



European Communities Trade Mark Association

Report of the 17th ECTA-OHIM Link Committee Meeting
Alicante, 13 March 2006

PARTICIPANTS:

On behalf of the OHIM

Wubbo de Boer	President
Peter Lawrence	Vice President
João Miranda de Sousa	Director of the General Affairs and External Relations Department
Etienne Sanz de Acedo	Head of Relation with users and Information Resources Sector; General Affairs and External Relations Department
William Copine	Director Quality Management Department
Hans Jakobsen	Director of the Trade Marks Department
Paul Maier	President of the Board of Appeals
Vincent O'Reilly	Director Administration of Trade Marks and Designs Department
Marc Vanaeken	Director of the Department for IP Policy
Wouter Verburg	Director Information Technologies and Facilities Management Department
Peter Rodinger	Head of Cancellation Sector, Trade Marks Department
Arnaud Folliard	Director Design Department
	Administrator – IP Litigation unit

On behalf of ECTA

João Pereira da Cruz	Chairman ECTA OHIM-Link Committee
Mireia Curell	ECTA First Vice-President
Sandrine Peters	ECTA Legal Coordinator
Luis-Alfonso Duran	ECTA Member
Dietrich Ohlgart	Chairman ECTA Law Committee
Helmut Pastor	ECTA Member

1 – The Office and its Administrative

Staff:

The latest changes are:

- Peter Lawrence has taken over the function of OHIM Vice-President and is Director of the Finance Department.
- Paul Maier started in his capacity as the President of the Board of Appeal on January 16, 2006.
- Peter Rodinger has taken over the function as Director of the Design Department.
- Since November 2005, Vincent O'Reilly has been in charge of the Department of IP Policy further to the departure of Alex von Mühlendal. He is currently still also the Director of the Administration of Trade Marks and Designs Department.

The office is revising its trade mark process. The aim is to gradually move to the situation where examiners deal with the whole file, thereby speeding up procedures and enriching jobs.

This move entails a change in the organizational structure. ATMDD and TMD will be replaced by two new departments that have more or less parallel tasks in examination and opposition. Hans Jakobsen will head one of them, recruitment for a director for the other is ongoing.

Both departments will handle cases in English, German, French and Spanish, cases in other languages (less than 10 % of total) will be handled by one or the other. Cancellation will be concentrated in one department. The change is to take place before the summer of 2006.

OHIM is already looking for staff coming from Romania and Bulgaria, who should join the EU in the course of 2007.

Some figures:

In 2005:

- about 64.000 designs have been applied for (about 50.000 in 2004);
- 63.000 to 64.000 trade mark applications have been applied for, including 5.000 designations through the Madrid Protocol. It is to be noted that WIPO is faced with substantial delays and that there might therefore have been more designations in the year 2005 than have so far been communicated;
- 17.000 oppositions have been filed which keeps with the traditional range of 17 to 19 % of published CTM applications. About 23 % of all oppositions conclude with a decision;
- 360 cancellation actions have been filed;
- about 1.500 appeals have been filed;

Production:

- Examination keeps pace with the incoming work, publication around 70.000;
- Opposition: 4.200 decisions were rendered (3.500 in 2004);
- 270 decisions were rendered on cancellation;
- On appeals, a serious falling off in production has been noted in 2005.

OHIM published some targets for the year 2005. If these were rather ambitious and not all achieved, there have at least been some serious improvements. As of today, in 80 % of the relevant cases, OHIM

- completes the CTM examination process within 12 weeks;
- completes the CTM registration process within 32 weeks;
- publishes CTM registrations within 18 months;
- renders opposition decisions within 4 months.

CTM Fees:

The effect of the CTM fee reduction that took place in 2005 is difficult to see at this point of time with the exception of the fact that it resulted in a major increase, from 25 to 70%, in e-filings.

However, although the number of e-filings has drastically increased, some countries, such as Germany, still seem to be reluctant to use the tool.

OHIM's financial result in 2005 was a net profit of 43.5 million of euros.

2006 expectations:

- The volume of Design applications will be stable;
- A growth from 64.000 to 70.000 CTM applications is expected;
- As to the EU designations through the Madrid Protocol system, this will be hard to predict.
- On renewals, so far the OHIM has received 10.000 requests for the up to 24.000 registrations due for renewal in April 2006. They foresee that only about 60% of the CTMs for that period will be renewed. About 96% of renewals are made electronically.

Customer Satisfaction survey:

This has been conducted by the GFK Company (Gesellschaft für Konsumgüterforschung).

About 1.100 people replied to the survey, the results of which will be made available by the end of March and the first actions resulting from it should take place by May 2006. It will also be discussed with the interested circles at the next OAMI User's Group meeting which will take place in July 2006.

2 – The Office and its Administrative

Current situation

On March 9, 2006, the OHIM was faced with problems regarding e-filings, in that an applicant could apply for an application but was unable to send it. (Please also refer to the notice on the website: <http://oami.eu.int/en/office/e-filing.htm>)

This was the result of a technical problem, namely that the system could no longer allocate a number in the confirmatory notice of the application, the lack of which led to an automatic blocking of the system. As an emergency

measure, users could print out the form as completed and send it by fax without having to pay the additional 150 euros.

The OHIM asked ECTA to draw users' attention to the fact that on the website there is a list of possible problems that e-filers may encounter and how to deal with them: http://oami.eu.int/en/mark/marque/pdf/list_22-02_en.pdf

Should users still be encountering difficulties, it is highly advisable to contact the OHIM help desk where a specialised team will be able to assist them.

Calendar

The on-line access to files

Due to technical problems, there is some delay in the launch of this tool. It is hoped to have it in place by the end of the summer.

The problem consists of making available about millions of pages from the current storage system.

B2B system

In principle, this tool should be open in production by March – April 2006

e-filing of oppositions

This tool should be available by the end of April. The system is ready but still awaiting for some synchronisation.

e-payment

This should be made available in April-May and by the latest before the summer.

CTM online

A first adaptation of this tool, including information regarding renewals should be made available in May.

A more in depth revision of the tool, including additional search criteria related to CTM publication and additional information should be available by September 2006.

Euroclass/Euroace

Euroclass is an extension of the Euroace system and will provide access to the classification system of various national offices through a single screen. This will enable a comparison to be made between the various expressions in the different national systems, that could lead to their automatic acceptance. It will also help to find any discrepancies between the various systems which, it is hoped, will lead to more harmonization between them.

A pilot project has already been created with two national offices (UK and Sweden) and the OHIM.

It should be made available by September-October 2006.

Euroregister

This will provide access to the registers of all EU national – CTM and WIPO registers from one search.

Most of the national offices have welcomed this project. The intention is to present the results of the investigations and to discuss the project at the next OAMI Users' Group meeting which will take place in July 2006.

E-opposition/OPPO-line

As a first step, the electronic filing of oppositions will be made available. The next step, called oppo-online will be to provide for an electronic exchange of correspondence in opposition proceedings.

3 – Alterations to Legislation

Impact of the amended Fee Regulation No. 2869/95

As stated earlier, the only impact that can effectively be noticed at this point in time is the doubling - nearly tripling - of e-filings.

Possible new proposals

The only legislative developments foreseen for 2006 will be in connection with the EU accession to the Hague Agreement.

Apparently the Commission should be able to move quite quickly on this and the political agreement could take place this year. See also ECTA's report on the meeting with the Commission: http://www.ecta.org/position_papers/Commission-1-2-06.pdf

4 – Boards of Appeal

Business situation

There is a positive atmosphere within the Boards. The present pace of work is really good and in February 2006, the number of decisions was the highest ever taken.

The Boards have seen quite a few changes in recent months. Not only did a new President start on January 16, 2006, but the 3 chairpersons of the Boards have been newly nominated as well as three members who were nominated for the first time.

On March 7, 2006 a first meeting of the Presidium took place with the new composition. It was decided to refer a case to the Grand Board. Concerned parties should be notified thereof shortly. Also, the fourth Board has referred a case raising a language question to the Grand Board.

The President of the Boards also noted that discrepancies between the Board's decisions which are often referred to by observers are often more of an impression than a reality. In reality, the case law of the Boards has been quite harmonized on many questions of substance and procedure.

The President also indicated that the Boards will work on further shortening the pendency period of cases. He noted that it already dropped from 8 to 5.1 months in 2005.

It was confirmed that the Presidium had finalised its rules of procedure. These, however, will not be made public as they are internal.

Oral hearings

The discussion on this subject was a follow up on the preliminary discussion that took place at the last OAMI Users Group meeting.

ECTA pointed out that there are some cultural divergencies in this matter and reported on the internal discussions between the members of its Law Committee which seem to conclude that some more oral hearings could take place in some specific cases, but mainly at the appeal level and probably only before the Grand Board.

The President of the Board of Appeals underlined that no final decisions had been taken on this matter and that it will be reviewed. ECTA suggested the possibility of proceeding with some "test" cases before taking a final position on the subject.

5 – Community Trade Marks

Conversion cases

In previous discussions OHIM had promised to discuss the matter further with the national offices at their liaison meeting. Since the last OHIM-Link meeting, no liaison meeting had taken place but it was hoped that further developments could be reported by the next meeting.

The possibility of having the full history of the changes regarding a CTM available on-line

This should be made available as from September-October 2006 when the new version of CTM on-line will be launched.

Delay in updating data on the website

These delays occur not on the CTM on-line system but on the internal data system. OHIM is working on it and will try to solve the problem a.s.a.p.

Status on the update of the Opposition Guidelines (and others) and the possibility of having an unofficial but regularly updated version of the guidelines on the OHIM's website.

OHIM's management had recently approved a new approach in this regard and Vincent O'Reilly was to be responsible for the project.

The idea is not to amend the already published guidelines, but to provide all information, currently available on 6 different places on the website, within one single coherent format and in one single place on the website.

Through this new system, all the information that is provided to examiners a so-called manual should also be made available to the users, with the exception of internal technical instructions and the discussions on a particular case.

It is intended to provide this information in English only as a first step and, depending on the amount of information to be provided, to have it translated into the other languages later.

ECTA welcomed this new project and suggested making it available piece by piece rather than when it had all been finalised, and to start with the Opposition Guidelines.

ECTA also underlined the importance of always dating the information provided on the website.

Automatic extension of the cooling-off periods – opting out system.

Opting out notifications will be dealt with as follows:

- once one party notifies the OHIM that it no longer wants to continue with the cooling-off period,
- the OHIM will inform the other party thereof within 1 week,
- the cooling-off period will then effectively end 2 weeks as from notification by OHIM to the parties of the opting out,

These 2 weeks have been provided for in order to enable the other party still to try to finalise a settlement before the end of the cooling-off period.

Once one party has opted to end the cooling-off period, there is no possibility of reversing the situation and the only solution is to ask for a suspension.

EU designations of International Registrations

During the registration process, OHIM provides for 2 grants of protection, one after the check on absolute grounds and one at the end of the opposition period.

ECTA asked whether it could be indicated, in the second notification, the date of the publication of the EU designation which corresponds to the date on which the 5 year period for use obligation starts.

Indeed, for CTM registrations filed through OHIM, this date can be found on the registration certificate. However for EU designations, there are no registration certificates and therefore an applicant can only discover this date by monitoring the OHIM Bulletin, which may be somewhat difficult.

OHIM indicated that this would be somewhat difficult for technical reasons and did not yet know whether it would be possible, but the request will be taken into account.

6 – Community Designs

Current situation

About 64.000 applications were filed in 2005 which is an average of 66 applications a day.

The target is to proceed with registration within 3 months. As of today the average period for registration is 66.

The filing trends seem to have settled down after the initial burst. The most active filers are Germany with 24% of all applications.

As of today, 208 invalidity cases have been filed. 89 decisions have been taken out of which 59 designs have been declared invalid. Decisions are taken, on average, in 9 months and all are available on line.

OHIM is also working on developing a new version of the RCD e-filing.

7 – Case Law

Vincent O'Reilly underlined the number of decisions taken by the ECJ and the CFI. He is of the opinion that it is no longer appropriate to analyse them all one by one and to draw broad conclusions from each of them.

Therefore it is no longer appropriate to react to each individual decision but only on those that effectively provide for a change in practice.

Whenever amendments to internal arrangements or procedures are made as the result of a decision it will be notified to users through the new system which is to be put in place – see point 5 on “Guidelines” above.

No recent major changes need to be reported.

8 – OHIM Performance: remarks and suggestions

CTM E-filing

ECTA provided OHIM with details of some problems that some of its members are confronted when using the e-filing system, namely:

1. Not always are the documents saved correctly. When you open what you have saved you often cannot go on to it.
2. Suddenly strange messages appears such as
 - a. Applicant already submitted or,
 - b. Application not available

Point 1 and 2 are related. A solution is provided in the new release of CTM-Online to be made available as from April 2006.

3. When you attach the designs you cannot add any other documents like priorities.

OHIM is investigating this issue.

4. When you have to fill in the applicant's data, you have to add one of the three fields showing * but often you have to fill in more than one (like the telephone number or the e-mail address). The postal address should be sufficient.

A solution is provided in the new release of CTM-Online to be made available as from May-June 2006.

5. Design attachments are mixed up by the OHIM server. In general all attachments are mixed up so that you do not know whether you have actually attached all you needed. You have to re-check everything.

OHIM is investigating this issue.

6. When you print the application, the form is very small but all the attachments are so big that you cannot see them in its entirety and you do not know if everything is correct.

***Changing the printable format to PDF will solve this Issue.
This is foreseen for CTMs in the release of May-July 2006 and for RCDs in the RCD-e-filing 2006 version.***

7. In one case it has been possible to save the whole application but it was not possible to change anything so that user had to start again.

OHIM is investigating in this issue.

8. Sound marks: it is not possible to write the description without problems as the system breaks during the writing of the descriptions.

The problem does not only affect sound marks, but anywhere multiple semicolons are used in the description. A solution will be provided in the release of May 2006

9. If you have a number of seniorities (more than 15) to attach, the system breaks down so that you cannot move on. The seniorities have to be filed afterwards by fax.

The problem will be fixed in the release of April 2006.

10. By printing the application, there is always a blank page between the attachments.

Changing the printable format to PDF will solve this issue. This is foreseen for CTMs in the release of June-July 2006

11. When you go back to the beginning to make a change you always have to repeat putting in the attachments, account data and signature.

Keeping track of attachments, payment and signature after you go back was not originally foreseen. There are two possibilities as to improve this situation:

- a) Moving to a simpler form, with only 1 step (like eRenewal)***
- b) Making that information remain (as in current eFiling RCD)***

A discussion is ongoing at OHIM. It will influence future eBusiness systems, so we want to make sure the path chosen is widely accepted.

12. You cannot put more than 6 owners in an application so that you have to prepare an extra letter to OHIM specifying again all of them.

It will be fixed in the release of April 2006.

13. If we click on "nouvelle demande" after an e-filing, the next application does not show the representative anymore.

This is normal procedure for e-filing via the standard way on the website. The above expected behaviour is valid for MYPAGE e-filers.

General remark: for most of above mentioned issues, workarounds are published on the OHIM website at

http://oami.eu.int/en/mark/marque/pdf/list_22-02_en.pdf.

These workarounds can be used, when waiting for definitive fixes.

Delays in the rendering of decisions on opposition and absolute grounds for refusal

The OHIM still has to decide whether it should first concentrate its resources on relative or on absolute grounds. Most emphasis is currently given to oppositions. But the Office still gives some efforts to the closure of absolute grounds cases.

On opposition, despite the fact that there are still some delays, there has been some significant progress.

The OHIM is still working down through its old files.

The target is that by the end of the year decisions will be rendered within 4 months.

Currently there are about 2.600 files waiting for a decision, but it will be hard to reduce this figure to under 1.000 in the normal course of events.

Regarding relative grounds, the target is to proceed with any action within a four weeks term.

For the time being, about 15% of CTM applications are objectionable at first sight. On a second look only 10% are not acceptable and provisional objections are issued to applicants. About 5 to 6% of all CTM applications are finally refused.

Proof of use in opposition proceedings (art. 43 CTMR and Rule 22IR). Clarification on the criteria followed by OHIM in relation to the admittance of documents of proof of use submitted for the first time before the Boards of Appeal.

OHIM has appealed the **Decision of the First Board of Appeal in the case of R-1207/-2004-1** which accepted the filing of further documents as proof of use. It has not appealed other cases raising the same issue, as one decision in principle should be sufficient.

In the meantime, amended rule 50 of the Implementing Regulation, which entered into force in July 2005, has also provided for some clarification.

Refund of opposition fee in the case of multiple oppositions (Rule 21.4)

Rule 21.4 provides that the Office should refund 50% of the opposition fee paid by each opposing party whose opposition is deemed to have been disposed of in accordance with paragraphs 1, 2 and 3 of Rule 21.

When there are several oppositions to one application, paragraph 1 of Rule 21 allows the Office to deal with them in one set or (according to paragraph 2) to elect one and suspend the others.

When the Office rejects the application on the grounds of one opposition, the Office should refund 50% of the paid opposition fee to the other opponents. ECTA asked whether the other opponents could get a 100% refund in view of the fact that OHIM had only made a limited intervention in their case.

Further, ECTA pointed out a problem which arises when the Office has to carry out a preliminary examination, which it is supposed to do under paragraph 2 of article 21, leaving the multiple opposition proceedings to continue, and then to take a decision rejecting the application on the grounds of one of the multiple oppositions without taking a decision on the others. In some oppositions, the Examiner does not refund 50% of the opposition fee because he did not carry out the preliminary examination of the multiple opposition as required by paragraph 2 of Rule 21, and he did not suspend the opposition proceedings.

The OHIM agreed that in some oppositions, examiners might not act as provided for by the Rules and said that in the future the necessary preliminary examination will take place in all circumstances allowing the 50% refund in all cases involved.

Delays in the issuance of certified copies

The OHIM has drafted in additional staff to deal with certified copies and today it is pleased to report that certified copies are provided within 5 working days.

The Office is also hoping that when the “on-line access to files” facility is made available, this will lead to some decrease in the number of requests for certified copies. Further, the OHIM will have discussions with the national offices to ascertain whether they will accept on-line certification documents.

Issuance of filing receipts

The year 2005 presented some problems in this connection but the Office is working on improving it in order to have all of the cases dealt with within a week.

Delays in the publication of CTM applications

This remains a real mystery for the OHIM.

All started to go in the wrong direction during the last quarter of 2005 and they have still not found the reason for this. The Office is working on this and hopes to identify and solve the problem quite soon.

Designs E-filing

ECTA pointed out various problems encountered when using the Design e-filing facility. The OHIM promised to look into these and to provide some solutions as soon as possible.

EU designations in International registrations

1. When looking at some EU designations of International trade marks in CTM-ONLINE it seems that despite the fact that an EU Representative has taken over

representation in the EU, it is still the non EU representative who is shown as having filed the International registration.

OHIM agreed that this should not happen and is looking into how to solve the technical problem.

2. For International Trade Mark registrations designating the EU, CTM ONLINE does not mention the registration date of the IR before WIPO. ECTA suggested to OHIM that it should include this date in the first part of the trade mark data, as it is important in determining the priority of the trade mark (if there is a Paris Convention priority claim it should also appear).

OHIM took note of this suggestion and will try to find a technical solution.

A similar request was made regarding the re-publication date of the EU designation for opposition purposes.

9 – Miscellaneous

Mediation

ECTA and OHIM exchanged some views on Mediation.

Customer care unit

About 600 complaints have been filed in 2005, 80% of which have been settled. Already 99 complaints have been received in 2006 of which 79 have already been settled.

ECTA congratulated the OHIM for the efficiency of this unit.

Current account management

OHIM underlined the fact that they are aware that they are taking too long to refund all applicants, but that they are working on speeding up the system.

OHIM also asked ECTA's opinion on the possibility of providing current account holders with warning letters when the account is no longer sufficiently liquid. ECTA welcomed the initiative.

OHIM also pointed out that there have been some requests by current account holders for additional current accounts in the same name: for example, one for dealing with CTM application/registration, and another for renewals. This causes the Office some technical problems, and ECTA was asked to think about whether there really was a need for this.

Reported by: Sandrine Peters, ECTA legal Coordinator, BE