



European Communities Trade Mark Association

**MAX PLANCK INSTITUTE'S HEARING OF ASSOCIATIONS  
MUNICH 8 JUNE 2010  
10:30am – 5:30pm, MPI premises**

**MINUTES**

*Reported by Anne-Laure Covin ECTA Legal Co-ordinator*

**MPI participants:**

Prof. Reto Hilty  
Dr. Roland Knaak  
Prof. Annette Kur  
Philip Venhor

**Other participants:**

AIM (Dawn Franklin, Marie Patullo)  
AIPPI (Peter Widmer)  
APRAM (Bertrand Geoffray)  
BUSINESSEUROPE (Gerhard Bauer, Ilias Konteas)  
CNIPA (Roger George)  
ECTA (Fabio Angelini, Anne-Laure Covin)  
European Commission (Tomas Eichenberg)  
EFPIA (Catherine Boudot, Juergen Roemhild de Boehringer Ingelheim)  
GRUR (Dr. Hans Kuntz-Hallstein- Michael Schäffer- Alland Kameke)  
FICPI (Andrew Parkes, Elia Sugranes)  
ICC (Ana de Sampaio)  
INTA (Carla. Schwartz, Liesbeth Marijnissen)  
LESI (Martin Schneider, Elisabeth Logeais)  
MARQUES (Tove Graulund, Till Lampl)  
Patentanwaltskammer (Klaus Bungartz)  
VfA (Uta Köster)  
OHIM (Andrea di Carlo, Etienne Sanz de Acedo, Nathan Wisjman)  
UNION( Mr. Smoleski)

Between 10:30am and 12:30pm, the associations were invited to present their ideas (10 min per association). OHIM and DG Internal Market were present as observers.



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### **AIM- Dawn Franklin's speech**

- Some reserves following the decision of the OHIM Administrative Board and the Budget Committee in September 2008: renewal fees to NPTOs, absence of reduction of renewal fees.
- Good governance of OHIM.
- OHIM should operate in the future with a balance budget.
- All NPTOs should be self financed, no reason to divert fees to NPTOs.
- Transferring enforcement role from current authorities to NPTOs is a mistake.
- Customer service level varies too much from one office to another.
- Cooperation Fund is fine if NPTOs co-finance and participate actively.
- Genuine Use: unitary nature of the CTM should be maintained and use in one member state following a case by case analysis should be sufficient.

### **APRAM- Bertrand Geoffray's speech**

- Fundamental points to be maintained:
  - 2 systems (CTM and national systems),
  - language regime within OHIM,
  - absence of ex officio examination for relative grounds,
  - no bona fide intent to use.
- Need to further pursue harmonization and to clarify some legal aspects of the Directive and the Regulation:
  - function of a trade mark following the case l'Oréal/Bellure,
  - protection for trade marks with reputation should apply to all Member States,
  - Directive should deal with the jurisdictional system as it is difficult to obtain injunction measures applying to all Member States,
  - Territorial scope of the genuine use important.
- Need for quick & efficient registration systems for TM registration: need to simplify the proceedings and to develop electronic tools. Use the 50% renewal fees should be used for cooperation projects to improve e tools in all national systems.

### **BUSINESSEUROPE- Gerhard Bauer's speech**

- CTM system as such works well and change for the sake of change should be avoided, one should focus on improvements.
- Applicants in the future should be able to choose their strategy (national, international or community route) without being limited by law.
- Directive not yet transposed into a fully harmonized system, further harmonization is a priority. Need to compare the directive and its transposition in the 25 national TM laws.
- Genuine use: the EU community is a single market. Traditional concept of boundaries and state customs should not be applied to CTM rights. National applications have increased in almost all member states except Spain and to a minor extent in Hungary.
- Performance of NPTOs: they should perform adequately and be self financed, not the case if 50% renewal fees go to NPTOs. Review of the fee setting process needs to be considered especially renewal fees. No reason that NPTOs get the 50% renewal fees.



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- Role of NPTOs in enforcement and fight anti-counterfeiting: concerns about expansion of such a role as there is a need for quick and reliable services for users.

#### **CNIPA – Roger George’s speech**

- Reference to UKIPO search system as an idea for improving the EU systems.
- NPTOS should have records of seniority claims publicly available.
- Cooperation projects between OHIM and NPTOs: against mandatory lists of goods and services.
- Genuine use: not a question of territoriality but of effective use.
- Grace period of 5 years too long, in favour of 3 years.
- Acquired distinctiveness and proof of use: to establish acquired distinctiveness in every member state is impossible to reach so moderation needed.

#### **ECTA- Fabio Angelini’s speech**

- World and Europe have changed, need to move forward and to be visionary.
- Need to go further than harmonization, need to go to unification. The 25 different TM laws in Europe do not allow competing with USA, Japan and China.
- Need to have the same system in all member states and to adapt and update the CTM law.
- Need for reliability, predictability and cost effective systems.
- User friendliness needed as in many situation the systems are too complicated. Need to press NPTOs to become the centre of trade mark information. There should be simple search systems for all companies and individuals in the EU.

#### **EFPIA – Catherine Boudot’s speech**

- Study should not be limited to trade mark right acquisition process but should also look at after the acquisition of the right.
- Need to encompass the function of the trade mark as the current definition is too narrow and as the economic value of the TM should also be considered.
- Two levels of control for pharmaceutical trade marks: trade mark registration and safety authorities (EMA). The way the trade marks are treated at the registration level does not interfere before the safety authorities. The way OHIM handles these trade marks needs to be reviewed, especially regarding the appreciation of similarity.
- Genuine use in one country is sufficient and constitutes genuine use in the community. This should be added to the legislation to avoid any uncertainty. Pharmaceutical industries cannot launch their goods at the same time in all member states due to the safety authority’s procedure.
- Pharmaceutical industry is affected by counterfeiting issue and there is a need to stop the counterfeited products at any entry within the EU. There should be the same systems in each member state.

## **FICPI - Andrew Parkes' speech**

- OHIM already achieved a great financial success but need to concentrate on quality rather than on quantity.
- Users, not only trade mark owners but also third parties (involved in opposition and cancellation proceedings before OHIM and NPTOs, those involved in TM clearance searches).
- Differences in national laws (outside the scope of the directive) need also to be considered.
- NPTOs should assist custom authorities as far as enforcement is concerned (information to provide with).
- The CTM should provide a high quality service taking into account the interests of the other third parties.
- Priority claims should be verified by OHIM.
- Quality of examination very important, lack of consistency is an issue.
- Need to adjust the use period from 5 years to 3.
- The CTM searches and the communication of such searches should be improved.

## **ICC- Ana de Sampaio's speech**

- Surplus of OHIM should return to industry.
- Need to increase information on trade marks and to improve the electronic systems in all NPTOs.
- Strong reservation to reimburse the 50% renewal fee to Member States.
- Genuine use is ok now as there is a single market.
- Role of NPTOs: should be self financed.

## **INTA - Carla Schwartz's speech**

- Need to look both into CTM and national systems.
- Harmonization between OHIM and NPTOs major issue.
- Consistency also major issue looked at by different INTA committees.
- Genuine use within one member state should be sufficient.
- Role of NPTOs in counterfeiting: dealing with this function would imply a very significant diversion from current tasks and also would imply checking the role of other existing bodies already taking care of counterfeiting and enforcement activities.
- Renewal fees should be reduced.

## **LESI- Martin Schneider's speech**

- Further harmonization welcome.
- In favour of additional E tools such as seniority.
- Harmonization regarding well-known trade marks and marks with reputation, regarding bankruptcy laws.

## **MARQUES – Till Lampl’s speech**

- CTM system is a huge success and no need for major changes. The cluttering problem because of many CTMs not being used is not a real problem. Opposition and cancellation systems should be quick and reliable even if OHIM already deals with them.
- Conversion encourages TM owners to use the CTM system. Today conversion system is not simple and there is room for improvement regarding the process and the terms of interaction with NPTOs. It should only be a formality.
- Further harmonization needed: class headings, classification, procedure, enforcement (consistent remedies in all member states) between member states and between member states and OHIM.
- Genuine use: Nothing to do with boundaries. The ONEL and the Hungarian decisions are wrong. Frontiers are not the criteria which should be: consumer’s behaviour, market share. Genuine use should be considered on a case by case basis.

## **UNION – Mr. Smoleski’s speech**

- Territorial scope and genuine use.
- Seniority to be dealt with by OHIM.
- Fees: instead of reimbursement of fees, there should be split of the application and registration fees so that the ones not reaching registration are not bound to pay a registration fee.

## **GRUR – Dr. Hans Kuntz-Hallstein and Michael Schaeffer’s speech**

- CTM system is a must for nearly everybody, need to strengthen it.
- Role of NPTOs needs to be discussed since the future of the TM system is the CTM.
- Harmonization is the need to develop national issues (enforcement) in a harmonized way.
- Need to harmonize different understanding of Court of Justice and the General Court’s decisions due to different languages and backgrounds. Some guidelines need to be provided to have a common interpretation of court decisions.
- Genuine Use: OHIM already states in its manual a very good definition of what genuine use stands for.

## **AIPPI – Peter Widmer’s speech**

- Seniority claims: need for further clarity in countries where rights have lapsed. OHIM should carry out the seniority examination and seniority database should be established.
- Classification of good and services: OHIM practice very problematic. Unnecessary broad specifications for defensive trade marks very problematic taking into account the protection granted by a CTM. Practical measures need to be taken.
- The fee structure should be changed to pay for the exact number of classes requested.

- Use requirement: shorter grace period recommended, 3 years period in many member states more suitable.

In the afternoon, Roland Knaak made a report on the preliminary results of the questionnaire of the Allensbach Survey Institute:

- Around 1500 replies to the questionnaire (50% from proprietors of CTMs and 50% from agents).
- Overall evaluation of CTM system is positive.
- OHIM performance in terms of quality, consistency and time:
  - Quality: 10% of replies indicated law quality performance (absolute grounds, opposition, cancellation, appeals)
  - Consistency: 10% of proprietors and 20% of agents not satisfied with consistency
  - Time: 20% of users and 40% of agents not satisfied with opposition time standards.
- Consistency of NPTOs: worse than OHIM.
- Class Headings: 64% of proprietors and 72% of agents approve OHIM practice.
- Use requirement: more than 50% require keeping the 5 years.
- Accelerated registration procedure: no changes required by users.
- Priority & seniority: 50% in favour of priority examination, even higher for seniority.
- Opposition term: Majority in favour of no change of the 3 months.
- Ex officio examination of prior rights: majority of proprietors in favour, not the agents.
- OHIM E-business: 94% satisfied with CTM online, 72% satisfied with My Page.
- Fees: More than 60% of agents against 1 class system and 80% of proprietors against it.
- Non-registered trade marks as basis for opposition: 75% of agents and 52% of proprietors in favour.
- Mandatory search for CTM search: 57% of agents and majority of proprietors in favour.

Final report will be announced by the end of June 2010 and the report will not be made available to the NGOs until the final conclusions (this statement was modified by Annette Kur on 9 June during the meeting with the 5 NGOs).

The MPI team then referred to the agenda communicated in March 2010 and reviewed the 6 topics with the associations as follows:

## **1) Further harmonization of trade mark law including procedural law aspects**

- Article. 3.2.a) b) and c):

**MPI:** Considers that there is no need to make them mandatory because only few countries have implemented them.

**ECTA:** Suggests that, with the request of a unitary approach, these articles be abolished.

**MPI:** For GIs, the Directive could be amended as Article 7(k) of the CTMR.

- Article 4.4.a), b) and c):

**MPI:** So far these articles are optional. MPI wonders if it is realistic to harmonize the law on trade names at this stage.

**AIM:** Real issue is to see if the grounds for opposition should be the same in all member states and if so, to look at the grounds.

**INTA:** Some points in Article 4 are more important than others.

- Article 5:

**MPI:** Intends to propose to make this article mandatory. Almost all Member States are implementing this article. The changes will affect the Directive and the Regulation.

- Article 9:

**MPI:** Wonders if the wording should be changed. Acquiescence should become a mandatory element at CTM and national levels.

**ECTA:** Proposes to move to incontestability.

**AIM:** Changing could create a new problem.

- Procedural rules in the Directive:

**MPI:** Considers that it is not the right moment to go for a full harmonization of proceedings (too many national rules concerned). Would favour to establish opposition or cancellation grounds before NPTOS (non use of a trade mark could be claimed before the NPTOs).

## **2) Amendments to CTMR**

- Adding a catalogue of sanctions (Directive 48/2004/EC):

**MPI:** Need to wait for the Court of Justice decisions. In principle, having sanctions in the Regulation should be fine.

- Substantive issues to be considered:

- Graphical representation;
- Function of a mark: the definition of trade mark will be adapted to insert other functions than just identifying goods and services;
- Transit of goods is a must;
- Well-known trade marks and trade marks having a reputation;
- Liability.

**ECTA:** As many issues presented at the meeting it is difficult to provide a position on all these issues. All NGOs could provide their views in more detail in a given time. Annette Kur mentions that they are running out of time for this.

### **3) Limitations of rights concerned, in particular genuine use of CTM**

- Catalogue of limitations:

**MPI:** Advisable to complete the catalogue. Reference to the directive on comparative advertisement.

- Genuine use:

**MPI:** No automatic rule that use in one country would be sufficient. Both Benelux and Hungary stated that it should be on a case by case basis. Most of the present associations follow this, case by case analysis taking into account the type of right.

**EFPIA:** Risk to obtain totally different outcomes depending on the case and country involved. Some guidance in the Directive or the Regulation should give the parties more grounds to predict the outcome of the decision.

**AIM:** Wording in the OHIM guidelines should be incorporated in the Directive.

**GRUR:** In favour of a clear indication in the Directive.

**MARQUES:** Might take 5 to 10 years to understand how to handle such cases as there are different decisions depending on the countries.

**ECTA:** Problem of lack of predictability and consistency. The text of the law does not provide any guidance. If the law is not changed, uncertainty will remain. The CTM must be different from the National rights and some kind of cross national use is needed (at least two countries).

**GRUR:** Sanction after 5 years could be different in case of use of a CTM in several member states or just in one.

**AIM:** GRUR's proposal would breach the concept of single market.

### **4) Wording of the lists of G&S: "Class Headings"**

**MPI:** According to the survey, there is no need to change OHIM practice. Some people consider that the class heading issue is connected to the cluttering of trade mark registers.

**ECTA:** OHIM practice leads to too broad specification of good and services. A more limited approach is favoured as well as a more harmonized practice between member states.

**APRAM:** OHIM practice not appropriate. Filing class heading must be possible only under some conditions: heading sufficiently clear to allow third parties to ascertain what is in the class heading and adoption of a class heading should not grant protection for all goods or services within that class.

**GRUR:** Harmonization in the classification of good and services is important since it can create situations where an opposition is gained at OHIM and a counterclaim action is lost in a member state.

**CNIPA:** Reference to origin of OHIM practice on class headings.

**FICPI:** To get more effective right protection, there should be concrete specification of goods and services.

**INTA:** Need for Harmonization is a priority.

**GRUR:** OHIM practice has an impact on clearance work costs for applicants.

**MARQUES:** Two different issues are if class headings can be used and OHIM practice interpreting class headings (which MARQUES does not agree with).

**AIM:** Main issue is harmonization between OHIM and the NPTOs.

## **5) Fee structure**

**MPI:** The survey has indicated that the application and renewal fees have an impact on the decision. More than 70% said that fees have an impact on the applications/renewals.

80% of users find the renewal fee too high and 56% of users limit the number of CTM filings because of the fees.

**GRUR:** Redistribution to NPTOs of the 50% renewal fees does not enter within the concept of fee.

**CNIPA:** Renewal fee is a significant fee. Need for trade mark owners to review their needs and could be a good idea to make the split of 1 class vs. 3 at renewal stage.

**AIM:** Why would NPTOs agree to reduce renewal fees if they are going to receive 50% of them? OHIM governance mechanisms should be reviewed.

**MARQUES:** Strange that renewal fees are higher than application fees. Think of what to do with the surplus and to avoid another one it in the future.

## **6) Further questions addressed in OHIM's contribution**

**MPI:** Would like to address non political issues in order to streamline proceedings before the Office.

**CNIPA:** Why should OHIM perform some tasks before receiving the fees? Why asking the users to pay before?

**MPI:** The survey shows that OHIM should have a bigger role in analyzing priority and seniority claims.

**AIM:** In favour of OHIM contribution except for the change from 3 months to 2 for the opposition period. The 3 month period is often used to resolve disputes, if it is reduced a possibility for extension should be foreseen.

**INTA:** Concerns about confidentiality of applications as a consequence of the proposal on changing inspection of files (Rule 88).

**APRAM:** Applicants should remain free to choose the list of good and services to apply for. Against parties submitting documents directly to other party without intervention of OHIM, against proposal that evidence of prior national right needs not to be submitted.

**ECTA:** Does not agree with some OHIM contribution and needs clarifications for some proposals. Claims for priority should be checked by OHIM; the opposition term should not be reduced to two months, the time to present and formalize an appeal should not be reduced. Need for clarification on rules 2, 19, 20. At the OAMI Users Group meeting on 15 March 2010, Associations were asked to refer to Max Planck Institute regarding OHIM contribution instead of having the possibility to clarify some positions taken by OHIM directly with OHIM at the Users meeting. OHIM is giving the impression of willing to do less tasks and to ask the users to perform some of them directly.

**BUSINESSEUROPE:** Agrees with most of the proposals of OHIM. Against mandatory pre-definition of good and services in the classification process.

**AIM:** GIs managed by OHIM would sound a logical evolution in OHIM's tasks and role. Against idea of offices being active in enforcement and anti-counterfeiting.

**MARQUES:** Look-alikes not addressed in the tender for study but should be addressed in the final document

Reto Hilty closed the meeting by mentioning that the final report will be published in November 2010. The European Commission mentioned that the Study forms major but not only part of the review; before working out the draft for regulation all input will be taken into account. The evaluation with proposal will not take place before summer 2011, including impact assessment.