

Conflict of Jurisdictions in Disputes Related to the Protection of EU Trade Mark Rights in the EU Law and in the Bulgarian Legislation

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Summary

This study examines the legal framework of the institutes of pending trial and related claims in the complex system of Regulation 2017/1001. The subject of analysis is the different levels of the system – on one hand, the general provisions of Regulation 1215/2012 and on the other hand – the cases referred to in the EU Trade Mark Regulation to which the provisions of the national law of the Member State concerned apply its features. The objectives of the Union legislator in setting up the system of rules on pending trials and related claims, which are to avoid conflicting judgments, to ensure high-quality justice throughout the European Union, and to ensure effective exercise of EU trademark rights throughout the European Union. The subject of analysis is also the relevant Bulgarian legislation, in particular the provisions of the Trademarks and Geographical Indications Act. The conclusion is that, despite some complexity, the EU trademark system consists of unambiguous rules that ensure predictability and coordination in the event of conflict situations concerning pending trials and related claims in the field of EU trademark protection. Based on the analysis, *de lege ferenda* proposals have been made to improve the relevant Bulgarian legislation in this area.

Keywords

EU Trademark; Protection; Regulation 2017/1001; Conflict of Jurisdiction; Lis Alibi Pendens; Related Actions; EU Trademark Courts, EU Intellectual Property Office.

Introduction

In private-law disputes concerning protection of the right in an EU trade mark, in most cases it is possible to bring the claim before the justice-administration bodies of various Member States or before the European Union Intellectual Property Office. When several justice-administration bodies are internationally competent to hear and resolve a dispute, the so called positive collision of laws concerning the international jurisdiction or collision of jurisdictions

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about the same civil cases² is present (*Lis Alibi Pendens* or *lis pendens*). The rules for such cases are standardised in Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (the so called Regulation Brussels I bis)³. They give the parties freedom to choose the authority competent to hear the dispute⁴. When two or more interconnected actions are brought before the justice-administration bodies of different Member States, there are “related actions”⁵. These two types of events of a conflict of jurisdictions in disputes concerning an EU trade mark, which have certain specificities, will be addressed one by one in a reverse order in the publication in relation also to the provisions of the Bulgarian legislation.

² See. Ж. Сталев, А. Мингова, В. Попова, Р. Иванова. *Българско гражданско процесуално право*, 8 изд. София, Сиела, 2004 (Stalev, Zh., An. Mingova, V. Popova, R. Ivanova. *Balgarsko grazhdansko protsesualno pravo*, 8 izd., Sofia, Ciela, 2004.), page 989.; Б. Мусева. Координация на паралелни производства пред съдилищата на държави-членки на Европейския съюз. *Юридически свят*, 1 (2010) (Museva, B. Koordinatsia na paralelni proizvodstva pred sadilishtata na darzhavi-chlenki na Evropeyskia sayuz. *Yuridicheski svyat*, 1, (2010)), page 56; *Lis alibi pendens* is a Latin term designating a trial which is in progress elsewhere and its literal translation is “the dispute is pending elsewhere”. In the sense used in the article, it refers to court cases starting simultaneously between the same parties in more than one jurisdiction. The exception of *lis alibi pendens* is used as means of avoiding duplication of court proceedings. According to this principle, it is not admissible to initiate a new proceeding if there is already a pending dispute between the same parties, which involves the same dispute. J. Eisengraeber. *Lis alibi pendens* under the Brussels I Regulation – How to minimise “Torpedo Litigation” and other unwanted effects of the “first-come, first-served” rule. *Centre for European Legal Studies. Exeter Papers in European Law*, 6 (2014), pp. 1 – 63; M. Mof’Oluwawo. Private International Law and the Doctrine of Lis Alibi Pendens (May 5, 2017). [online] <https://ssrn.com/abstract=2963914> or <http://dx.doi.org/10.2139/ssrn.2963914> [access 11.03.2021]; F. Marongiu Buonaiuti. *Lis alibi pendens* and Related Actions in the Relationships with the Courts of Third Countries in the Recast of the Brussels I Regulation. *Yearbook of Private International Law*, XV, edited by Petar Sarcevic, Andrea Bonomi, Paul Volken and Gian Paolo Romano. Berlin, Boston, Otto Schmidt/De Gruyter, 2014, pp. 87 – 112, <https://doi.org/10.1515/9783866536081>.

³ The specified regulation applies since 10 January 2015 instead of Council Regulation (EC) No 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters in the EU Member States related to trans-border disputes. Both Regulations are based on the Brussels Convention on jurisdiction and the enforcement of judgments in civil and commercial matters of 27 September 1968, entered into between the EC Member States. Identically, the specified framework is included also in the Lugano Convention of 2007 created for the purpose of extending the scope of application of the Brussels I Regulation to the countries from the European Free Trade Association – Iceland, Norway and Switzerland.

⁴ Some authors distinguish “good” forum shopping from “bad” forum shopping. The first category includes the cases where the plaintiff makes use of the alternative rules of international competence to bring their claim before the courts that are most advantageous for them. In the second case, the plaintiff evades the rules of jurisdiction in order to refer to the court that is most advantageous for him. In such case the respondent’s right to free trial is breached. See F. K. Juenger. What’s wrong with forum shopping? *The Sydney Law Review*, 16, 1 (1994), 5 – 13.

⁵ Б. Мусева. Регламент (ЕС) No.1215/2012 – предпоставки за прилагане и международна компетентност. *Съдебно сътрудничество по гражданскоправни въпроси, част IV*. София, НИП, 2019, с. 48; Мусева (2010), 81 – 82 (Museva, B. Reglament (ES) No.1215/2012 – predpostavki za prilagane i mezhdunarodna kompetentnost. *Sadebno satrudnichestvo po grazhdanskopravni vaprosi, chast IV*. Sofia, NIP, 2019, page 48; Museva (2010), 81 – 82.)

1. Disqualification based on (exception of) related actions (Exception de connexité)

Disqualification based on a relation between the cases is a concept that serves to coordinate pending proceedings before the justice-administration bodies in various countries. A detailed and explicit positive framework thereof is provided for in the countries belonging to the Roman legal circle, and exactly the French and the Belgian civil procedural law set in its basis Article 30 of the Brussels I bis Regulation. However, the provision of Regulation 1215/2012 is inapplicable to proceedings concerning the EU mark because Regulation 1001 of 14 June 2017 on the European Union Trade Mark⁶ contains a “special legal framework” (*lex specialis*) of related actions, which are related to the specificities of the proceedings themselves. It is contained in Article 132 of Regulation 2017/1001, which explicitly regulates the prerequisites, in the presence of which the process is to be stayed. Pursuant to § 1 of Article 132, an EU trade mark court hearing an action referred to in Article 124 (other than an action for a declaration of non-infringement) shall, unless there are special grounds for continuing the hearing, of its own motion stay the proceedings. This may also take place after hearing the parties or at the request of one of the parties and after hearing the other parties where the validity of the EU trade mark is already in issue before another EU trade mark court on account of a counterclaim. The same applies also where an application for revocation or for a declaration of invalidity has already been filed at the European Union Intellectual Property Office⁷. Paragraph 2 of Article 132 provides for that the same Office, when hearing an application for revocation or for a declaration of invalidity shall of its own motion (after hearing the parties) or at the request of one of the parties and after hearing the other parties, stay the proceedings where the validity of the EU trade mark is already in issue on account of a counterclaim before the respective EU trade mark court. There is an exception to the principle thus defined, when there are special grounds for continuing the hearing, as the EU Trade Mark

⁶ See more details about the Regulation: Ж. Драганов. *Интелектуална собственост и основни права в правото на ЕС*. София, ИК – УНСС, 2019 (Draganov, Zh. *Intelektualna sobstvenost i osnovni prava v pravoto na ES*, Sofia, IK – UNSS, 2019), 63–67.

⁷ It is created as a specialised body by Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark, with first name Office for Harmonization of the Internal Market – OHIM (marks and designs) having its seat in Alicante, Spain. By the currently effective Regulation No 1001/2017 the name was changed to European Union Intellectual Property Office. The main activities of the Office comprise the administrative activity related to the rights in EU marks and designs, the Observatory on Infringements of Intellectual Property Rights and the Orphan Works Database [online] https://europa.eu/european-union/about-eu/agencies/euipo_bg; <https://euipo.europa.eu/ohimportal/bg/our-history> [accessible 22 March 2021].

Regulation does not specify which these special grounds are. The second sentence of Article 132 provides for a hypothesis where, regardless of the rule introduced by § 1 that the Office shall stay the proceeding where the validity of the EU trade mark is disputed, if one of the parties to the pending process before competent court so requests, the court may stay the proceedings. The Office shall in this instance continue the proceedings pending before it. According to the last Paragraph 3 of Article 132, where the EU trade mark court stays the proceedings it may order provisional and protective measures for the duration of the stay.

By creating a special legal rule for the disqualification in case of related actions connected with the EU trade mark, the legislator pursues general and special goals. On the one hand, the main ones coincide with the provision of Article 30 of Regulation 1215/2012 – to avoid inconsistent court judgments and to guarantee high-quality administration of justice throughout the Union. On the other hand, the special goal is to ensure throughout the European Union effective exercising of the right in an EU trade mark.

Regulation 2017/1001 provides for in Article 124 a limited number of court actions, in respect of which EU trade mark courts have exclusive jurisdiction, namely: for an infringement; for establishment of a threatened infringement; for establishment of the absence of an infringement; for a compensation under Article 11 (2)⁸ and counterclaims for revocation or for a declaration of invalidity of the EU trade mark pursuant to Article 128. Due to the limited number of the possible adversary proceedings and due to the nature of the right in a mark as a subject of protection, the possible parallel related processes are largely predictable. The Office hears and resolves adversary proceedings for revocation or for a declaration of invalidity, and the EU trade mark courts have jurisdiction over counterclaims with the same subject. Hence, parallel jurisdiction of different justice-administration bodies is provided for with respect to actions for the validity of the right in an EU trade mark, namely of the Office and of the courts, as well as parallel jurisdiction among the courts of this line themselves. When hearing the individual actions, due consideration should be given to the following peculiarities:

1. **A c t i o n s f o r i n f r i n g e m e n t o f t h e E U t r a d e m a r k** are heard in accordance with the national legislation of the Member State, in which the dispute is being heard and resolved. The legislations governing the rights in marks are initially harmonised by the First Directive of 21 December 1988 to approximate the laws of the Member States relat-

⁸ Action for compensation for acts subsequent to the publication of the EU trade mark application.

ing to trade marks (89/104/EEA), subsequently replaced by Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks (Codified version), which was subsequently replaced by Directive (EU) 2015/2436 of the European Parliament and of the Council of 16 December 2015 to approximate the laws of the Member States relating to trade marks (recast). However, the substantive content of the term “infringement” on a mark varies from Member State to Member State. The system of protection is somehow complicated. First, infringement actions are brought in accordance with the national legislation and are a form of a civil-law protection before an EU trade mark court. Pursuant to the provision of Article 111 of the Bulgarian Trademarks and Geographical Indications Act (ZMGO) the civil-law protection in case of an infringement on the rights in an EU trade mark is carried out in accordance with the procedure provided for in Regulation (EC) 2017/1001/ (Paragraph 5 of Article 111). In case that actions and measures related to the protection of an EU trade mark are brought and filed in the Republic of Bulgaria, the Bulgarian legislation applies as long as the Regulation does not provide for otherwise (Paragraph 6 of Article 111). These actions are within the jurisdiction of the Sofia City Court as a court of first instance and of the Sofia Court of Appeal as a court of second instance, which are EU trade mark courts within the meaning of the Regulation.

2. Actions for validity are brought before the European Union Intellectual Property Office.

3. Counterclaims are brought in accordance with the domestic national procedure.

As regards trade marks registered under the domestic legislation and/or the ones under the procedure of the Madrid system⁹, whenever the Republic of Bulgaria is a designated country, the jurisdiction in respect of registration and validity lies with the national courts (Regulation 1215/2012, Article 24 (1) (4))¹⁰. In Bulgaria, these adversary proceedings are heard under

⁹ This is an international system used to facilitate the registration of marks in many jurisdictions all over the world. It is based on the Madrid Agreement concerning the international registration of marks of April 1891 ratified by Belgium, Spain, France, Switzerland, revised in Brussels on 14 December 1900, in Washington on 2 June 1911, in the Hague on 6 November 1925, in London on 2 June 1934, in Nice on 15 June 1957 in Stockholm on 14 July 1967 and amended on 28 September 1979. A protocol is adopted thereto in 1989 to which most countries accede, incl. Bulgaria in 2001 See The Madrid System for the International Registration of Marks and the Protocol Relating to that Agreement: Objectives, Main Features, Advantages. WIPO Publication, No. 418(E). 2014 [online] <https://www.wipo.int/publications/en/details.jsp?id=46&plang=EN> [access 25 March 2021].

¹⁰ The following courts of a Member State have exclusive jurisdiction regardless of the parties’ residence: in proceedings concerned with the registration or validity of patents, trade marks, designs, or other similar rights re-

an administrative procedure before the Patent Office. Its decision is subject to appeal in accordance with the Administrative Procedure Code (APC), there being a differentiation in the individual proceedings in terms of the competent court and the deadlines for appealing¹¹. Cassation appeal can be filed before the Supreme Administrative Court (SAC).

A question that is always present in related actions is which action is preliminary. In general, in most legal systems, like the one in the United Kingdom, it is possible to bring a counterclaim for invalidity and revocation of marks in the civil process, while in other systems – before an administrative court only. In such case the infringement proceeding is stayed and the action for validity of the mark is brought¹². In Bulgaria the action for revocation and/or for cancellation¹³ of the mark are administrative proceedings heard by the Bulgarian Patent Office (PO). Requests for cancellation of the registration under Article 36 of the Trademarks and Geographical Indications Act are heard by the Patent Office Disputes Department, and the respective board prepares an opinion that it submits to the President of the Office, who issues a decision, which is an administrative act subject to court review before the Sofia City Administrative Court (SCAC), in accordance with the provisions of the APC. A cassation appeal is filed before the Supreme Administrative Court and a possibility to stay the court proceeding under an administrative procedure for this reason is not provided for. It is only the court phase, before the Sofia City Administrative Court where it is possible to request a stay of the infringement case until a judgment is delivered on the request for cancellation of the registration of the subject mark. However, an examination of the grounds of the invalidity action and of the infringement action shows that the trade mark invalidity proceeding is preliminary with respect to the dispute for its infringement on the basis of its invalidity (i.e. it should not have been

quired to be deposited or registered, irrespectively of whether the issue is raised by way of an action or as a defence, the courts of the Member State in which the deposit or registration has been applied for, has taken place or is under the terms of an instrument of the Union or an international convention deemed to have taken place.

¹¹ As regards the proceedings under Article 75, Paragraph 4, Article 75, Paragraph 12, Article 76, Paragraph 8 and Article 77, Paragraph 10 of the Trademarks and Geographical Indications Act, the decisions are subject to appeal before the Sofia City Administrative Court within two months from notification, while as regards the proceedings under Article 48, Paragraph 2, Article 50, Paragraph 2, Article 55, Paragraph 4, Article 59, Paragraph 4, Article 60, Paragraph 2, Article 73, Paragraph 6, Article 78, Paragraph 8 and Article 79, Paragraph 3 of the Trademarks and Geographical Indications Act, respectively, the decisions are subject to appeal in accordance with the Administrative Procedure Code within 14 days from the notification thereof. The provisions can be found on: <https://www.lex.bg/bg/laws/ldoc/2137198305>,

¹² This is the hypothesis of a national mark or mark registered under the Madrid system, Regulation 2017/1001 introduces for procedural economy reasons disputing by a counterclaim only.

¹³ Under Regulation 2017/1001 the mark is first declared invalid and then – cancelled. Our Marks and Geographical Indications Act does not provide for declaration of invalidity of the mark but it only details in Article 36 the grounds for cancellation of the registration, which coincide with those of declaration of invalidity.

registered at all and was registered in conflict with the absolute or relative grounds for refusal). Until a competent body has made such finding, the mark is completely valid¹⁴. The allegation that the mark is invalid is in fact only an assumption that benefits the applicant (requestor), who is, on the other hand, according to the holder of the right, an infringing party. When a person having a legal interest considers that another subject violates his right in a mark, such person refers to the court an action for infringement.

Under other circumstances, the respondent under the infringement proceeding would not file at all an action for invalidity of the subject mark and I therefore consider it appropriate and necessary to have in place a protective mechanism exactly in such cases. I propose, *de lege ferenda*, with respect to the measures registered in the Patent Office in accordance with the Trademarks and Geographical Indications Act or in accordance with the Madrid system, when the Republic of Bulgaria is a designated country, to provide for jurisdiction of the Sofia City Court to hear and rule on counterclaims for invalidity of marks. Such legislative change is required in view of the fact that on many occasions people with similar marks use them in their activity showing no consideration for the other participants in the civil (and commercial) circulation¹⁵.

In my opinion revocation proceedings also need a change in the legal framework. This legal framework, as well as the registration under the Madrid System in the cases when Bulgaria is a designated country, are regulated in Article 35 of the Trademarks and Geographical Indications Act, as the provision reproduces the text of Article 58 of Regulation 2017/1001. In case of an action for revocation, the competent body is referred to in order to terminate the validity of the legal protection of mark by its decision. The revocation of national marks is a separate administrative proceeding before the Patent Office and the revocation of the EU trade

¹⁴ In addition, see Judgment of the EU Court of Justice. 19 October 2017 „Reference for a preliminary ruling – Intellectual and industrial property – EU trade mark – Regulation (EC) No 207/2009 – Article 96(a) – Infringement proceedings – Article 99(1) – Presumption of validity – Article 100 – Counterclaim for a declaration of invalidity – Relationship between an action for infringement and a counterclaim for a declaration of invalidity – Procedural autonomy” under case C-425/16 with subject request for a preliminary ruling sent on the grounds of Article 267 of the TFEU by Oberster Gerichtshof (Supreme Court of Austria) by a deed of 12 July 2016 received in the Court on 1 August 2016, within the proceeding under case Hansruedi Raimund vs Michaela Aigner. [online] <https://curia.europa.eu/juris/document/document.jsf?text=Baucherlw%25C3%25A4rmer&docid=195743&pageIndex=0&doclang=BG&mode=req&dir=&occ=first&part=1&cid=825084#ctx1> [25.03.2021]. See also the opinion of the Advocate General M. Campos Sánchez-Bordona [online] <https://eur-lex.europa.eu/legal-content/BG/TXT/HTML/?uri=CELEX:62016CC0425&from=EN> [access 25.03. 2021].

¹⁵ See, e.g.: a judgment of 03 February 2015 under civil case No.7951/2012, Sofia City Court; a judgment of 21 February 2014 under administrative-criminal case No.1059/2013 of the Nesebar Regional Court; agreement No.88 of 29 July 2020 under publicly prosecutable criminal case No.1179/2020 of the Pernik Regional Court, etc.

mark is a separate administrative proceeding before the European Union Intellectual Property Office. Pursuant to Article 58 of Regulation 2017/1001 revocation is ordered in three specific hypotheses. In the first two hypotheses the EU trade mark is not used or has become the common name for the product/ service, i.e. the main function of the mark is breached, namely to indicate quality and origin. The third option is provided for in case that the mark is used wrongfully, i.e. when it misleads the public, particularly as to the nature, quality or geographical origin of those goods or services. Until revocation is declared, the EU trade mark is considered to be valid, while marks that have been declared invalid should not have been registered at all.

The first hypothesis of point (a) of Paragraph 1 of Article 58 of the Regulation, respectively Article 35, Paragraph 1, Subparagraph 1 of the Trademarks and Geographical Indications Act provides for the cases when the trade mark should be revoked on account of non-use. It should be noted that the non-use of the mark within 5 years does not generally result in a direct risk of revocation thereof, because the holder may start or resume the use and this automatically rules out revocation and the registration thereof is confirmed, respectively. When the use is genuine, the proprietor of the mark will be protected against a possible action for revocation or against the bringing of such a counterclaim in a pending infringement proceeding. The effect of “re-confirmation” occurs *ex tunc*, i.e. the effect is retroactive. In this way, the initial date of filing of the application is preserved and the mark is protected against the registration or use of later marks or signs. The only exception from this rule is provided for in the cases when the start or resumption of the use of the EU trade mark has taken place within a three-month period that started before the filing of the request for revocation or with the bringing of bringing of such a counterclaim within a pending infringement proceeding. A hypothesis is possible, in which the person that intends to bring the same action on account of non-use of the mark by the proprietor informs the proprietor thereof for his intention and then he files the application within the next three months. Then, the EU trade mark will be subject to revocation, provided that the proprietor of the mark fails to prove that he started or resumed the use of the mark in good faith, i.e. that he did not know that the EU trade mark was about to be disputed on account of the non-use thereof¹⁶.

¹⁶ V. von Bomhard, A. von Mühlendahl. *Concise European Trademark Law*. Alphen aan den Rijn, Kluwer Law International, 2018, pp. 449 – 450.

In the Bulgarian legislation, the framework is identical; Article 21, Paragraph 1 and Article 35, Paragraph 2 of the Trademarks and Geographical Indications Act regulate the hypotheses, where either after the arising of the subjective right use has not started, or the use was subsequently discontinued, or the use was then again resumed¹⁷. The resumption of the use of the mark by the proprietor puts an end to the period of non-use and the discontinuation of the use is the start of a new 5-year period of non-use.

In our legislation, there is a fundamental principle that a court proceeding cannot be stayed for such a reason administratively and this is why if the request for revocation is brought before the Patent Office after the action for infringement, the proceeding under it will not be stayed due to disqualification based on (exception based on) related actions (exception de connexite), but this could only happen in the court phase upon appealing against the decision of the Patent Office before the Sofia City Administrative Court until the revocation case is heard and resolved. As a comparison, a note should be made that as regards the EU trade mark, there is a possibility to bring a counterclaim for revocation on account of the presence of special grounds to stay the proceeding for the benefit of such a proceeding before the European Union Intellectual Property Office. When there is a pending court proceeding initiated on the basis of an action for the establishment of an infringement, as well as when a request for revocation due to non-use has been filed before the Office before the submission of counterclaim, the Office shall inform the court. The court shall stay the proceeding until the adoption of a final decision, until the withdrawal thereof, or until the final resolution of the counterclaim brought before another EU court (Article 132 (1) of Regulation 2017/1001). In the opposite hypothesis, where the application is filed before the Office at a subsequent moment, when the counterclaim has already been admitted to hearing, the court proceeding must first end. A hypothesis of staying the proceeding is not ruled out. This is possible when at least one of the parties in the process before the EU trade mark court requests so and in such case the court may (but is not bound to) of its own motion stay the proceeding after hearing the other parties under the case. In the latter hypothesis the Office shall continue the proceeding pending in front of it (Article 132 (2) of Regulation 2017/1001). On the other hand, Article 128 (7) of the Regulation provides for a power of the Court, according to which if the court hears a counterclaim for revocation or for declaration of invalidity, the court may stay the proceeding on

¹⁷ For more details on the hypotheses of non-use of a trade mark, see Т. Жилова. Отмяна на регистрацията на марка. София, Сиела, 2021 (Zhilova, T. Otmyana na registratsiyata na marka. Sofia, Ciela, 2021.), 175–180.

application by the proprietor of the mark and may after hearing the other parties request the defendant to submit an application for revocation for a declaration of invalidity to the Office within a time limit it shall determine. In case it is not made within such time limit, the proceeding shall continue and the counterclaim shall be deemed withdrawn.

On the basis of everything stated so far a conclusion can be made that the revocation proceeding heard by the Office is preliminary with respect to the infringement proceeding and the outcome from the revocation proceeding would therefore largely determine also the outcome from the infringement proceeding.

Article 58 (1) (b) of the Regulation, respectively Article 35, Paragraph 1, Subparagraph 2 of the Trademarks and Geographical Indications Act provides for the hypothesis, in which the mark turns into a generic term for the product or service because its proprietor alone uses the mark as a generic designation of the product and allows the infringement upon it. So, as a result of the inappropriate use thereof on account of the acts or omissions of the right holder, the mark has become a common name for a product or service in respect of which it is registered¹⁸. If the infringements had not been allowed, it would not have turned into a common term¹⁹. An important condition is that the mark must have been distinctive during the registration and must only then have lost its distinctive nature²⁰ (otherwise, it may be declared invalid pursuant to Article 59 (1) (a), in conjunction with Article 7 (1) (c) or (d) of Regulation 2017/1001, i.e. due to the presence of the specified absolute grounds to refuse registration). In practice, the infringement under this condition is one of the reasons for the revocation. As regards the national marks and the marks registered under the Madrid System, the court proceeding concerning the infringement will not be stayed for the benefit of the administrative proceeding and the rule for related actions will not apply because according to our legislation court proceedings are not stayed on account administrative proceedings. With respect to them there is a possibility to either bring a counterclaim under the EU Trade Mark Regulation or to seize the European Union Intellectual Property Office, as the infringement proceeding before the Bulgarian EU trade mark court is to be stayed on account of special reasons.

Article 58 (1) (c) of Regulation 2017/1001, respectively Article 35, Paragraph 1, Subparagraph 3 of the Trademarks and Geographical Indications Act regulates the case when the

¹⁸ Examples of such trade marks that have turned into a common term used to designate the product itself are “Jacuzzi”, “Frisbee”, “Escalator”, “Vaseline”, “Zip”, “Yo-yo”, etc.

¹⁹ Bomhard, Mühlendahl (2018), 130–131.

²⁰ Opcit..., 451.

use of the mark by its proprietor or with his consent in respect of the goods or for the services it is registered for is liable to mislead the public (as to the nature, quality or geographical origin of those goods or services). Its main function is to guarantee the origin of the goods. From this point of view, if it misleads the public, this violates the rights of the public to know what the nature, quality and origin of the goods is. The mark, in itself, is regular but should protect products of another nature, quality or origin. If, e.g., a product is designated with a mark for a medicinal product, while it is in fact a food supplement, it misleads its buyers about its nature. Likewise, if the goods are designated by a mark registered for e.g. cotton products, and subsequently, due to the introduction of a new technology, cotton is replaced by some artificial fibres, the mark already misleads the public as to the quality of the product. Likewise, if a licensee under an exclusive license manufactures products, they must be of the same quality as those manufactured by the proprietor of the right in a mark²¹. The misleading about the geographical origin occurs when an impression is created in the mind of the relevant public that goods having a certain geographical origin are designated. E.g., a mark like “Viva Italia” for bee honey²² cannot refer to bee honey manufactured in France or “Swiss formula”²³ creams cannot be manufactured in Poland (i.e. they should be manufactured by the proprietor himself or by a license holder).

In the latter hypothesis it is relevant whether the infringement precedes or is committed after certain acts or omissions of the proprietor of the mark. For an infringement action to be justified, it is necessary to prove the presence of acts or omissions of its holder, which are considered to be a use thereof that misleads the public. The deception is created in the mind of the public and should be about the nature, quality or geographical origin of the goods or services. It is also possible that these acts/omissions are committed not personally by the proprietor but with his consent, i.e. by a licensee. For this reason, if the infringement occurs after the misleading acts/omissions of the right holder, the infringement chronologically takes place after the existence of a valid ground for revocation (the ground for revocation precedes the ground for an infringement). Currently, the framework of the proceedings is identical to the above two

²¹ E.g., if the mark is registered for knives containing a certain steel alloy, the licensee should manufacture knives of the same quality, i.e. of the same alloy, rather than of another.

²² Official data for the specified mark can be found on the website of Trademarkelite: [online] <https://www.trademarkelite.com/europe/trademark/trademark-detail/004263521/Viva-ITALIA> [access 25 March 2021].

²³ *ibid.* [online] <https://www.trademarkelite.com/europe/trademark/trademark-detail/000975425/Swiss-Formula-St-Ives-LABORATORIES-Keratin> [access 25 March 2021].

cases – revocation is carried out administratively for national trade marks and these under the Madrid System and by a counterclaim as regards EU trade marks, as it is possible to stay a court proceeding for the benefit of the administrative proceeding before the European Union Intellectual Property Office. I propose to provide for *de lege ferenda* a court proceeding before the administrative court or a counterclaim in the civil proceeding for a revocation on this ground, if an infringement action has already been brought.

Otherwise, the ground for revocation, i.e. the misleading behaviour of the proprietor occurs after the acts of mark infringement. Then the infringement should be considered a preliminary matter with respect to revocation because it precedes revocation chronologically and the preservation of the present legal framework is appropriate because the offender will enjoy benefit from his own wrongful behaviour.

Hence, the bodies competent to administer justice in actions for validity of the EU trade mark shall be, on the one hand, the European Union Intellectual Property Office in certain revocation or invalidity proceedings having an administrative nature and the courts of the Member States that rule only on counterclaims within a proceeding for an infringement thereof. On the other hand, in infringement actions, actions for threatened violation and actions for the establishment of an absence of a violation, parallel jurisdiction of the EU trade mark courts is possible. When the plaintiff decides which jurisdiction he should refer to, he shall take into account several major factors.

The first thing to take into account is the reputation of the EU trade mark courts in the Member States, in which their action can be brought. The reputation of a court is a complex term – e.g. it is possible to study the reports of the European Commission to the European Parliament and to the Council on the progress of Bulgaria on the implementation of the Cooperation and Verification Mechanism and a check in the area of justice and home affairs²⁴, which reflect the extent of efficiency of the judicial system of the respective country, whether it is subject to corruption, what the speed of operation of its justice-administration bodies is.

Then, the plaintiff must take into account the case-law of the EU trade mark court, whether it is rich, whether it is inconsistent, has it interpreted some fundamental terms relevant to the case. An important factor is the view of the case-law of courts of the issue concerning

²⁴ While in previous years the EC criticised in its reports Bulgaria with respect to the judicial system, in the recent years these reports are mostly positive. See the reports in the period 2014–2019 posted on the website of the Supreme Judicial Council: [online] <http://www.vss.justice.bg/page/view/2232> [access 27 March 2021].

the “special grounds” for staying the proceeding for the benefit of the proceeding before the European Union Intellectual Property Office because the respondent is very likely to file as a tactical move a request for revocation or invalidity of the trade mark before the Office²⁵.

A relevant factor are the specificities of the judicial system itself, e.g. the provisions of the national legislation concerning the service of documents, gathering of proofs, evidence admissible in the process, legal aid. In the next place, due consideration is given to the specificities of the appealing before a second-instance court (hereinafter referred to as SIC). The appealing before a second-instance court could be three types – limited, full or a hybrid model. In limited appealing before a second-instance court, such as the proceedings before a second-instance court in Austria and England, the appellant may only refer to newly revealed and newly arisen facts and circumstances and in certain cases the appellate court (hereinafter referred to as the AC) may return the case to the court of first instance for rehearing. In full appealing before a second-instance court, e.g. in Italy and France, the appellant may submit to the appellate court both newly revealed and newly arisen facts and evidence, and the ones he omitted to present in front of the first instance and the appellate court shall not return the case for rehearing but shall resolve it *de novo*, alone, on its merits²⁶. In the Federal Republic of Germany, the model of appealing before a second-instance court is hybrid – it is possible to submit to the appellate court new fact and evidence, but the appellate court has the power in certain hypotheses to resolve the dispute on merits, and in other – to return it for rehearing²⁷. In Bulgaria, appealing before a second-instance court is full SIC after the reform in the Civil Procedure Code (GPC) in 1997 (second first instance – see Article 198, in conjunction with Article 205 of the Civil Procedure Code/1952 (repealed)). After the adoption of the new Civil Procedure Code in 2008 the framework changed and limited it only to the submission to the court of second instance of proofs that could not have been submitted in the proceeding before the court of first instance or were not admitted by the court of first instance (see Article 260, in

²⁵ A thorough analysis of the revocation of registration of a mark, see Жилова (Zhilova) (2021), 307–402.

²⁶ Ж. Сталев, А. Мингова, В. Попова, О. Стамболиев, Р. Иванова. *Българско гражданско процесуално право, 10 изд.* София, Сиела, 2020 (Stalev, Zh., An. Mingova, V. Popova, O. Stamboliev, R. Ivanova. *Balgarsko grazhdansko protsesualno pravo, 10 izd.*, Sofia, Ciela, 2020.), page 517. See in more details: А. Мингова. *Въззивно и касационно обжалване на съдебните решения.* София, Софи-Р, 1998 (Mingova, An. *Vazzivno i kasatsionno obzhalvane na sadebnite reshenia.* Sofia, Sofi-R, 1998.); Л. Корнезов. *Въззивно производство.* София, УИ „Св. Климент Охридски“, 1998 (Kornezov, L. *Vazzivno proizvodstvo.* Sofia, UI „Sv. Kliment Ohridski“, 1998.).

²⁷ Сталев, Мингова, Попова, Иванова (Stalev, Mingova, Popova, Ivanova) (2004), page 503.

conjunction with Article 266 of the Civil Procedure Code of 2008)²⁸. When the judgment of the court of first instance is valid and admissible, the appellate court resolves the dispute on the merits (hybrid model)²⁹.

In the evaluation of the judicial system, the plaintiff checks how many levels of appealing are available for the judgment, as well as whether cassation appealing is admissible. In Bulgaria, pursuant to the provision of Article 280, Paragraph 1 of the Civil Procedure Code subject to cassation appealing are judgement of courts of second level, in which the court ruled on a material substantive or procedural issue that is: 1. resolved in conflict with the case-law of the Supreme Court of Cassation; 2. resolved inconsistently by the courts; 3. relevant to the accurate application of the law as well as to the development of the law. However, cassation appealing is inadmissible with respect to cases, in which the value of the subject of the appeal is less than BGN 5,000 for civil cases and less than BGN 20,000 for commercial cases, except for judgments on actions for ownership and other *in-rem* rights in real estates and on actions joined to them, which predetermine the ownership action. The Supreme Court of Cassation rules on the admission of cassation appealing by a procedural order in a closed session in a panel of three judges.³⁰ In the next place, the plaintiff assesses what the legal costs will be, what preventive measures are possible under the national procedural law, what the border control measures are.

²⁸ Article 260 of the Civil Procedure Code “The appeal shall contain: Subparagraph 5 the newly revealed and newly arisen facts that the appellant wants to be taken into account in the resolution of the case by the appellate court, and specific indication of the reasons that prevented him from specifying the newly revealed facts; Subparagraph 6 the new evidence that the appellant wants to be collected in the hearing of the case in the court of second instance, and a statement of the reasons that prevents him from adducing or submitting them; Article 266, Paragraph 1 of the Civil Procedure Code “In the appellate proceeding the parties may not allege new circumstances, adduce and submit evidence they could have adduced and submitted in due time in the proceeding before the court of first instance”. Article 266, Paragraph 3 of the Civil Procedure Code “In the appellate proceeding it is possible to request collection of evidence that were not admitted by the court of first instance due to procedural violations”.

²⁹ Сталев, Мингова, Попова, Стамболиев, Иванова (Stalev, Mingova, Popova, Stamboliev, Ivanova) (2020), 517–521.

³⁰ E.g., in procedural order No.94 of 24 November 2008 under commercial case No.470/2008, commercial college of the Supreme Court of Cassation, the panel of judges rules in a closed session that regardless of the absence of a legal definition of the term “bad-faith act in the filing of an application for the registration of a trade mark” the prerequisites under Article 280, Paragraph 1, Subparagraph 3 alleged by the cassation appellant are not present because the case-law of courts on the content of the term “bad faith” in the registration of a trade mark is consistent and unambiguous (judgment No.77 of 14 April 2005 under commercial case No.321/2004, judgment No.475 of 28 July 2006 under commercial case No.1070/2005, judgment No.140 of 29 May 2007 under commercial case No.920/2006, judgment No.560 of 21 June 2006 under commercial case No.219/2007, etc.).

Article 132 of Regulation 2017/1001 provides for that a justice-administration body competent to hear a dispute about an EU trade mark may stay the proceeding³¹. Accordingly, the provisions in Article 128 of the specified Regulation apply differently depending on whether the Office or an EU trade mark court has been referred to.

1.1. Staying of the proceeding before an EU trade mark court, when the European Union Intellectual Property Office is referred to

The most frequently occurring hypothesis of related actions takes place in the case of the so called torpedo tactics³². As far as the EU trade mark is concerned, due to the nature of the mark as an intellectual property object and due to the possibilities for adversary proceedings, this tactics is modified. Most frequently, the proprietor of the mark seizes a national EU trade mark court by a proceeding under an action for infringement on the EU trade mark or by an action for a threatened infringement thereon (in Member States where such an action is admissible), or by an action for compensation in respect of acts that follow the publication of the application for an EU trade mark, which would after the publication of the registration of the mark be prohibited as a result of such publication. As a response to the case initiated under an action for an infringement on the mark, the respondent files an action for revocation or for invalidity of the same mark before the Office, most frequently shortly before the initiation of the proceeding for an infringement or shortly after it has begun. This is a classic case of the so

³¹ The staying of the proceeding, rather than the direct declaration of the second court as incompetent is provided for also in Regulation 1215/2012, as the concept is introduced in order to prevent cases of the so called negative conflict of jurisdictions. So, if the court that is chronologically first seized declares itself incompetent, the proceeding before the second court can be resumed. For more details see P. Jenard. Report on the Convention of 27 September 1968 on jurisdiction and the enforcement of judgements in civil and commercial matters, OJ 1979 C59 1–65, art. 21, p. 41 [online] <https://op.europa.eu/en/publication-detail/-/publication/e69d7939-d016-4346-9651-963a63f53381/language-en>. [access 26 February 2021].

³² The torpedo tactics is created due to the possibilities for double processes given by the Brussels convention. In the most frequently occurring hypothesis the party infringing on a patent right would file an action for declaration of absence of infringement in the slowest possible competent court and when the holder of the right would start an action for infringement, the case would be stayed on account of “*exceptio litis pendentis*”. Examples of such judgments and decisions are: in Germany, judgment of the Dusseldorf District Court of 27 February (Connaught/SKB, 4 O 127/97); in the Netherlands, the decision of Court of the Hague of April 29, 1998; the decisions of the Italia court in Brescia (decision of the Districts Court in Brescia of November 9, 1999 in Euromach SRL v Hiebsch & Peege AG, commented by Jandoli, V., in The ‘Italian Torpedo’ IIC 2000.783, High Court of Novara of April 20, 2000 in Novamont v Biotec E.I.P.R. 2000.N-142;); in Belgium decision of the President of the Court of First Instance of Brussels of February 7, 1997 in SKB v Chiron), accessible on URL http://www.juridat.be/cgi_juris/jurf.pl (as of April 13, 2006). The cited judgments and decisions are under: A. Nuyts, N. Hatzimihail, K. Szychowska (eds.). Ch 1. Cross-Border Litigation in IP/IT Matters in the European Union: The Transformation of the Jurisdictional Landscape. *International Litigation in Intellectual Property and Information Technology*. Kluwer, 2008, 1–48.

called preliminary dispute, i.e. the outcome of one of the processes influences the outcome of the other process.

The EU trade mark court shall, unless there are special grounds for continuing the hearing, stay the proceedings after hearing the parties or on request of one of the parties and after hearing the other parties, when the validity of the EU trade mark has already been disputed before another EU trade mark court by a counterclaim or where an application for revocation or for a declaration of invalidity of an EU trade mark has already been filed at the European Union Intellectual Property Office. Where the EU trade mark court stays the proceedings it may order provisional and protective measures for the duration of the stay.

The application of the clause for a relation between the cases requires from the second seized court to determine both the moment of its own being seized and the moment of filing of the suit before the other jurisdiction (whether court or an administrative one)³³. Until 2006, in all Member States there was a tacit rule that the proceeding before the court had to be stayed in case that the Office for Harmonisation of the Internal Market (nowadays European Union Intellectual Property Office) was seized by an action for revocation or invalidity of the mark, whether the claim was filed to the Office before or after the commencement of the infringement case.³⁴

For this reason, many respondents under cases for an infringement of an EU trade mark filed – after or shortly before the commencement of the proceeding before the EU trade mark court – applications for revocation or invalidity of the subject marks in order to have the court process stayed and to protract the case. This is exactly the case as concerns the case *Sothys International v. Société Européenne des Produits de Beauté*³⁵, pending before the Court of first instance in Paris. Several days before the filing of the statement of claim and after the respondent was warned in writing to discontinue the infringement, i.e. he expected the undertaking of court action, the infringing party seized the Office for Harmonisation of the Internal Market (now the Office) with a request to declare invalidity of the mark. The Paris court refused to stay the case because in its opinion there were “special grounds” to proceed with it on the merits. The court finds that the respondent’s acts are a tactics aimed merely at postponing the out-

³³ For more details on the referral to the court of a Member State, see Myceva (Museva) (2010), 66–67; 85–86.

³⁴ See Article 100 of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark.

³⁵ Case No. 05/17476, *Sothys International v. Société Européenne des Produits de Beauté*, judgment of 17 October 2006: [online] https://juricaf.org/arret/FRANCE-TRIBUNALDEGRANDEINSTANCOEDEPARIS-20061017-JURITEXT000_006952338 [access 02 March 2021].

come of the case. On 17 November 2006, the same court upheld its case-law to reject staying of the case for the benefit of the Office in the case *Société des Produits Nestlé, SNC, Cereal Partners France v. Société Weider Germany GmbH*³⁶. In its judgment of 17 November 2006, the Court of First Instance in Paris justified its refusal by the argument that the request for declaration of invalidity of the mark must precede the action for infringement,³⁷ rather than being filed afterwards. In its motives, the court holds that the filing of an action before the Office instead of filing a counterclaim in the present proceeding is a tactics for postponing the outcome of the case.

In 2008 the High Court of Justice in the United Kingdom, Chancery Division, faces a similar situation in the case *Kitfix v. Great Gizmos*³⁸. In this case, the proprietor invites the infringing party to discontinue the acts constituting an infringement on his right in the mark but the infringing party replies that the mark is descriptive and does not have a distinctive nature. The proprietor of the mark files an action for infringement whereafter the respondent refers to the Office for Harmonisation of the Internal Market an application to declare the mark invalid. What is interesting here is the response of the Office, which initially stays the proceeding and then declares that an “error” was committed and sends a written notice to the court in the United Kingdom that the latter is supposed to stay the proceeding.

Justice Mann refuses to stay the case. One of his key arguments is that the Office was seized second (around eight months after the commencement of the infringement case), the proceeding before it (at first instance) will continue three to six months later than the one before the court, which is definitely not for the benefit of the plaintiff in the case. The proceeding before the court of first instance is followed by appealing before the Board of Appeal, then comes appealing before the General Court of the EU³⁹, then comes the line of appeal before the European Court of Justice, as this clumsy procedure is capable of lasting several years.

³⁶ Case No 06/00079, *Société des Produits Nestlé, SNC, Cereal Partners France v. Société Weider Germany GmbH*, judgment of 17 November 2006 [online] <https://www.legifrance.gouv.fr/juri/id/JURITEXT000006951556> [access 02 March 2021].

³⁷ In its essence, this is the so called principle of priority, according to which in order the exception de connexité (*litis penditis*) clause to be able to be exercised, the action referred to the other jurisdiction with international competence, in the case at hand the Office, must be brought **before** the action referred to the EU trade mark court of the Member State, which evaluates the pending nature of the dispute.

³⁸ Case No: HC07C00099, *Kitfix Swallow Group Ltd v Great Gizmos Ltd*, Court of Appeal - Chancery Division, November 12, 2008, [2007] EWHC 2668 (Ch), Neutral Citation Number: [2007] EWHC 2668 (Ch) [online] <https://www.bailii.org/ew/cases/EWHC/Ch/2007/2668.html> [access 02 March 2021].

³⁹ The judgment refers to the Court of First Instance and the European Court of Justice because the Treaty of Lisbon was still not in force at this time.

This can be avoided in a court adversary proceeding, which may depending on the provisions of the national legislation of each individual Member State be a two-instance or a three-instance proceeding.⁴⁰

The findings made by the justice from the High Court of Justice in the United Kingdom reflect the actual situation in the European Union and the respondents' vicious practices for protection comprising postponing of the outcome of the process in order to continue successfully offering on the marking products that infringe on the right of the lawful proprietor. The infringement brings direct income and the longer they manage to use the possibility to postpone the resolution of the case, the longer they will offer on the market their goods that infringe on the rights of the actual holder of the EU trade mark.

1.2. Staying of the proceeding before the European Union Intellectual Property Office

When seized by an action for revocation or for declaration of invalidity, the Office shall, unless there are special grounds for continuing the hearing, stay the proceedings of its own motion after hearing the parties or on request of one of the parties and after hearing the other parties, when the validity of the EU trade mark has already been disputed before an EU trade mark court by a counterclaim. Pursuant to the provision of Article 128 (4) of Regulation 2017/1001, the Court with which a counterclaim for revocation or for a declaration of invalidity of the EU trade mark has been filed shall inform the Office of the date on which the action was filed and this circumstance shall be recorded in the Register.

Article 128 (7) of Regulation 2017/1001 allows the Court to stay the proceedings on application by the proprietor of the EU trade mark and after hearing the other parties and to request the defendant to submit its application to the Office within a time limit which it shall determine. On the condition that the defendant brings his application before the Office, the Office must hear and resolve the issue of the validity of the EU trade mark. If the application is not made before the Office within the instructed time limit, the counterclaim shall be deemed withdrawn and the underlying proceedings shall continue.⁴¹ There is still not clarity under

⁴⁰ According to the provision of Article 133 (3) of Regulation 2017/1001, the provisions of the national legislation concerning appealing before a court of cassation shall be applicable in respect of judgments of EU trade mark courts of second instance. This guarantees the equal volume of protection of the national right in a mark and the right in an EU trade mark.

⁴¹ According to the provisions of the Regulation, the underlying action may be an action for infringement on an EU trade mark or an action for threatened infringement thereon, or an action for compensation for damages for

what conditions must the judge refer the case for hearing and resolution to the Office. The Regulation only concisely sets out that the court may on application of the proprietor of the mark stay the case. The court has the discretion to decide whether or not to grant the proprietor's application, as the proprietor cannot dispute the judge's decision whether or not to refer the case. As it is the competent authority on the counterclaim which is admissible under the legislation of the Member State, the authorisation of an *ex-officio* referral of the case is within its discretion only. Where proceeding is stayed, the court may order provisional and protective measures for the duration of the stay.

2. Exception of pending process or Exceptio Litis Penditis (Lis Alibi Pendens)

In general, Article 136 of EU Regulation 2017/1001 on the European Union trade mark reproduces the provisions of Regulation (EC) No 1215/2012, in particular the principles of *lis pendens* in § 1 and *res judicata* in Paragraphs 2 and 3⁴². In order to avoid the risk of double processes and of the so called forum shopping, the provision of Article 136 (1) of Regulation 2017/1001 sets out that when the case is pending before another justice-administration body, rules for the staying or dismissal of the case are introduced. In this case the court may not impose provisional and preventive measures (Article 136 (4)). It should be pointed out that even if this provision had not existed, such measures would have been logically not possible to be imposed because they are not final and hence the risk of incompatible judgments is lower⁴³. The provision of Article 136 (4) does not make it quite clear how provisional and protective measures could be applied provided that the second seized court should decline jurisdiction or reject the action in accordance with Article 136 (1), (2) or (3) because the issue concerning the infringement is either already pending before another court or has already been resolved.

Where actions for infringement between the same parties, on the same cause of action, are brought to the courts of different Member States in relation to an EU trade mark and a na-

acts subsequent to the publication of the application for an EU trade mark, which would after the publication of the registration of the mark be prohibited as a result of this publication. The Bulgarian Trademarks and Geographical Indications Act does not provide for an action for threatened infringement and for this reason the only actions that can be filed as an underlying action are actions for the establishment of the fact of the infringement, for discontinuation of the infringement or the action for compensation for damages under Article 6, Paragraph 1, Subparagraph 3 of the Trademarks and Geographical Indications Act, in conjunction with Article 11 (2) of the Regulation.

⁴² G. N. Hasselblatt (ed). *European Union. Trade Mark Regulation. (EU) 2017/1001. An Article by Article Commentary*. Second Edition. München, Beck/Hart, 2018, p. 1152.

⁴³ Bomhard, Mühlendahl (2018), p. 696.

tional mark, respectively, the jurisdiction that is seized second must of its own motion (*ex officio*) decline jurisdiction for the benefit of the justice-administration body that is seized first, if the subject marks are identical are refer to identical goods or services (principle of priority of applications).

Nevertheless, any court which should have declined jurisdiction according to the Regulation, has the power to stay the proceeding under the case if the jurisdiction of the initially seized court is disputed. The power of the second jurisdiction to stay the proceeding, instead of fully declining jurisdiction is provided for in order to avoid the so called negative collision of laws (negative conflict of jurisdictions). What is meant here is the hypothesis where the jurisdiction of the first justice-administration body is disputed and it is proven to lack jurisdiction, while the second seized court has also already declined jurisdiction. In such case there will be no court to hear the dispute.

The justice-administration body, other than the initially seized court has the right to stay the proceeding under the case when the subject marks are identical and are valid for similar goods or services, as well as when the subject marks are similar and valid for identical or similar goods or services.

The Bulgarian language version of the Regulation is an exact translation of the English version, namely that the actions of law are identical when underlied by an identical cause of action and between identical parties. The German language version highlights the identity of the acts (Handlungen) that should be treated as an infringement and the identity of the parties. The French version of the Regulation considers identical actions, in which there is identity of the facts/factual background (faits) that give rise to the infringement and identity of the parties under the dispute. At the same time, each of the three variants is equally valid and mandatory.

The constant case-law of the EU Court of Justice shows that the terms, in particular the term of identity of the actions should be interpreted autonomously. Same cause of action should be understood as identical facts and the same legal rule underlying the action⁴⁴. As a

⁴⁴ See T. Тодоров. Международно частно право. Европейският съюз и Република България. Второ издание София, Сибѝ, 2009 (Todorov, T. Mezhdunarodno chastno pravo. Evropeyskiyat sayuz i Republika Bulgaria. Vtoro izdanie Sofia, Sibi, 2009.), p. 111. Мусева (Museva) (2010), p. 68; Мусева (Museva) (2019), p. 48 et seq.; see Judgement of the EU Court of Justice in the following cases: Judgment of the Court of 6 December 1994 in case C-406/92 with subject Reference for a preliminary ruling: Court of Appeal (England) - United Kingdom within the proceeding under the case: The owners of the cargo lately laden on board the ship „Tatry“ v. the owners of the ship „Maciej Rataj“, § 39 <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:61992CJ0406&qid=1625055035102&from=BG>. Opinion of Mr Advocate

matter of fact, the English version is the most abstract and general one. The cause of action is a set of daily-life circumstances, a sequence of acts or omissions of the persons committing the infringement (overlapping with the German version). On the other hand, the acts and omissions on the part of the infringing party are facts from the objective reality, i.e. the view point of the legislator in the characterisation of the infringement varies from one language version to another language version.

The EU trade mark court hearing an action for infringement on the basis of a national trade mark or an EU trade mark shall reject the action if a final judgment on the merits has been given between the same parties with respect to an identical national trade mark or EU trade mark, valid for identical goods or services. According to Article 136 (2) and (3) of Regulation 2017/1001, the court hearing an action for infringement on the basis of an EU trade mark shall reject the action if a final judgment on the merits has been given on the same cause of action and between the same parties on the basis of an identical national trade mark valid for identical goods or services. Likewise, the court hearing an action for infringement on the basis of a national trade mark shall reject the action if a final judgment on the merits has been given on the same cause of action and between the same parties on the basis of an identical EU trade mark valid for identical goods or services. The specified provisions apply both to actions brought in the same Member State and to actions brought in various Member States, as well as when the plaintiff brought a prior action that was rejected, in particular when as regards the first action it is held that the marks, goods or services of the respondent differ from (are dissimilar to) the ones of the plaintiff⁴⁵.

Conclusion

Similarly to the ground for determination of the international jurisdiction of courts, as regards the legal framework of the concepts of pending process and of related actions, the system of Regulation 2017/1001 is somehow complicated because this system consists of at least

General Tesouro delivered on 13 July 1994 in the same case: [online] <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:61992CC0406&qid=1625055035102&from=BG> [access 02. 03.2021]. Judgment of the Court of 14 October 2004 in case **C-39/02**, on Reference for a preliminary ruling by Højesteret – Denmark within the proceeding under the case *Mærsk Olie & Gas A/S vs. Firma M. de Haan en W. de Boer*, § 38 [online] https://eur-lex.europa.eu/legal-content/BG/TXT/?uri=CELEX%3A62002CJ0039&qid=1625056345_308 [access 02 March 2021]. Opinion of Mr Advocate General Léger delivered on 13 July 2004 in the same case: [online] https://eur-lex.europa.eu/legal-content/BG/TXT/?uri=CELEX%3A62002CC0039&qid=1625056_345308 [access 02 March 2021].

⁴⁵ European Union. Trade Mark Regulation..., p. 1154.

two levels – on the one hand the provisions of Regulation 1215/2012 apply, which are general with respect to the legal rules of Regulation 2017/1001, i.e. the latter apply with priority because they are special compared to the former. On the other hand, in the cases referred to in the Regulation on the EU trade mark the provisions of the national legislation of the Member State concerned apply, which still remains to a certain extent different regardless of the presently achieved and more and more intensifying harmonisation of the domestic legislation of the Member States in this respect. A conclusion can be made that the goals of the legislator in the creation of the system of rules on the pending process and the related actions were, on the one hand – to avoid competing proceedings, respectively inconsistent court judgments, guaranteeing high-quality administration of justice throughout the European Union, and on the other hand – to ensure throughout the territory of the European Union effective exercising and effective protection of the right in an EU trade mark. Although the described system seems complex at first sight, it is impossible to deny that most of it consists of unambiguous rules that ensure predictability and coordination in the presence of situations of conflict that relate to the presence of a pending process and related actions in the field of the protection of the EU trade mark.

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**The article was published in Business and Law Magazine No. 3 of 2021. The article formally submitted for publication in April 2022 and the journal went out of print in June 2022. The author of the publication currently holds a Ph.D. degree and his diploma is attached as evidence to the publication.*