



The first year of the EU Trade Mark Reform

Practitioner's view

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Abstract

The EUTM reform has been a major change of the European Union trade mark system since it was created back in 1996. From the practitioner's perspective, it has undoubtedly introduced many improvements, as well as many challenges. I will take this opportunity to discuss two such issues that have caused concern among the right holders.

One of the areas that has been a recurring issue since the *IP Translator* judgment (C-307/10) is the scope of protection of EUTMs using the general class headings. The EUTM reform opened a six month window for right holders to file the so called Article 28(8) declarations to confirm which are the goods and services that were intended to be covered by those registrations. Otherwise, these EUTM registrations will be *deemed to extend* only to goods or services clearly covered by the literal meaning of the class headings. However, due to the limitations embedded in this article, it does not solve the problem of some of the right holders, namely that their goods of interest are not covered by the literal meaning of the class headings, nor are they listed on the alphabetical list (or not on the alphabetical list at the relevant point of time). Accordingly, some of those right holders could not really get what they wanted, even by amending their existing registrations. Also, there is an important group of right holders that have not taken any action in this respect.

In this context, I will discuss two recent cases from the European Courts, namely the *Lambretta* judgment (C-577/14P) and the opinion of Advocate General Wahl in the *Cactus* case (C-501/15P, see also T-24/13), which both protect the legitimate expectations of owners of EUTMs that were registered prior to *IP Translator*. In particular, I will raise the question if this line of case law (if the AG Wahl opinion were followed by the CJEU) may open room to argue that right holders may continue to rely on the goods and services for which the mark is *actually used*, even if those do not appear on the alphabetical list and irrespectively if Article 28(8) declarations were filed or not.

The second area that I will discuss is the potential retroactive effect of the EUTM reform. The EUTMR does not contain any transitory provisions. Whilst the EUTM reform should in principle not have a retroactive effect and should apply to EUTMs filed on or after 23 March 2016 in so far as the new grounds of invalidity are concerned and to EUTMs filed on or after 1 October 2017 in so far as the new representation requirements and the new types of marks are concerned, there are areas where the new provisions are feared could have a de facto retroactive effect and shape the EUIPO's practice in detriment of the existing right holders.

This particularly concerns situations where new stricter standards apply or may apply and the situations where the EUIPO's past registration practice is not in line with the new law (e.g. Article 3 EUTMIR). It is particularly feared that certain types of non-traditional trade marks (often well-known marks that were registered based on acquired distinctiveness) could be

reduced to the exact representation and see their scope of protection narrowed as a result of a strict literal interpretation of the new rules, which in turn would result in their limited enforcement capacity and increased risk of invalidity actions by third parties. It is also unclear what will happen in cases where there is a mismatch between representation and mark type or description under the new practice or where the mark type would benefit from reclassification to be in line with the new rules, which particularly concerns the category of 'other' marks on the EUTM register.

The risks involved will be illustrated on the example of pattern marks, which according to the EUIPO's past practice were registered within the broader category of figurative marks, figurative marks protecting a certain aspect of a product, which would now classify as position or shape marks, 'other' marks that mainly cover position and motion marks, as well as on the example of colour combination marks. The category of colour combination marks is particularly problematic due to the fact that an overly strict interpretation of the new rules (Article 3.3(f)(ii) EUTMIR) could result in colour combination marks becoming nothing more than pattern marks or position marks in colour, which should be avoided.

It is therefore submitted that the EUIPO should consider implementing measures to protect the legitimate expectations of trade mark owners of EUTM registrations that may be seen as non-compliant with the new law (and new practice), but which were accepted in line with the past registration practice of the EUIPO. This could be achieved by including a clear statement to this effect to the new EUIPO's Guidelines when implementing the second part of the legal reform or if the Executive Director of the Office issued a communication establishing a grandfathering clause for certain types of marks (like for *IP Translator*). In addition, possible reclassification of certain marks should also be considered for greater legal certainty.