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Note

AN AMERICAN PRACTITIONER'S GUIDE TO THE DEVELOPING SYSTEM OF TRADEMARK LAW WITHIN  
THE EUROPEAN UNION<sup>dt</sup>

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In 1993, the European Union passed a Regulation (the "Regulation")<sup>1</sup> to create a supranational system of trademark law for all Member States of the European Union (the \*86 "Community").<sup>2</sup> Through adoption of the Regulation, the Council of the European Union (the "Council") sought to promote harmonious economic development within the territory of the Community, to aid in the completion of an internal single market, to offer services like those of a national market, to remove trade barriers between the Member States, and to offer uniform trademark protection throughout the Community.<sup>3</sup> However,

the Regulation does not usurp national laws on trademarks, lessen or alter trademark protection available within the individual Member States, or prevent companies from obtaining protection in individual Member States if they do not desire to acquire Community-wide protection.<sup>4</sup>

Prior to the adoption of the Regulation, the Council promulgated a Directive (the "Directive") in 1988 which required Member States to harmonize their national laws on trademarks.<sup>5</sup> While businesses now have the opportunity to obtain Community-wide protection under the Regulation, there still remains an alternative type of national protection within each of the Member States. The new system in Europe under the Regulation and the Directive will make the national laws for each Member State more compatible and predictable for companies expanding beyond their national borders.

This article serves as a general introduction to the developing Community system for the trademark practitioner. The article compares, in basic terms, the provisions of the Regulation and the Community trademark system to the trademark system of the United States and notes differences which may exist between the Directive and the Regulation. For clients with long-range plans for accessing the European market, due consideration of the Community trademark (the "CTM") and its effect on national trademark protection should be taken. While the CTM system is not designed to replace national trademark protection, its development will impact national laws and the protection available thereunder within the Member States.

Practitioners in the United States must begin to familiarize themselves with the new European system now. Although the Regulation was passed in 1993, it will take some time before the Community will have a functioning system of trademark protection. Plans are to begin taking applications for CTMs in mid-1995.<sup>6</sup> More detailed administrative guidelines, referred to as the "Implementing Regulation" within the text of the Regulation, must still be passed to set up the operation of the office responsible for the Community trademark system (the "CTM Office").<sup>7</sup> \*87 Until the Implementing Regulation is available for review, there is no detailed information available on the exact procedures and policies of the CTM Office. Hence, U.S. businesses must prepare to register their trademarks with the CTM Office, and U.S. practitioners must become aware of the procedures for obtaining a CTM.

Part I of this article relates to the application process for a CTM. It addresses the issue of who may own a CTM, grounds for refusal of a CTM application, publication, opposition procedures, and the languages used with regards to the CTM. Part II of the article concerns the legal effect and validity of registration and the date of vestment of rights. It discusses the duration, renewal, and use requirements necessary to maintain the registration of a CTM. Part III addresses the use requirement and its relation to invalidity or revocation of a CTM. Finally, Part IV focuses on various departments of the CTM Office and the appeals process, and addresses the issues of jurisdiction, presumptions, applicable law, and sanctions. Part IV concludes with a discussion of some jurisdictional issues that the practitioner should be aware of when dealing with the CTM system.

## I. Applications

### A. Permitted Proprietors

There are limitations on who may legitimately hold a CTM. The Regulation describes four primary categories of approved proprietors consisting of nationals of the Member States; nationals of states which are parties to the Paris Convention for the Protection of Industrial Property, as amended (the "Paris Convention");<sup>8</sup> nationals of States which are not parties to the Paris Convention but who are domiciled in or who have real and effective commercial or industrial establishments within the territory of the Community or a state which is party to the Paris Convention; and nationals of states which are not parties to the Paris Convention that nonetheless offer reciprocal trademark protection to nationals of all the Member States.<sup>9</sup> The Community system does not require a prior registration for CTM registration except in cases falling under the fourth category of proprietors, above.<sup>10</sup> In contrast, the U.S. trademark system does not have a permitted proprietor requirement. The Directive does not mandate specifications for national trademark ownership either.

Permitted proprietors may file a CTM application at the CTM Office or at any of the national trademark offices of the Member States.<sup>11</sup> Member States are required to forward the CTM application to the CTM Office within two weeks of filing.<sup>12</sup>

### \*88 B. Grounds for Refusal

Once an applicant submits a CTM application, the CTM Office will consider whether the mark qualifies for registration. The CTM Office will examine the application to determine if the applicant meets the requirements for ownership ("proprietorship"),<sup>13</sup> if registration of the mark can be refused on absolute grounds,<sup>14</sup> or if registration of the mark can be refused on relative grounds.<sup>15</sup> The CTM Office presumes that all marks qualify for registration, unless they are rejected on the basis of absolute grounds or relative grounds in relation to earlier marks.<sup>16</sup> Once the application passes muster on

proprietorship and absolute and relative grounds for refusal, and the application is otherwise in order and all fees are paid, the CTM Office forwards the application to those Member States that have consented to search for prior national trademarks.<sup>17</sup> Searches by the Member States, however, are not mandatory, and the Directive does not address the issue of harmonizing search procedures and their quality within the Member States. The CTM Office publishes the application,<sup>18</sup> and third parties may then file written statements (“observations”) with respect to absolute grounds for refusal.<sup>19</sup> For three months after publication, third parties may file “observations” with respect to relative grounds for refusal if they wish to oppose registration.<sup>20</sup>

## 1. Absolute Grounds for Refusal

The CTM application is examined to determine whether there are absolute grounds<sup>21</sup> or relative grounds for refusal of registration of the mark.<sup>22</sup> By comparison, the U.S. system does not separate the basis for refusal into the categories of absolute and relative grounds for refusal.<sup>23</sup> “Absolute” grounds for refusal apply when mark, standing alone, is examined for compliance with specific provisions of the Regulation.<sup>24</sup>

**\*89** The Regulation absolutely bars registration of a mark if:

(1) the mark falls outside the definition of a trademark;<sup>25</sup>

(2) the trademark is not distinctive;<sup>26</sup>

(3) the trademark is descriptive;<sup>27</sup>

(4) the trademark is generic;<sup>28</sup>

(5) the sign is functional;<sup>29</sup>

(6) the trademark is contrary to public policy or morality;<sup>30</sup>

(7) the trademark is misdescriptive;<sup>31</sup> or

(8) the trademark has not been authorized by the competent authorities and would be refused by Article 6ter of the Paris Convention.<sup>32</sup>

Absolute grounds for refusal apply notwithstanding that the grounds for non-registrability may exist only in part of the Community.<sup>33</sup>

In the United States, Section 2 of the Lanham Act establishes which marks may qualify for registration on the Principal Register. Provided that a mark distinguishes its goods from those of others, there is a presumption in favor of registration unless registration is barred by certain prohibitions.<sup>34</sup> The U.S. system does not allow registration of marks that consist of immoral or **\*90** scandalous matter,<sup>35</sup> corresponding to the Regulation’s absolute grounds for refusal of marks that are “contrary to public policy or to accepted principles of morality.”<sup>36</sup> The Lanham Act bars registration of marks that consist of “the flag or coat of arms or other insignia” of the United States, any State or municipality, or any foreign nation.<sup>37</sup> This parallels the Regulation’s bar of registration of any mark that is refused by Article 6ter of the Paris Convention<sup>38</sup> as well as marks not covered by Article 6ter such as badges, emblems, or escutcheons, which are of great public interest.<sup>39</sup>

The Lanham Act prevents merely descriptive, deceptively misdescriptive, and geographically descriptive marks from qualifying for registration. The Regulation parallels this principle by barring registration of marks consisting of signs or indications that designate characteristics or geographic origin of the goods for which the mark is being registered<sup>40</sup> and marks that “deceive the public ... as to the nature, quality or geographic origin of the goods ....”<sup>41</sup> Both systems, however, allow a descriptive mark to become registered when the mark has become distinctive due to its use.<sup>42</sup> The Lanham Act provides that substantially exclusive and continuous use of a descriptive mark in commerce for the five years prior to the claim of distinctiveness is “prima facie evidence that the mark has become distinctive ....”<sup>43</sup> In contrast, there is no minimum use period to establish acquired distinctiveness in the Regulation.

The Community system also expressly bars marks which are generic<sup>44</sup> or functional from registration.<sup>45</sup> Similarly, the Lanham Act implicitly denies the registration of generic marks because marks must be able to distinguish the proprietor’s goods from those of others in the market place.<sup>46</sup> Functionality of a mark, such as the shape of the container of a product, is not a statutory bar to registration, but rather is a judicially created doctrine.<sup>47</sup>

In the Community system, the practitioner must be aware that a problem may arise if the Directive is applied inconsistently throughout the various Member States. Although the Directive includes a definition of trademark for the Member States to use in list form,<sup>48</sup> neither the Regulation nor the Directive claims that the list is exhaustive. Hence, there is a possibility that unusual marks such as smells, sounds, colors, and other common law signs may qualify for CTM \*91 protection.<sup>49</sup> In adhering to the Directive, the United Kingdom recently revamped its national trademark law. The United Kingdom's Trade Marks Act of 1994 provides protection for shapes, and potentially, smells and sounds.<sup>50</sup> Furthermore, variations of interpretation may arise in each of the Member States, as different standards may be applied for determining which marks are contrary to public policy or accepted principles of morality.

## 2. Relative Grounds for Refusal

If the applicant's mark, on its face, survives the hurdle of absolute grounds for refusal, the mark is then examined as to relative grounds for refusal.<sup>51</sup> Here, the CTM Office draws up a Community search report citing all CTMs or CTM applications that have been discovered and which may be invoked by a proprietor of an earlier mark to oppose registration of the mark at issue.<sup>52</sup> The proprietor of an earlier mark may oppose registration of a mark based on one of five relative grounds for refusal which include the following:

- (1) an identical earlier trademark<sup>53</sup> for identical goods or services already exists;<sup>54</sup>
- (2) a likelihood of confusion exists between the mark and an earlier trademark within the territory of the earlier mark;<sup>55</sup>
- (3) ownership of the mark is at issue between its proprietor and an agent or representative who applies for registration "in his own name without the proprietor's consent ...";<sup>56</sup>
- (4) an earlier non-registered mark from a Member State already exists;<sup>57</sup> and
- (5) dilution of an earlier CTM or earlier national trademark may result.<sup>58</sup>

As the CTM search report only includes CTMs or CTM applications, prior conflicting Member State registrations may not be discovered by this process alone.<sup>59</sup> Thus, the CTM Office \*92 forwards a copy of the CTM application to each Member State that has agreed to conduct "a search in its own register of trade marks in respect of CTM applications."<sup>60</sup> Although the CTM Office provides only a limited search in examining an application, the search process is similar to that of the U.S. Patent and Trademark Office (the "PTO"), as the PTO performs a search of its records only and does not consider state registrations or common law marks.<sup>61</sup>

Likelihood of confusion: There are several substantive differences between the Lanham Act, the Regulation, and the Directive regarding "likelihood of confusion." The Lanham Act requires a search for prior registered marks that may cause confusion or mistake, or that may deceive the public.<sup>62</sup> The PTO will not register an applicant's mark if it resembles a prior registered trademark,<sup>63</sup> and it will issue an ex parte refusal to register if this is the case. Similarly, the Regulation states that a trademark may not qualify for registration if there exists a likelihood of confusion.<sup>64</sup> The Directive, however, provides that the factors used to determine whether a likelihood of confusion exists are a matter for the individual Member States to decide.<sup>65</sup> Thus, inconsistency in the tests used to evaluate likelihood of confusion in the various Member States and the CTM Office may create problems within the Community system.

Non-registered marks: Under U.S. law, there is no provision that permits the owner of an earlier non-registered mark to prevent the registration of a federal trademark. In contrast, non-registered marks having more than mere local significance may bar the registration of a CTM.<sup>66</sup> The Regulation, however, requires the owner of such an earlier mark to oppose the CTM registration if he wishes to bar the registration.<sup>67</sup> The burden is on the proprietors of non-registered marks to watch the Community Trade Marks Bulletin,<sup>68</sup> the official publication for CTMs, to determine if another party is registering the mark as a CTM. In contrast, the Directive does not shift the burden of opposition onto the common law user, but rather allows the Member States to determine whether the unregistered trademark has acquired rights prior to the application date of a national trademark,<sup>69</sup> and whether the application for registration should be denied if the unregistered trademark has acquired prior rights.<sup>70</sup>

\*93 Dilution: The general rule for dilution is that the law will not register any identical or similar trademark if it is to be registered for goods or services different from those of a prior mark.<sup>71</sup> The Regulation and the Directive differ, however, in the standards used for denying registration. Under the Directive, an application for national registration will be refused when an earlier CTM exists and where use of the applicant's mark would take either unfair advantage of or be detrimental to the

CTM's distinctive character or reputation.<sup>72</sup> In contrast, under the Regulation's anti-dilution provision, the proprietor of an earlier CTM must show only that the earlier CTM has a reputation in the Community to successfully bar the registration of a later identical or similar CTM.<sup>73</sup> The owner of an earlier national trademark, however, must not only show a reputation in the Member State in which the earlier mark is registered, but must also show that use of the CTM would take either unfair advantage of or be detrimental to the earlier mark's reputation and distinctive character.<sup>74</sup>

Note, however, that the Regulation puts the burden on proprietors of earlier trademarks to oppose the issuance of a CTM registration on grounds of dilution.<sup>75</sup> This places the responsibility to police and monitor registrations of CTM on proprietors of both CTMs and national marks. This is true even for owners of national marks who never market or intend to market their products outside their national boundaries. The CTM Office will not refuse registration based on relative grounds on its own motion, but rather it will publish an application and wait for opposition by prior owners.<sup>76</sup> The U.S. system differs in that the PTO may refuse to register a trademark on its own motion based on prior registered marks.<sup>77</sup> Upon completion of all the search reports, the CTM Office forwards them to the applicant.<sup>78</sup> It is within the applicant's discretion to continue the application process or to withdraw the application at this time.<sup>79</sup>

### C. Publication

The Community Trade Marks Bulletin (the "CTM Bulletin") is the official periodical for the publication of CTM applications.<sup>80</sup> Under the Regulation, the CTM is required to publish, periodically, the CTM Bulletin "containing entries made in the Register of Community trade marks"<sup>81</sup> and an "Official Journal containing notices and information of a general character issued \*94 by the President of the CTM Office ..." and other information relevant to the Regulation and its implementation.<sup>82</sup>

### D. Opposition

Upon publication of a CTM application, any third party who is not involved in the proceedings before the CTM Office may file a written statement explaining why the registration of a mark should not be allowed on the basis of absolute grounds for refusal with the CTM Office.<sup>83</sup> In contrast, any party with standing, such as a proprietor of an earlier mark who might be harmed upon registration of the CTM, may oppose registration of a mark on relative grounds.<sup>84</sup> The proprietor of an earlier mark must file a written opposition specifying the grounds on which it is made<sup>85</sup> within three months of publication of the CTM application.<sup>86</sup> Upon notification of the opposition,<sup>87</sup> the applicant can require the proprietor of the earlier mark to show five years of continuous use prior to the publication of the CTM application at issue.<sup>88</sup> The prior owner must show evidence of five years of use; otherwise, the opposition is rejected, and the CTM application may qualify for registration.<sup>89</sup> If a national trademark owner fails to timely oppose a CTM application and the CTM is registered and used within five years, the national trademark owner will be deemed to have acquiesced to the use of the CTM and will have lost his right to invalidate or revoke the latter mark based on his preexisting rights.<sup>90</sup> The Community system is similar to the U.S. system with some exceptions. First, the U.S. allows any party to file an opposition if he believes that he will be harmed by the registration of the mark.<sup>91</sup> Second, the U.S. provides the opponents of a mark only thirty days to file the opposition.<sup>92</sup>

### E. Languages in Proceedings before the CTM Office

Applications must be filed in one of the official national languages of the Member States of the Community.<sup>93</sup> An applicant must also list a second official language of the CTM Office as an alternate language to be used in proceedings of opposition, revocation, or invalidity.<sup>94</sup> The five \*95 official languages of the CTM Office include English, French, German, Italian and Spanish.<sup>95</sup> If the applicant is the sole party to the proceedings before the CTM Office, the language used in the proceedings shall be the language the application was filed in, but the CTM Office may send written communications in the applicant's designated official language if the application was not made in one of the official CTM Office languages.<sup>96</sup>

Filings for opposition, revocation, and invalidity must be made in one of the official languages of the CTM Office.<sup>97</sup> If the filing is in the same language as that used in the application, this language must be used in the proceedings before the CTM Office.<sup>98</sup> If the filing is not made in the same language as that used in the application, and the language used in the filing is not the applicant's designated second language either, then the proponent of the opposition, revocation, or invalidity must pay for translations.<sup>99</sup> Alternatively, the parties may agree on a language to be used in the proceedings.<sup>100</sup>

## II. Registration

If there is no opposition to the CTM application, the mark is registered.<sup>101</sup> This process is similar to the U.S. system where there is actual use in commerce of the mark in the market prior to filing.<sup>102</sup> The process for registration is different, however, if the application has been filed based on an intent to use the mark.<sup>103</sup> In this situation, the PTO delays actual registration on

the Principal Register until the owner of the mark submits a verified statement of use in commerce.<sup>104</sup> In contrast, there is no requirement to show actual use in commerce in the Community system before being placed on the Community Register.

#### A. Legal Effect and Validity

From the date of registration, the proprietor of a CTM acquires exclusive rights to protection from infringement by:

(1) identical trademarks for identical goods and services;<sup>105</sup>

\*96 (2) trademarks subject to a likelihood of confusion due to identity or similarity in the marks and identity or similarity in the goods and services covered;<sup>106</sup> and

(3) trademarks that cause dilution.<sup>107</sup>

In addition, registration of a CTM is a presumption of its validity which may not be put in issue unless challenged by another party in a revocation or invalidity proceeding.<sup>108</sup> This presumption of validity corresponds to the U.S. system of regarding registration as prima facie evidence of the validity of a mark.<sup>109</sup>

There are exceptions to the rights conferred by the registration of a CTM. A CTM proprietor may not prohibit a third party from using his own name or descriptive or geographic terms.<sup>110</sup> Also, a CTM owner cannot prevent others from using the CTM if it is necessary in order to indicate the intended use for their goods or services.<sup>111</sup> This allows protection primarily for makers or sellers of accessories or spare parts.<sup>112</sup>

It is also possible for the rights initially conferred by registration to be exhausted. A proprietor may not enjoin later use of a CTM in connection with goods or services which were initially distributed with his consent or which have been put on the market in the Community unless legitimate reasons exist “for the proprietor to oppose further commercialization of the goods....”<sup>113</sup> One legitimate reason may be the situation where the condition of the goods was altered after the goods were initially placed on the market by the proprietor.<sup>114</sup>

Reasonable compensation may be claimed for conflicting use after the date of publication of a CTM application, if such use would be prohibited by virtue of the publication of a completed registration.<sup>115</sup> Thus, the user of a mark has constructive notice of published CTM applications as well as any published CTM registrations, and the user should be aware of this in order to safeguard against potential civil liability for infringement. Adjudication on the merits of the case, however, must wait for publication of the registration, because liability will only arise if the application for \*97 registration is successful.<sup>116</sup> Damage awards could vary in that actions on a CTM may be brought based on the national laws of the Member States relating to civil liability and unfair competition.<sup>117</sup>

#### B. Rights of Priority, Exhibition, and Seniority

There are three ways in which a CTM proprietor can acquire exclusive rights that predate the date of actual publication in the register. These are via rights of priority, exhibition, and seniority. A CTM owner can use a claim for such rights to have his rights date back to the effective date of the previous trademark registration or exhibition.

A CTM owner may claim priority based on an application for a trademark registration in any State that is a party to the Paris Convention.<sup>118</sup> The claim must be made within six months from the date of filing of the first application.<sup>119</sup> A filing “equivalent to a regular national filing under the law of the State where it was made or under a bilateral or multilateral agreement . . .”<sup>120</sup> gives rise to a right of priority. Priority may only be claimed for the same trademark regarding identical goods or services, or goods or services contained within those covered by the first application.<sup>121</sup> To claim the right, the applicant must file a declaration of priority and a copy of the previous application.<sup>122</sup> CTM filings have a priority right within the Member States of the Community.<sup>123</sup> It is recommended that proprietors electing to register only for national protection, rather than Community-wide protection, should check the CTM Bulletin and the appropriate national register(s) for applications before proceeding.

An applicant for a CTM may also claim a right of priority based on “exhibition priority.”<sup>124</sup> A CTM applicant who desires to obtain “exhibition priority” must file the application within six months from the date the mark is first displayed “at an official or officially recognized international exhibition falling within the terms of the Convention on International Exhibitions signed at Paris on November 22, 1928, and last revised on November 30, 1972 . . .”<sup>125</sup> To claim the right, the applicant “must file evidence of the display of the goods or services under the mark applied for . . .”<sup>126</sup> More information is to be provided in the Implementing Regulations.<sup>127</sup>

Additionally, rights of seniority may be claimed by owners of national trademarks registered in Member States of the Community, the Benelux Office, or under international **\*98** arrangements having effect in a Member State.<sup>128</sup> Rights of seniority are more extensive than rights of priority because they have no six month time limit for filing the initial request.<sup>129</sup> The CTM application must be for the identical trademark, regarding “goods or services which are identical with or contained within” the goods or services covered by the first application.<sup>130</sup> The effect is to backdate the CTM application to the earlier application date, so long as the CTM owner surrenders the earlier mark or allows it to lapse.<sup>131</sup> “Seniority claimed for the CTM shall lapse . . .” if the earlier trademark “is declared to have been revoked or to be invalid or if it was surrendered prior to registration of the CTM . . .”<sup>132</sup> Seniority based on a national trademark may be claimed at the time of application for a CTM<sup>133</sup> or after registration of the CTM.<sup>134</sup> Claiming seniority permits owners of national trademarks to maintain protection from the earlier filing date and “trade up” to Community-wide coverage as well.

### C. Duration, Renewal, and Use Requirements

A CTM shall be registered for a period of ten years from the filing date of the application.<sup>135</sup> The CTM may then be renewed for ten year periods.<sup>136</sup> This system is similar to the U.S. system, but there is no requirement to file a declaration of use with the CTM Office for renewals.<sup>137</sup> The proprietor of a CTM may elect a renewal for only part of the goods or services covered by the original CTM by request or by paying the fee with respect to only some of the goods or services.<sup>138</sup> All renewals are registered.<sup>139</sup>

In the U.S., duration and renewal periods can be limited because the PTO requires the registrant to show use of the mark in commerce during the sixth year of a registration by submitting a verified statement asserting use of the mark in the marketplace.<sup>140</sup> Throughout the duration of registration, the burden is on the U.S. proprietor to affirm that the mark is in use.<sup>141</sup> In **\*99** contrast, the Community system does not require a showing of use to the CTM Office at any given time, except when the registrant is requested to show proof of use in a proceeding before the CTM Office, such as in an opposition,<sup>142</sup> invalidity, or revocation proceeding.<sup>143</sup>

“Genuine” or actual use of a CTM must begin within five years of registration and may not be suspended for any continuous five year period.<sup>144</sup> Use by consent of the proprietor, such as under a license, constitutes actual use by a proprietor under the Regulation.<sup>145</sup> Small deviations in form will not defeat use,<sup>146</sup> and use for export only (out of the territory of the Community) is sufficient.<sup>147</sup> Also, non-use may be excused if there are “proper reasons,”<sup>148</sup> but explanation of what may constitute “proper reasons” is offered in the Regulation. The Regulation refers to CTMs that have been registered for “non-use.”<sup>149</sup> However, the term “non-use” is not used in any other part of the Regulation and is not defined. The Implementing Regulation may provide more information.

### III. Invalidity and Revocation

In addition to losing rights by the failure to use, third parties may divest a CTM owner of his rights through proceedings for invalidity or revocation.<sup>150</sup> Proprietors of earlier marks who fail to oppose the initial registration of the CTM in a timely manner may not later oppose the registration.<sup>151</sup> The owner of the earlier mark, however, may still file a declaration of invalidity on the grounds of his earlier mark or may bring an action for infringement.<sup>152</sup> The Regulation also states that CTMs that have been registered in breach of the provisions establishing who can be a proprietor of a CTM and establishing absolute grounds for refusal of a registration shall be declared invalid.<sup>153</sup> Further, a CTM shall be declared invalid upon a showing of bad faith by the applicant at the time the application for the CTM was filed.<sup>154</sup> To guard against the ability of others to bring an action for invalidity after registration and to prevent invalidation of a CTM after investment of significant capital to acquire Community-wide protection, a CTM applicant should conduct a thorough search throughout the Member States before submitting an application for a **\*100** CTM.<sup>155</sup> However, this may be an expensive and burdensome process, as some countries do not have very thorough search processes.<sup>156</sup> Even if the CTM applicant relies on the search process of the CTM Office and decides to proceed with the filing of a CTM application, the possibility of invalidation within the first five years remains, as the proposed CTM may never have been compared to potentially conflicting registrations in those Member States that did not elect to run searches for the CTM Office.<sup>157</sup>

In addition to grounds for invalidity, a CTM owner can lose his trademark protection through revocation proceedings.<sup>158</sup> A revocation proceeding may occur on four grounds: where there is inexcusable non-use for five years preceding the application for revocation;<sup>159</sup> where the mark becomes generic;<sup>160</sup> where the mark is misdescriptive;<sup>161</sup> and where the CTM owner no longer meets the requirements of permitted proprietorship.<sup>162</sup> The net result of a revocation or invalidity proceeding is the same: the cancellation of the registration and of the rights conferred by the registration.<sup>163</sup> Yet, whether a CTM is revoked or invalidated is determinative of the timing for the cancellation of CTM rights. In a revocation, rights shall be deemed canceled as of the date of the application for revocation or counterclaim.<sup>164</sup> In contrast, in an invalidity proceeding,

rights shall be deemed canceled as of the date of registration of the CTM.<sup>165</sup> The retroactive effect of the cancellation of rights, however, will not affect final and enforced decisions on infringement or contracts “concluded prior to the revocation or invalidity proceeding . . . .”<sup>166</sup> The U.S. does not have a similar provision in the Lanham Act.

The Regulation does not specify a time period during which one must bring an application for revocation or invalidity or raise the issue as a counterclaim. In contrast, the U.S. system maintains separate grounds for cancellation of a registered mark, depending upon the time frame in which the cancellation is sought. A mark is contestable within the first five years from the date of registration, or at any time on the basis that it has been abandoned, has become generic, or was obtained fraudulently or in a manner that is contrary to Section 2 of the Lanham Act.<sup>167</sup> Even after a mark becomes “incontestable,” there are still narrow grounds available on which to challenge the \*101 mark’s validity.<sup>168</sup> Although the Community system presumes validity of the CTM upon registration, there is no mention of a CTM gaining incontestable status.

Filings for revocation and invalidity must be made in one of the five official languages of the CTM Office.<sup>169</sup> If this is the same language as that used in the application, this language must be used in proceedings before the CTM Office.<sup>170</sup> If the filing is not in the same language as that used in the application or in the applicant’s designated second language, then the proponent of the revocation or invalidity must provide a translation of the filing into the language used in the application or the designated second language at his own expense.<sup>171</sup> Alternatively, the parties may agree to use “a different official language of the European Community . . . .” in the proceedings.<sup>172</sup>

#### IV. Departments of the CTM Office, National Courts, Legal Actions, and Jurisdictional Issues

##### A. Departments of the CTM Office and the Appeals Process

There are five primary departments of the CTM Office that are competent to make decisions in connection with procedures under the Regulation.<sup>173</sup> These include the examiners, which review applications;<sup>174</sup> the Opposition Divisions, which conduct proceedings in oppositions;<sup>175</sup> the Cancellation Divisions, which conduct proceedings for revocation and invalidity;<sup>176</sup> the Administration of Trade Marks and Legal Division, which is responsible for all decisions not made by the examiners, the Opposition Divisions, or the Cancellation Divisions;<sup>177</sup> and the Boards of Appeal.<sup>178</sup> All decisions of the first four departments may be appealed.<sup>179</sup> Appeals may be submitted to the department which issued the disputed decision, and if the department “considers the appeal to be admissible and well founded, it shall rectify its decision.”<sup>180</sup> Contested appeals that are not rectified by interlocutory revision are forwarded to the Board of Appeal for review.<sup>181</sup> In both initial proceedings and appeals, the CTM Office may review questions of fact on its own motion.<sup>182</sup> However, in proceedings based on relative grounds for \*102 refusal, the CTM Office may only consider facts, evidence, and arguments submitted by the parties and the relief sought.<sup>183</sup>

Oral proceedings may be held at the instance of the CTM Office, or if requested, by any party to an action before the CTM Office.<sup>184</sup> The CTM Office, however, is not required to have oral proceedings unless it determines that they would be expedient.<sup>185</sup> “Oral proceedings before the examiners, the Opposition Division and the Administration of Trade Marks and Legal Division are not open to the public.”<sup>186</sup> Oral proceedings before the Boards of Appeal and the Cancellation Division shall be public unless it is determined by the department that “admission of the public could have serious and unjustified disadvantages, in particular for a party to the proceedings.”<sup>187</sup>

If the CTM Office hears testimony from a witness or an expert, the parties have the right to be present at the time and question the witness or expert.<sup>188</sup> Although the CTM Office may also hear oral testimony from the parties,<sup>189</sup> the Regulation does not explicitly provide that other parties have the right to be present and question the party giving testimony. Evidence in proceedings before the CTM Office shall include testimony of the parties, witnesses, and experts, as well as requests for information, production of documents, and items of evidence.<sup>190</sup> Sworn or affirmed statements are also admissible.<sup>191</sup> Finally, where the Regulation, the Implementing Regulation, the fees regulations, and the rules of procedure for the Boards of Appeal do not otherwise address an issue, the CTM office shall consider “principles of procedural law generally recognized in the Member States.”<sup>192</sup>

##### B. Legal Actions in National Courts

###### 1. Jurisdiction

“The Member States shall designate . . . national courts . . . of first and second instance . . .” which shall be known “as Community trade mark courts” (the “CTM courts”).<sup>193</sup> Until a Member State submits a list of CTM courts, the national courts of that Member State which would otherwise “have jurisdiction *ratione loci* and *ratione materiae* . . . .” in cases relating to national registered trademarks of the Member State shall have jurisdiction in CTM actions.<sup>194</sup> Grounds for \*103 appeals to



CTM courts of second instance are to be “determined by the national law of the Member State in which that court is located.”<sup>195</sup> National rules shall also apply for further appeals from the CTM courts of second instance.<sup>196</sup> The Regulation, however, does not require that there be another level of appellate review.

CTM courts have exclusive subject matter jurisdiction over all infringement actions;<sup>197</sup> actions for declarations of non-infringement, if permitted under national law;<sup>198</sup> actions for compensation for infringement occurring after publication of a CTM application but before registration is published;<sup>199</sup> and counterclaims for revocation or declaration of invalidity.<sup>200</sup> Jurisdiction of a CTM court shall extend to all acts of infringement, actual or threatened, throughout the Community.<sup>201</sup>

The Regulation provides that international jurisdiction applies as follows:

- (a) in the courts of the Member State where the defendant is domiciled;<sup>202</sup>
  - (b) if the defendant has no domicile within the Community, then in the courts of the Member State where the defendant has an establishment;<sup>203</sup>
  - (c) if neither of the above options is applicable, then in the courts of the Member State where the plaintiff is domiciled;<sup>204</sup>
  - (d) if none of the above options is applicable, then in the courts of the Member State where the plaintiff has an establishment;<sup>205</sup>
  - (e) if none of the above options is applicable, then in the courts of the Member State where the CTM Office is located (Spain);<sup>206</sup>
  - (f) alternatively, the parties may agree to accept jurisdiction by the CTM courts of a different Member State;<sup>207</sup>
  - (g) alternatively, the defendant may enter an appearance before a different CTM court;<sup>208</sup> or
- \*104** (h) alternatively, the plaintiff may elect to bring suit in the courts of the Member State where the acts of infringement were committed or threatened.<sup>209</sup>

Where the plaintiff elects to proceed under option (h) above, the jurisdiction of the CTM court is limited to “acts committed or threatened within the territory of the Member State . . .” where the CTM court is located.<sup>210</sup>

The Convention on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters (the “Convention on Jurisdiction”)<sup>211</sup> governs issues of personal jurisdiction.<sup>212</sup> Under the applicable provisions of the Convention on Jurisdiction and the Regulation, a person who is domiciled within a Member State may be sued in the CTM courts of the Member State(s):

- (a) where he is domiciled;<sup>213</sup>
- (b) where he has an establishment;<sup>214</sup>
- (c) for multiple defendants, in the Member State where one of the defendants is domiciled or has an establishment;<sup>215</sup>
- (d) where he is a plaintiff in an action based on a CTM, in a counterclaim based on the same facts filed in the same court;<sup>216</sup> or
- (e) as a third party guarantor “or in any party proceedings, in the court seised of the original proceedings, unless these were instituted solely with the object of removing him from the jurisdiction of the court which would be competent in his case.”<sup>217</sup>

The Regulation provides that the terms of the Convention applicable to persons domiciled in a Member State are also applicable to persons who have an establishment therein.<sup>218</sup> Since the **\*105** Convention, in part, serves to prevent finding jurisdiction over defendants domiciled in a Member State on the basis of extraordinary grounds which some Member States have legislated, this is potentially a very important safeguard for United States businesses which have establishment(s) within at least one Member State. Unfortunately, the Regulation does not extend this protection to businesses that do not have establishments within the Community.

## 2. Presumptions, Applicable Law, and Sanctions

The CTM “courts shall treat [a] Community trade mark as valid unless its validity is put in issue by the defendant with a counterclaim for revocation or a declaration of invalidity.”<sup>219</sup> National courts other than CTM courts exercising exclusive jurisdiction in infringement and validity actions shall also treat CTMs at issue as valid.<sup>220</sup> CTM courts shall apply the provisions of the Regulation as governing law.<sup>221</sup> However, absent a provision in the Regulation, a CTM court “shall apply its national law, including its private international law.”<sup>222</sup> Procedural rules of the Member States shall also apply where the Regulation does not provide a specific rule.<sup>223</sup> “Where a CTM court finds that a defendant has infringed or threatened to infringe a CTM, it shall ... issue an order prohibiting the defendant from proceeding with the acts which infringed or would infringe” the CTM.<sup>224</sup> Enforcement of such orders of prohibition shall be governed by the national laws of the Member State where the CTM court is located.<sup>225</sup> “In all other respects the CTM court shall apply the law of the Member State to which the acts of infringement or threatened infringement were committed, including the private international law.”<sup>226</sup>

### C. Jurisdictional Issues

Counterclaims for revocation or declaration of invalidity of a CTM are under the exclusive jurisdiction of the CTM courts.<sup>227</sup> If requested to do so by the proprietor of a CTM, the CTM court hearing a counterclaim may require the counterclaimant to submit an application on the same subject to the CTM Office, staying the proceedings before the court until the CTM Office rules on the issue.<sup>228</sup> However, where infringement is at issue, there is potential for jurisdictional conflicts between the courts of different Member States where one cause of action is based on a CTM and **\*106** the other is based on a national trademark. The Regulation provides a system for jurisdictional conflicts between courts based primarily on the filing dates of the conflicting causes of action.<sup>229</sup>

The Regulation also provides specific rules for dealing with related actions. Where a CTM court or the CTM Office has already reached a final determination on an issue of infringement, revocation, or invalidity, that determination will bind the CTM court or CTM Office hearing the later matter.<sup>230</sup> Also, if requested to do so by any party, the CTM court may stay the proceedings before it when the same issue is before the CTM Office, even if the application was filed after the counterclaim.<sup>231</sup> Under these circumstances, the CTM Office must continue the proceedings pending before it.<sup>232</sup>

If a counterclaim for revocation or invalidity is based on likelihood of confusion with an earlier mark, different outcomes may ensue, depending upon the Member State hearing the issue. Under the Directive, the establishment of likelihood of confusion and the criteria for satisfying the burden of proof of likelihood of confusion are to be governed by the national laws of the Member States.<sup>233</sup> Similarly, the Regulation is silent as to the criteria for determining likelihood of confusion, and all matters not governed by the Regulation are to be governed by national laws of the CTM courts.<sup>234</sup> Thus, as each Member State is free to determine the various factors which create likelihood of confusion, it is feasible that a mark may be found valid in one Member State but found invalid in another Member State. This subjective determination of invalidity creates an incentive for forum shopping.

In situations where national laws of the Member States apply, practitioners should be aware of discrepancies between the CTM courts so that they can adequately plan for the client. In jurisdictional disputes, the application of the Convention, as modified by the Regulation, significantly changes the current status of defendants domiciled outside of the Community. The ultimate effectiveness of the Regulation will depend on its consistent application throughout the Community.

### V. Conclusion

This article attempts to highlight the prominent areas of the Regulation and the CTM system, as the broad scope and complexity of the Regulation do not permit an in-depth review. U.S. practitioners who wish to register a CTM should familiarize themselves with the Regulation, the Directive, and the national laws of the individual Member States. Once the Implementing Regulation is available for review, the Regulation should be reread in light of the additional guidelines provided by the Community. Thus, the American lawyer representing clients doing business in Europe must be wary of the differences between CTM protection and trademark protection available under the national laws of the individual Member States.

### Footnotes

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1 Council Regulation (EC) No. 40/94 of 20 December 1993 on the Community Trade Mark, 1994 O.J. (L 11) 1 (hereinafter referred to as the "Regulation").

2 The twelve Member States of the European Union include Belgium, Denmark, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, and the United Kingdom.

3 See generally Regulation, supra note 1, at 1-2.

4 Id.

5 First Council Directive 89/104 of 21 December 1988 to Approximate the Laws of the Member States Relating to Trade Marks, 1989 O.J. (L 40) 1 (hereinafter referred to as the "Directive").

6 See (EU) EC/Internal Market: Harmonisation Office (Trade Marks, Designs and Models) Fully Operational in Alicante in about Eighteen Months' Time—First Meeting of Board of Directors in March, EUROPE, Jan. 13, 1994, at 9 (reporting that the first application for a CTM is not expected to be filed until eighteen to twenty-four months after the Regulation is in force).

7 Regulation, supra note 1, at 2 (stating that "administrative measures are necessary . . . to establish an Office for Harmonization in the Internal Market . . .").

8 See Paris Convention for the Protection of Industrial Property, opened for signature March 20, 1883, 25 Stat. 1372, 828 U.N.T.S. 305 (hereinafter referred to as the "Paris Convention").

9 Regulation, supra note 1, at art. 5(1). Practitioners representing such clients should review article 5 of the Regulation for more specific details. Under Article 5(2), a fifth category of "proprietor" exists for stateless persons and refugees.

10 Id. at art. 5(3).

11 Id. at art. 25(1).

12 Id. at art. 25(2).

13 Id. at art. 37(a).

14 Id. at art 38. "Absolute" grounds for refusal apply when the mark, standing alone, is examined for compliance with the law.

15 Id. at arts. 8, 39. "Relative" grounds for refusal apply when the mark is examined in relation to other trademarks.

16 Id. at art. 8(2) (defining "earlier trade marks" as prior CTMs or applications for CTMs, national applications or registrations of trademarks, international applications or registrations of trademarks, and marks which are "well known" in a Member State, as the term "well known" is used in Article 6bis of the Paris Convention, in the Member States through use). See also Paris Convention, supra note 8, at Art. 6bis (defining a "well known" mark as one which is "already the mark of a person entitled to the benefits of [the Paris] Convention and used for identical or similar goods").

- 17 Regulation, *supra* note 1, at art. 39(2).
- 18 *Id.* at art. 40.
- 19 *Id.* at art. 41.
- 20 *Id.* at arts. 41, 42.
- 21 See *id.* at arts. 7, 38 (discussing absolute grounds for refusal).
- 22 See *id.* at art. 8 (discussing relative grounds for refusal).
- 23 See Lanham Act, 15 U.S.C. § 1052 (1989).
- 24 See Regulation, *supra* note 1, at art. 38.
- 25 See *id.* at art. 7(1)(a) (referring to art. 4 of the Regulation, which defines trademarks as consisting of “any signs capable of being represented graphically, particularly words, including personal names, designs, letters, numerals, the shape of goods or of their packaging, provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings”).
- 26 *Id.* at art. 7(1)(b) (refusing registration to “trade marks which are devoid of any distinctive character”).
- 27 *Id.* at art. 7(1)(c) (refusing registration to trademarks which “consist exclusively of signs or indications which may serve ... to designate the kind, quality, quantity, intended purpose, value, geographical origin ... or other characteristics of the goods or service”).
- 28 *Id.* at art. 7(1)(d) (refusing registration to trademarks which “consist exclusively of signs or indications which have become customary in the current language or in the ... practice of the trade”).
- 29 *Id.* at art. 7(1)(e) (refusing registration to signs which “consist exclusively of the shape which results from the nature of the goods themselves, the shape of goods which is necessary to obtain a technical result, or the shape which gives substantial value to the goods”).
- 30 *Id.* at art. 7(1)(f).
- 31 *Id.* at art. 7(1)(g) (refusing registration to “trade marks which are of such a nature as to deceive the public ... as to the nature, quality, or geographical origin of the goods or service”).
- 32 *Id.* at art. 7(1)(h). See Paris Convention, *supra* note 8, at Art. 6ter (prohibiting the registration of marks that are national or state emblems, official hallmarks and signs, and emblems of intergovernmental organizations). The Regulation also bars registration of “trade marks which include badges, emblems or escutcheons other than those specified by Article 6ter of the Paris Convention and which are of particular interest ...” on absolute grounds. Regulation, *supra* note 1, at art. 7(i). In contrast, under the Directive, registration of these types of marks is under the discretion of each of the Member States. See Directive, *supra* note 5, at art. 3(2)(c). Thus, a mark which was denied registration as a CTM by the Regulation could potentially be registered under the national laws of a Member State.
- 33 Regulation, *supra* note 1, at art. 7(2).

34 See Lanham Act, 15 U.S.C. § 1052 (1989) (describing grounds for refusal of registration).

35 *Id.*, § 1052(a).

36 Regulation, *supra* note 1, at art. 7(1)(f).

37 Lanham Act, 15 U.S.C. § 1052(b).

38 Regulation, *supra* note 1, at art. 7(1)(h). See Paris Convention, *supra* note 8, at Art. 6ter (prohibiting the registration of marks that are state emblems, official hallmarks and insignias, and emblems of intergovernmental organizations).

39 Regulation, *supra* note 1, at art. 7(1)(i).

40 *Id.* at art. 7(1)(c).

41 *Id.* at art. 7(1)(g).

42 *Id.* at art. 7(3); Lanham Act, 15 U.S.C. § 1052(f) (1989).

43 Lanham Act, 15 U.S.C. § 1052(f) (1989).

44 Regulation, *supra* note 1, at art. 7(1)(d).

45 *Id.* at art. 7(1)(e).

46 See Lanham Act, 15 U.S.C. § 1052 (1989).

47 See, e.g., *In re Morton-Norwich Products, Inc.*, 671 F.2d 1332, 213 U.S.P.Q. (BNA) 9 (C.C.P.A. 1982).

48 See Directive, *supra* note 5, at art. 2.

49 See Reform of Trade Marks Law, 1990 Cmnd 1203, at 8 (discussing that the definition of what constitutes a trademark is not exhaustive and may be expanded as necessary by case law).

50 See New U.K. Trademarks Law Closer to U.S., European Regulations, BNA INTERNATIONAL BUSINESS & FINANCE DAILY, Nov. 1, 1994, at 1, available in LEXIS, Nexis Library, Curnws File. See also Alan Porteous, White Paper on Reform of the UK Trade Mark Law: A Practitioner's View, TRADEMARK WORLD, Nov. 1990, at 26-27 (questioning the initiative of the U.K. court system to expand the scope of trademark protection).

51 See Regulation, *supra* note 1, at arts. 8, 39.

52 *Id.* at art. 39(1).

53 See *id.* at art. 8(2) for a definition of "earlier trade marks."

54 Id. at art. 8(1)(a).

55 Id. at art. 8(1)(b).

56 Id. at art. 8(3).

57 Id. at art. 8(4).

58 Id. at art. 8(5) (denying registration of an application for a trademark where it is “identical with or similar to ...” (1) an earlier CTM for “goods or services ... not similar to those for which the earlier ...” CTM is registered, where the CTM has a reputation in the Community, or (2) an earlier national trademark which “has a reputation in the Member State concerned and where the use without due cause of the trade mark applied for would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”).

59 See James E. Rosini & Christopher C. Roche, Trademarks in Europe 1992 and Beyond, 19 AM. INTELL. PROP. L. ASS’N Q. J. 213, 229 (1991) (hereinafter referred to as “Rosini & Roche”).

60 See Regulation, supra note 1, at art. 39(2). Although it is uncertain how many Member States will consent to conduct searches of their own national registers, the Regulation mentions that a fixed amount shall be paid by the CTM Office to each Member State that does so. The amount is to be fixed by the Budget Committee. See id. at art. 39(4).

61 See Rosini & Roche, supra note 59.

62 See Lanham Act, 15 U.S.C. § 1052(d) (1989).

63 Id., § 1052(d).

64 Regulation, supra note 1, at art. 8(1)(b).

65 Directive, supra note 5, at 2.

66 Regulation, supra note 1, at art. 8(4).

67 Id.

68 See id. at art. 85(a).

69 Directive, supra note 5, at art. 4(4)(b).

70 Id.

71 See id. at art. 4(3); see also Regulation, supra note 1, at art. 8(5).

72 Directive, supra note 5, at art. 4(3).

73 Regulation, supra note 1, at art. 8(5).

74 Id.

75 Id.

76 See Florent Gevers, Harmonization of Trade Mark Laws in the EC: An Overview of the Situation in the Member Countries. The EC Directive of 1988, 20 EUROPEAN COMMUNITIES TRADEMARK PRACTITIONERS' ASSOCIATION NEWSLETTER 17, 21 (paper read at the PTMG Conference in Glasgow, March 14 and 15, 1991).

77 Lanham Act, 15 U.S.C. § 1052(d) (1989).

78 Regulation, supra note 1, at art. 39(5).

79 Id. at art. 44(1).

80 See id. at art. 85(a).

81 Id.

82 Id. at art. 85(b).

83 Id. at art. 41(1).

84 See id. at art. 42(1).

85 Id. at art. 42(3).

86 See id. at art. 42(1).

87 See id. at art. 42(2), (providing that “[n]otice of opposition to registration of [a trademark] may also be given ... [in response to] an amended application ....”).

88 Id. at art. 43(2). See also id. at art. 15(1) (authorizing sanctions for nonuse).

89 See id.

90 See id. at art. 53.

91 Lanham Act, 15 U.S.C. § 1063(a) (1989).

92 Id.

93 Regulation, supra note 1, at art. 115(1).

94 Id. at art. 115(3).

95 Id. at art. 115(2). An alternate language must be designated even if the language used in the application is also an official language.  
Id. at art. 115(3).

96 Id. at art. 115(4).

97 Id. at art. 115(5).

98 Id. at art. 115(6).

99 Id.

100 Id. at art. 115(7).

101 Id. at art. 45.

102 See Lanham Act, 15 U.S.C. § 1063(b)(1) (1989). See also id. § 1051(a) for filing requirements based on “use in commerce.”

103 Id., § 1063(b)(2). See also id. § 1051(b) for filing requirements based on “intent to use.”

104 Id., § 1051(d).

105 Regulation, supra note 1, at art. 9(1)(a).

106 Id. at art 9(1)(b).

107 Id. at art. 9(1)(c) (providing that a CTM owner has the exclusive right to prevent third parties from using in the course of trade “any sign which is identical with or similar to the [CTM] in relation to goods or services which are not similar to those for which the [CTM] is registered ....”).

108 See id. at art. 95(1).

109 See Lanham Act, 15 U.S.C. § 1115 (1989).

110 Regulation, supra note 1, at art. 12 (a), (b) (providing that a CTM owner may not prohibit a third party from using in the course of trade “his own name or address [or] indications concerning the kind, quality, quantity, intended purpose, value, geographical origin, ... or other characteristics of the goods or service ....”).

111 Id. at art. 12(c).

112 Id.



113 Id. at art. 13.

114 Id. at art. 13(2).

115 Id. at art. 9(3).

116 Id.

117 See id. at art. 14(2).

118 See id. at art. 29(1).

119 Id.

120 Id. at art. 29(2).

121 Id. at art. 29(1).

122 Id. at art. 30.

123 See id.

124 See id. at art. 33(1).

125 Id.

126 Id. at art. 33(2).

127 See id.

128 See id. at art. 34(1).

129 See id. at art. 34.

130 Id. at art. 34(1).

131 See id. at art. 34(2).

132 Id. at art. 34(3).

133 Id. at art. 34(1).

134 Id. at art. 35(1).

135 Id. at art. 46.

136 See id.

137 See id. at art. 47(1). But see Opinion on the Proposal for a First Council Directive to Approximate the Laws of the Member States Relating to Trade Marks and the Proposal for a Council Regulation on Community Trade Marks, 1981 O.J. (C 310) 22, 24-25 (suggesting that the declaration of use for renewals, which was included in the earlier drafts of the Regulation, should be removed, as the significant time and cost involved in producing the declaration of use outweighed the provision's purpose of encouraging proprietors to examine their marks and relinquish unused marks).

138 Regulation, *supra* note 1, at art. 47(4).

139 Id. at art. 47(5).

140 Lanham Act, 15 U.S.C. § 1058 (1989).

141 See id. §§ 1051(d)(1), 1058, 1059.

142 Regulation, *supra* note 1, at art. 43(2).

143 Id. at art. 56(2).

144 Id. at art. 15(1).

145 Id. at art. 15(3).

146 Id. at art. 15(2)(a).

147 Id. at art. 15(2)(b).

148 Id. at art. 15(1).

149 See id. at art. 56(2) (discussing “proper reasons for non-use, provided the earlier Community trade mark has at that date been registered for non-use . . .” in relation to applications for revocation or declarations of invalidity).

150 See id. at arts. 50, 51, 52.

151 See id. at art. 42(1).

152 See id. at art. 52.

153 See id. at art. 51(1) (referring to arts. 5 and 7).

154 Id. at art. 51(1)(b).

155 See Rosini & Roche, supra note 59, at 228-29 (discussing the CTM registration procedure and the problem presented by the ability of earlier Member State marks to obliterate a Community-wide registration).

156 See Gevers, supra note 76, at 21 (discussing the problems with harmonization of searches, as some countries would like thorough examination procedures, whereas others want no search at all).

157 See Regulation, supra note 1, at art. 39(2) (discussing the CTM Office procedure for searches by Member States).

158 See id. at art. 50.

159 Id. at art. 50(1)(a).

160 Id. at art. 50(1)(b) (stating that revocation may occur when a “trade mark has become the common name in the trade for a product or service in respect of which it is registered . . .”).

161 Id. at art. 50(1)(c) (stating that revocation may occur if a “trade mark is liable to mislead the public, particularly as to the nature, quality or geographical origin of [the] goods or services . . .” for which it is registered).

162 Id. at art. 50(1)(d) (referring to art. 5 for persons who may be proprietors of CTMs).

163 See id. at art. 54.

164 Id. at art. 54(1).

165 Id. at art. 54(2).

166 Id. at art. 54(3).

167 See Lanham Act, 15 U.S.C. § 1064 (1989).

168 See id., § 1115.

169 Regulation, supra note 1, at art. 115(2), (5).

170 Id. at art. 115(6).

171 Id.

172 Id. at art. 115(7).

173 See id. at art. 125.

174 Id. at art. 126.

175 Id. at art. 127(1).

176 Id. at art. 129(1).

177 Id. at art. 128(1).

178 Id. at art. 130(1).

179 Id. at art. 57; see also id. at art. 130(1).

180 Id. at art. 60(1) (providing for interlocutory revision).

181 Id. at art. 60(2).

182 See id. at arts. 74(1), 62(1).

183 Id. at art. 74(1).

184 Id. at art. 75(1).

185 Id.

186 Id. at art. 75(2).

187 Id. at art. 75(3).

188 Id. at art. 76(4).

189 Id. at art. 76(1)(a).

190 Id. at art. 76(1).

191 See id. at art. 76(1)(f).

192 Id. at art. 79.

193 Id. at art. 91(1).

194 Id. at art. 91(5).

- 195 Id. at art. 101(2).
- 196 Id. at art. 101(3).
- 197 Id. at art. 92(a).
- 198 Id. at art. 92(b).
- 199 Id. at art. 92(c) (referring to art. 9(3), which provides that “[r]easonable compensation may . . . be claimed in respect of matters arising after the date of publication of a Community trade mark application, which matters would, after publication of the registration of the trade mark, be prohibited by virtue of that publication.”).
- 200 Id. at art. 92(d).
- 201 Id. at art. 94(1).
- 202 Id. at art. 93(1).
- 203 Id.
- 204 Id. at art. 93(2).
- 205 Id.
- 206 Id. at art. 93(3).
- 207 Id. at art. 93(4)(a).
- 208 Id. at art. 93(4)(b).
- 209 Id. at art. 93(5).
- 210 Id. at art. 94(2).
- 211 See Convention on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters, signed in Brussels on 27 September 1968, reprinted in 1978 O.J. (L 304) 77, as amended by the Protocol on the Interpretation by the Court of Justice of the Convention on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters, reprinted in 1978 O.J. (L 304) 97, as amended by the Convention on the Accession of the Kingdom of Denmark, Ireland and the United Kingdom of Great Britain and Northern Ireland to the Convention on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters and to the Protocol on its Interpretation by the Court of Justice, 1978 O.J. (L 304) 1, as amended by the Convention on the Accession of the Hellenic Republic to the Convention on Jurisdiction and Enforcement of Judgments in Civil and Commercial Matters and to the Protocol on its Interpretation by the Court of Justice with the Adjustments Made to Them by the Convention on the Accession of the Kingdom of Denmark, of Ireland and of the United Kingdom of Great Britain and Northern Ireland, 1982 O.J. (L 388) 1 (hereinafter referred to as the “Convention on Jurisdiction”).
- 212 See Regulation, *supra* note 1, at art. 90.

213 Id. at art. 93(1).

214 Id.

215 Convention on Jurisdiction, supra note 211, at art. 6(1).

216 Id. at art. 5(2).

217 Id. at art. 6(2).

218 Regulation, supra note 1, at art. 90(2)(c).

219 Id. at art. 95(1).

220 See id. at art. 103.

221 Id. at art. 97(1).

222 Id. at art. 97(2).

223 Id. at art. 97(3).

224 Id. at art. 98(1).

225 Id.

226 Id. at art. 98(2).

227 Id. at art. 92(1). See id. at art. 96 for a description of the procedure to be followed when filing counterclaims.

228 Id. at art. 96(7).

229 See id. at art. 105.

230 See id. at arts. 100(1), 100(2), 105(2).

231 Id. at art. 100(2).

232 Id.

233 Directive, supra note 5, at 2.

234 Regulation, supra note 1, at art. 97(2).

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