invalidity proceedings based on an earlier company name.

The declaration of invalidity is entered into the Register. The effect of the declaration of invalidity is that the Community trade mark is deemed not to have been effective from the outset.

As in opposition proceedings, the losing party must bear the fees and costs of the other party in cancellation proceedings. There is a maximum limit to the costs the losing party will have to pay according to the CTMFR that currently amounts to 450 EUR.

7.10 Conversion into National Applications

[Art. 108, Rule 44-47]

The proprietor of a Community trade mark application or registration may convert the Community trade mark into national applications. The main purpose of converting a Community trade mark into national applications is to maintain the date of filing or the priority/seniority date. This can be done when a Community trade mark registration has been withdrawn, is deemed to have been withdrawn, has been refused or ceases to have effect e.g. as a consequence of one of the following events:

- The Community trade mark application is rejected on absolute grounds, but the grounds for rejection are not applicable in all Member States of the EU.
- The Community trade mark application is rejected on relative grounds in view of an opposition, but the opposing trade mark is only registered in one or some of the EU Member States. In such a case, the Community trade mark may be registered as a national trade mark in the remaining Member States.
- The Community trade mark expires due to failure to renew the registration.
- The effect of a registered Community trade mark is lost following surrender, revocation or invalidity.

To preserve the priority date an application for conversion must be filed at the Office within a 3 months' deadline. The conditions for this deadline are specified in detail in Article 108 of the Community trade mark Council Regulation EC 40/94.

The request for conversion must be filed with the Office and must specify the Member States for which conversion is desired. The request is not considered to have been filed until the conversion fee has been paid. The request for conversion is transmitted by the OHIM to the national trade mark office, which then decides on the admissibility of the request.

Conversion into national applications will not be possible if:

- the Community trade mark has been revoked in view of non-use, unless the Community trade mark has been put to use in the Member State for which conversion is requested, or
- the original grounds for refusal, revocation or invalidity of registration apply in the particular Member State for which the conversion is requested.

8. Infringement procedures

[Art. 14]

The responsibility for sanctioning activities which infringe the rights of a Community trade mark lies with the national Community trade mark courts, which have been established to deal specifically with Community trade mark infringement matters. These courts have exclusive jurisdiction for Community trade mark infringement cases and have highly specialized judges. The plaintiff may choose between the court of the Member State in which the infringement was committed and the court of the Member State in which the defendant is domiciled. The latter has the advantage that all disputes from various EU Member States may be combined in one proceeding, whereas the court in the country of the infringement only has jurisdiction for acts committed in that territory.

The proceedings of infringement cases regarding the infringement of a Community trade mark are governed by the respective national law. However, the effects of Community trade marks are determined solely by the provisions of the Council Regulation. Furthermore, the Council Regulation does not prevent actions concerning a Community trade mark and relating, in particular, to civil liability and unfair competition under the law of the Member States.

[Art. 96]

During infringement proceedings the defendant may file a counterclaim for revocation or for declaration of invalidity of the earlier Community trade mark. Also, proof of genuine use by the proprietor of this Community trade mark for the last five years may be requested.

9. Community Trade Mark and Enlargement of the European Union

The enlargement of the EU, namely the accession of 10 new Member States in 2004 and the accession of 2 new Member States in 2007, has had far reaching implications for the Community trade mark. As a primary consequence, the protection of a Community trade mark now also refers to: Bulgaria, the Czech Republic, Cyprus, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovenia and Slovakia.

This extension was automatic. No additional fees or forms had to be submitted. After the extension, the same Community trade mark will be valid in all 27 Member States.

The extended Community trade marks may not be challenged on absolute grounds such as descriptiveness in the language of a new Member State and are also exempt from invalidity claims that could be filed merely because of the extension to the new Member States. This provision protects the older Community trade mark registrations and applications from re-examination and guarantees the rights already established.

However, in order to observe the rights of proprietors of Community trade marks as well as the rights of proprietors of national trade marks in the respective new Member States, transitional regulations had to be established that provide for certain exceptions, for example an exceptional right to opposition for proprietors of older national trade marks in the respective new Member States for a period of six months prior to the respective accession.

10. Advantages of the Community Trade Mark

Even though the decision whether to file a national trade mark, a Community trade mark or an international trade mark will usually depend mainly on the question which country or countries the applicant is interested in, the following important advantages of a Community trade mark should be noted:

1. A Community trade mark is subject to a single, unitary registration process. The protection conveyed by the Community trade mark covers the whole of the EU. Likewise, transfer, renewal costs etc. can be dealt with in a single step.

2. The formalities are facilitated: Only a single application, a single language of procedure, a single administrative centre and a single file must be managed.
3. If the Community trade mark application fails, conversion is possible into national applications.
4. The obligation of use is easy to meet, because only use in a single Member State is required to maintain a Community trade mark. No proof of use is necessary for renewal.
5. Seniority may be claimed from earlier identical national trade marks, thus preventing duplicate protection and costs, while allowing the proprietor to waive the national registration.
6. The date accorded to a Community trade mark is recognised as a date of priority for national and international trade mark applications.
7. A fairly low level of distinctiveness is required for the Community trade mark to be acceptable. This may offer the possibility for indirect registration of a trade mark in countries with more stringent requirements for the distinctive character of a mark.
8. Reduced costs occur when filing a Community trade mark rather than several national trade marks in various Member States. Filing of a trade mark application online costs 750 € for three classes of goods and services. The registration fee is 1.100 €. This is considerably less than the overall costs for 27 individual countries.
9. In opposition proceedings, the Community trade mark system provides for a cooling off settlement period of a maximum of 24 months in which the differences may be resolved.
10. These decisions of national Community trade mark courts in infringement proceedings have effect throughout the whole EU.

Although the advantages in favour of applying for a Community trade mark clearly prevail, there may be instances, where a different approach to protection of a trade mark in Europe is advisable. In this context, the following aspects should be considered.

1. A prior right in one single EU country may function to prevent a Community trade mark registration.
2. Conversion into national trade marks after the list of goods and services has been narrowed in examination/opposition proceedings may not restore full rights.

3. A Community trade mark registration may only be transferred with effect for the whole EU, although it may be licensed for use in part of the EU only.

Therefore, as a recommendation, applicants are advised to perform a search for conflicting prior trade marks before applying for a Community trade mark. In this way, unnecessary costs incurred by opposition litigation may be avoided. In addition, Community trade mark proprietors should watch out for new applications in order to oppose these within the applicable time limit.

