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Implementation of Trade Mark Directive (EU) 2015/2436

From a Practitioner's View

Implementation of the Trade Mark Directive (EU) 2015/2436 in the EU Member States From a Practitioner's View

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- A. Introduction**
- B. Starting Point for National Trade Mark Laws**
- C. The Directive's Impacts on National Trade Mark Laws**
- D. Outlook**



A. Introduction

□ Subject

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

- Legal frame: Article 114 (1) of the Treaty on the Functioning of the European Union



Harmonization of Trade Mark Laws of the EU member states



A. Introduction

□ 46 Recitals and 57 Articles in the Directive:

- Recital (9): ... *making trade mark registrations easier to obtain and administer requires to **approximate substantive law and procedural rules** ...*
- Recital (10): ... *registered trade marks **must** enjoy the same protection under legal systems of all Member States ...*
- **Recital (5):** ... *reduce divergence within the Union trade mark system, **while maintaining national trade mark protection as an attractive option for applicants ... the **complementary relationship** between the EU trade mark system and national trade mark systems should be insured.***



C. Impacts on National Trade Mark Laws

□ Article 3: Signs of which a trade mark may consist

*A trade mark may consist of any signs, in particular words, including personal names, or designs, letters, numerals, colors, the shape or packaging of goods, or sounds, **provided that such signs are capable of:***

(a) distinguishing the goods/services of one undertaking...; and

*(b) **being represented on the register in a manner which enables the competent authorities and the public to determine the clear and precise subject matter of the protection afforded to its proprietor.***



C. Impacts on National Trade Mark Laws

□ Recital 13 of the Directive:

*“In order to ... ensure legal certainty and sound administration, it is also essential to require that the sign is capable of being **represented in a manner which is clear, precise, self-contained, easily accessible, intelligible, durable and objective**. A sign should therefore be permitted to be **represented in any appropriate form using generally available technology, and thus not necessarily by graphic means**, as long as the representation offers satisfactory **guarantees to that effect.**”*



C. Impacts on National Trade Mark Laws

□ Status

- EUIPO and EU member states offer **different electronic means** by which trademarks can be filed, searched or watched for **in public databases**.
- No minimum standard of acceptance
- *C-273/00 Sieckmann: “requirements of graphic representability are not satisfied by a chemical formula, by a description in written words, by the deposit of an odour sample or by a combination of those elements”*



C. Impacts on National Trade Mark Laws

□ Potential Problems

➤ Difficulties for IP holders and representatives in

- ✓ Searching and watching of non-traditional marks (e.g. TM View)
- ✓ (Online) filing of non-traditional marks
- ✓ Conversion of an EUTM



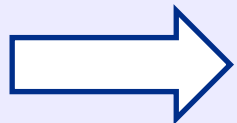
Technical means available, when national laws enter into force?



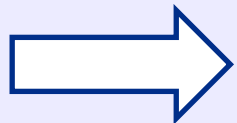
C. Impacts on National Trade Mark Laws

□ Potential Problems

- How to assess distinctiveness, similarity or genuine use of non-traditional trademarks during the examination, in opposition proceedings and for infringement cases?



More qualified examiners necessary?



Unexplored area – A mere theoretical problem notwithstanding the abolition of graphic representation?



C. Impacts on National Trade Mark Laws

□ Article 4 (1)(e): Signs of another characteristic

*The signs shall not be registered or, if registered, shall be liable to be declared invalid **if they consist exclusively of***

*(i) the shape, **or another characteristic**, which results from the nature of the goods themselves;*

*(ii) the shape, **or another characteristic**, of goods which is necessary to obtain a technical result;*

*(iii) the shape, **or another characteristic**, which gives substantial value to the goods.*



C. Impacts on National Trade Mark Laws

□ Potential Problems

- What does the term “*another characteristic*” mean?

Guidelines for examination of European Union Trade Marks, EUIPO, Part B, Examination, Section 4, Chapter 6, Article 7(1)(e) EUTMR:

*“A sign consists ‘exclusively’ of the shape of goods **or other characteristics** when all its essential characteristics – that is to say, its **most important elements** - result from the nature of the goods ..., perform a technical function ... or give substantial value to the goods... , to be **properly identified**....”*



C. Impacts on National Trade Mark Laws

□ Potential Problems

- “*another characteristic*” = “*essential characteristic*”?

which results from the Nature of Goods:

- ✓ C-205/13 *Hauck*: “*shapes with **essential characteristics***” = “*inherent to the generic function or functions of goods*”



C. Impacts on National Trade Mark Laws

□ Potential Problems

- “another characteristic” = “essential characteristic”?

which is necessary to obtain a Technical Result:

- ✓ C-299/99 *Philips* (electro shaver):

“essentially functional shapes”

- ✓ C-48/09 P *Lego Brick*: “**essential**

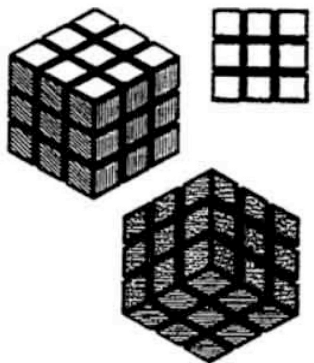
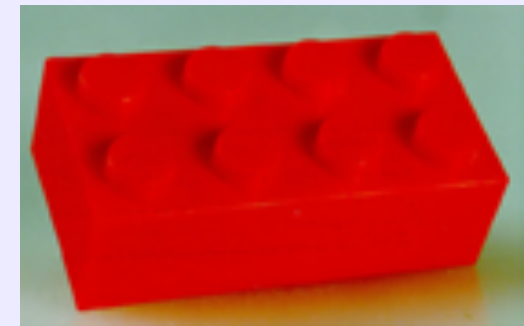
characteristics” = “most important elements”

- ✓ C-30/15 P *Rubik’s Cube-type puzzle*:

“**essential characteristics**” = additional information

as to the actual goods’ function, subject of patent

claim as *prima facie* evidence

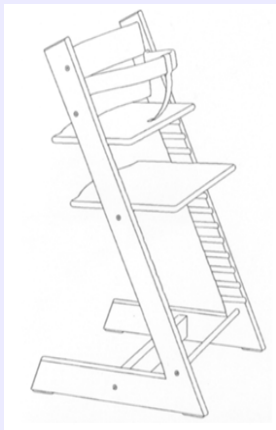


C. Impacts on National Trade Mark Laws

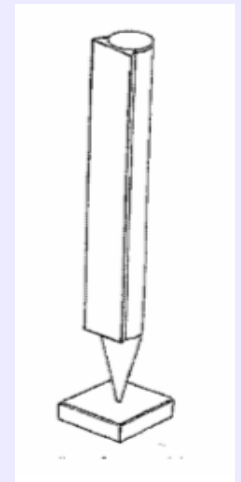
□ Potential Problems

- “*another characteristic*” = “*other characteristics*”?

which gives Substantial Value to the Goods:



- ✓ C-205/13 *Hauck*: “other characteristics” = *besides the shape, e.g. “safety, comfort and reliability”, which give “essential functional value” to the goods*
- ✓ T-508/08 *Bang & Olufsen Loudspeaker*: “other characteristics” = *e.g. “technical qualities” of the goods*



C. Impacts on National Trade Mark Laws

□ Article 10 (4)(1): Goods in transit

*“....., the proprietor ... **shall also be entitled to prevent all third parties from bringing goods, in the course of trade, into the Member State where the trade mark is registered, without being released for free circulation there, where such goods, including the packaging thereof, come from third countries and bear without authorisation a trade mark which is identical with the trade mark registered in respect of such goods, or which cannot be distinguished in its essential aspects from that trade mark.***



C. Impacts on National Trade Mark Laws

□ Article 10 (4)(2): Goods in transit

...

*The entitlement of the trade mark proprietor pursuant to the first subparagraph **shall lapse if**, during the proceedings to determine whether the registered trade mark has been infringed, initiated in accordance with Regulation (EU) No 608/2013, **evidence is provided by the declarant or the holder of the goods that the proprietor of the registered trade mark is not entitled to prohibit the placing of the goods on the market in the country of final destination.***”



C. Impacts on National Trade Mark Laws

□ Purpose

- ✓ Enhanced protection against counterfeits in the European Union, in particular against counterfeit goods not intended for the EU market
- ✓ The burden of proof is shifted to the infringer
- ✓ **BUT:** Trade mark of counterfeit goods must be (nearly) identical with the registered trademark of the proprietor



D. Outlook

- ❑ Adopted national trade mark law, ready for implementation in the following EU Member States:
 - ✓ Croatia
 - ✓ Czech Republic (waiting for the President's signature)
 - ✓ Hungary
 - ✓ Lithuania
 - ✓ Spain
 - ✓ Slovak Republic
 - ✓ Sweden
 - ✓ United Kingdom



D. Outlook

□ What does it mean in practice?

- There will be some uncertainty and challenge in practice.
- Will national trademark rights remain an attractive option for applicants in the sense of a real complementary relationship between the EU trade mark system and national trade mark systems?

that bridge when

We will cross

we come to it.



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From a Practitioner's View

**Thank you very much
for your attention!**

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