B Intellectual Property Rights involving Commercial Goodwill

4 Trade Marks

First Council Directive of 21 December 1988 to approximate the laws of the Member States relating to trade marks (EEC/104/89)

The Council of the European Communities,
Having regard to the Treaty establishing the European Economic Community, and in particular Article 100a thereof,
Having regard to the proposal from the Commission,
In cooperation with the European Parliament,
Having regard to the opinion of the Economic and Social Committee,
Whereas the trade mark laws at present applicable in the Member States contain disparities which may impede the free movement of goods and freedom to provide services and may distort competition within the common market; whereas it is therefore necessary, in view of the establishment and functioning of the internal market, to approximate the laws of Member States;
Whereas it is important not to disregard the solutions and advantages which the Community trade mark system may afford to undertakings wishing to acquire trade marks;
Whereas it does not appear to be necessary at present to undertake full-scale approximation of the trade mark laws of the Member States and it will be sufficient if approximation is limited to those national provisions of law which most directly affect the functioning of the internal market;
Whereas the Directive does not deprive the Member States of the right to continue to protect trademarks acquired through use but takes them into account only in regard to the relationship between them and trade marks acquired by registration;
Whereas Member States also remain free to fix the provisions of procedure concerning the registration, the revocation and the invalidity of trade marks acquired by registration; whereas they can, for example, determine the form of trade mark registration and invalidity procedures, decide whether earlier rights should be invoked either in the registration procedure or in the invalidity procedure or in both and, if they allow earlier rights to be invoked in the registration procedure, have an opposition procedure or an ex officio examination procedure or both; whereas Member States remain free to determine the effects of revocation or invalidity of trade marks;
Whereas this Directive does not exclude the application to trade marks of provisions of law of the Member States other than trade mark law, such as the provisions relating to unfair competition, civil liability or consumer protection;
Whereas attainment of the objectives at which this approximation of laws is aiming requires that the conditions for obtaining and continuing to hold a registered trade mark are, in general, identical in all Member States; whereas, to this end, it is necessary to list examples of signs which may constitute a trade mark, provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings; whereas the grounds for refusal or invalidity concerning the trade mark itself, for example, the absence of any distinctive character, or concerning conflicts

between the trade mark and earlier rights, are to be listed in an exhaustive manner, even if some of these grounds are listed as an option for the Member States which will therefore be able to maintain or introduce those grounds in their legislation; whereas Member States will be able to maintain or introduce into their legislation grounds of refusal or invalidity linked to conditions for obtaining and continuing to hold a trade mark for which there is no provision of approximation, concerning, for example, the eligibility for the grant of a trade mark, the renewal of the trade mark or rules on fees, or related to the non-compliance with procedural rules;

Whereas in order to reduce the total number of trade marks registered and protected in the Community and, consequently, the number of conflicts which arise between them, it is essential to require that registered trade marks must actually be used or, if not used, be subject to revocation; whereas it is necessary to provide that a trade mark cannot be invalidated on the basis of the existence of a non-used earlier trade mark, while the Member States remain free to apply the same principle in respect of the registration of a trade mark or to provide that a trade mark may not be successfully invoked in infringement proceedings if it is established as a result of a plea that the trade mark could be revoked; whereas in all these cases it is up to the Member States to establish the applicable rules of procedure;

Whereas it is fundamental, in order to facilitate the free circulation of goods and services, to ensure that henceforth registered trade marks enjoy the same protection under the legal systems of all the Member States; whereas this should however not prevent the Member States from granting at their option extensive protection to those trade marks which have a reputation;

Whereas the protection afforded by the registered trade mark, the function of which is in particular to guarantee the trade mark as an indication of origin, is absolute in the case of identity between the mark and the sign and goods or services; whereas the protection applies also in case of similarity between the mark and the sign and the goods or services; whereas it is indispensable to give an interpretation of the concept of similarity in relation to the likelihood of confusion; whereas the likelihood of confusion, the appreciation of which depends on numerous elements and, in particular, on the recognition of the trade mark on the market, of the association which can be made with the used or registered sign, of the degree of similarity between the trade mark and the sign and between the goods or services identified, constitutes the specific condition for such protection; whereas the ways in which likelihood of confusion may be established, and in particular the onus of proof, are a matter for national Procedural rules which are not prejudiced by the Directive;

Whereas it is important, for reasons of legal certainty and without inequitably prejudicing the interests of a proprietor of an earlier trade mark, to Provide that the latter may no longer request a declaration of invalidity nor may he oppose the use of a trade mark subsequent to his own of which he has knowingly tolerated the use for a substantial length of time, unless the application for the subsequent trade mark was made in bad faith:

Whereas all Member States of the Community are bound by the Paris Convention for the Protection of Industrial Property; whereas it is necessary that the provisions of this Directive are entirely consistent with those of the Paris Convention; whereas the obligations of the Member States resulting from this Convention are not affected by this

Directive; whereas, where appropriate, the second subparagraph of Article 234 of the Treaty is applicable,
has adopted this directive:

Article 1

Scope

This Directive shall apply to every trade mark in respect of goods or services which is the subject of registration or of an application in a Member State for registration as an individual trade mark, a collective mark or a guarantee or certification mark, or which is the subject of a registration or an application for registration in the Benelux Trade Mark Office or of an international registration having effect in a Member State.

Article 2

Signs of which a trade mark may consist

A trade mark may consist of any sign 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.

Article 3

Grounds for refusal or invalidity

1. he following shall not be registered or if registered shall be liable to be declared invalid:
(a) signs which cannot constitute a trade mark;
(b) trade marks which are devoid of any distinctive character;
(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, or the time of production of the goods or of rendering of the service, or other characteristics of the goods o(d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade;
(e) signs which consist exclusively of:
- the shape which results from the nature of the goods themselves, or
- the shape of goods which is necessary to obtain a technical result, or
- the shape which gives substantial value to the goods;
(f) trade marks which are contrary to public policy or to accepted principles of morality;
(g) trade marks which are of such a nature as to deceive the public, for instance as to the nature, quality or geographical origin of the goods or service;
(h) trade marks which have not been authorized by the competent authorities and are to be refused or invalidated pursuant to Article 6 ter of the Paris Convention for the

Protection of Industrial Property, hereinafter referred to as the 'Paris Convention'.

2. Any Member State may provide that a trade mark shall not be registered or, if registered, shall be liable to be declared invalid where and to the extent that:
(a) the use of that trade mark may be prohibited pursuant to provisions of law other than trade mark law of the Member State concerned or of the Community;
(b) the trade mark covers a sign of high symbolic value, in particul.ar a religious symbol;
(c) the trade mark includes badges, emblems and escutcheons other than those covered by Article 6 ter of the Paris Convention and which are of Public interest, unless the consent of the appropriate authorities to its registration has been given in conformity with the legislation of the Member State;
(d) the application for registration of the trade mark was made in bad faith by the applicant.

3. A trade mark shall not be refused registration or be declared invalid in accordance with paragraph 1 (b), (c) or (d) if, before the date of application for registration and following the use which has been made of it, it has acquired a distinctive character. Any Member State may in addition provide that this provision shall also apply where the distinctive character was acquired after the date of application for registration or after the date of registration.

4. Any Member State may provide that, by derogation from the preceding paragraphs, the grounds of refusal of registration or invalidity in force in that State prior to the date on which the provisions necessary to comply with this Directive enter into force, shall apply to trade marks for which application has been made prior to that date.

Article 4

Further grounds for refusal or invalidity concerning conflicts with earlier rights

1. A trade mark shall not be registered or, if registered, shall be liable to be declared invalid:
(a) if it is identical with an earlier trade mark, and the goods or services for which the trade mark is applied for or is registered are identical with the goods or services for which the earlier trade mark is protected;
(b) if because of its identity with, or similarity to,the earlier trade mark and the identity or similarity of the goods or services covered by the trade marks, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.

2. 'Earlier trade marks' within the meaning of paragraph 1 means:
(a) trade marks of the following kinds with a date of application for registration which is earlier than the date of application for registration of the trade mark, taking account, where appropriate, of the priorities claimed in respect of those trade marks; (i) Community trade marks;
(ii) trade marks registered in the Member State or, in the case of Belgium, Luxembourg

or the Netherlands, at the Benelux Trade Mark Office;
(iii) trade marks registered under international arrangements which have effect in the Member State;
(b) Community trade marks which validly claim seniority, in accordance with the Regulation on the Community trade mark, from a trade mark referred to in (a) (ii) and (iii), even when the latter trade mark has been surrendered or allowed to lapse;
(c) applications for the trade marks referred to in (a) and (b), subject to their registration;
(d) trade marks which, on the date of application for registration of the trade mark, or, where appropriate, of the priority claimed in respect of the application for registration of the trade mark, are well known in a Member State, in the sense in which the words 'well known' are used in Article 6 bis of the Paris Convention.

3. A trade mark shall furthermore not be registered or, if registered, shall be liable to be declared invalid if it is identical with, or similar to, an earlier Community trade mark within the meaning of paragraph 2 and is to be, or has been, registered for goods or services which are not similar to those for which the earlier Community trade mark is registered, where the earlier Community trade mark has a reputation in the Community and where the use of the later trade mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier Community trade mark.

4. Any Member State may furthermore provide that a trade mark shall not be registered or, if registered, shall be liable to be declared invalid where, and to the extent that:
(a) the trade mark is identical with, or similar to, an earlier national trade mark within the meaning of paragraph 2 and is to he, or has been, registered for goods or services which are not similar to those for which the earlier trade mark is registered, where the earlier trade mark has a reputation in the Member State concerned and where the use of the later trade mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or che repute of the earlier trade mark;
(b) rights to a non-registered trade mark or to another sign used in the course of trade were acquired prior to the date of application for registration of the subsequent trade mark, or the date of the priority claimed for the application for registration of the subsequent trade mark and that non-registered trade mark or other sign confers on its proprietor the right to prohibit the use of a subsequent trade mark;
(c) the use of the trade mark may be prohibited by virtue of an earlier right other than the rights referred to in paragraphs 2 and 4 (b) and in particular:
(i) a right to a name;
(ii) a right of personal portrayal:
(iii) a copyright;
(iv) an industrial property right;
(d) the trade mark is identical with, or similar to, an earlier collective trade mark conferring a right which expired within a period of a maximum of three years preceding application;
(e) the trade mark is identical with, or similar to, an earlier guarantee or certification mark conferring a right which expired within a period preceding application the length of which is fixed by the Member State;

(f) the trade mark is identical with, or similar to, an earlier trade mark which was registered for identical or similar goods or services and conferred on them a right which has expired for failure to renew within a period of a maximum of two years preceding application, unless the proprietor of the earlier trade mark gave his agreement for the registration of the later mark or did not use his trade mark;
(g) the trade mark is liable to be confused with a mark which was in use abroad on the filing date of the application and which is still in use there, provided that at the date of the application the applicant was acting in bad faith?

5. The Member States may permit that in appropriate circumstances registration need not be refused or the trade mark need not be declared invalid where the proprietor of the earlier trade mark or other earlier right consents to the registration of the later trade mark.

6. Any Member State may provide that, by derogation from paragraphs 1 to S, the grounds for refusal of registration or invalidity in force in that State prior to the date on which the provisions necessary to comply with this Directive enter into force, shall apply to trade marks for which application has been made prior to that date.

Article 5

Rights conferred by a trade mark

1. The registered trade mark shall confer on the proprietor exclusive rights therein. The proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade:
(a) any sign which is identical with the trade mark in relation to goods or services which are identical with those for which the trade mark is registered;
(b) any sign where, because of its identity with, or similarity to, the trade mark and the identity or similarity of the goods or services covered by the trade mark and the sign, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association between the sign and the trade mark.

2. Any Member State may also provide that the proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade any sign which is identical with, or similar to, the trade mark in relation to goods or services which are not similar to those for which the trade mark is registered, where the latter has a reputation in the Member State and where use of that sign without due cause takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the trade mark.

3. The following, inter alia, may be prohibited under paragraphs 1 and 2:
(a) affixing the sign to the goods or to the packaging thereof;
(b) offering the goods, or putting them on the market or stocking them for these purposes under that sign, or offering or supplying services thereunder;
(c) importing or exporting the goods under the sign;
(d) using the sign on business papers and in advertising.

4. Where, under the law of the Member State, the use of a sign under the conditions referred to in 1 (b) or 2 could not be prohibited before the date on which the provisions necessary to comply with this Directive entered into force in the Member State concerned, the rights conferred by the trade mark may not be relied on to prevent the continued use of the sign.

5. Paragraphs 1 to 4 shall not affect provisions in any Member State relating to the protection against the use of a sign other than for the purposes of distinguishing goods or services, where use of that sign without due cause takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the trade mark

Article 6

Limitation of the effects of a trade mark

1. The trade mark shall not entitle the proprietor to prohibit a third party from using, in the course of trade,
(a) his own name or address;
(h) indications concerning the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of the service, or other characteristics of goods or services;
(c) the trade mark where it is necessary to indicate the intended purpose of a product or service, in particular as accessories or spare parts;
provided he uses them in accordance with honest practices in industrial or commercial matters

2. The trade mark shall not entitle the proprietor to prohibit a third party from using, in the course of trade, an earlier right which only applies in a particular locality if that right is recognized by the laws of the Member State in question and within the limits of the territory in which it is recognized.

Article 7

Exhaustion of the rights conferred by a trade mark

1. The trade mark shall not entitle the proprietor to prohibit its use in relation to goods which have been put on the market in the Community under that trade mark by the proprietor or with his consent.
2. Paragraph 1 shall not apply where there exist legitimate reasons for the proprietor to oppose further commercialization of the goods, especially where the condition of the goods is changed or impaired after they have been put on the market.

Article 8

Licensing

l. A trade mark may be licensed for some or all of the goods or services for which it is registered and for the whole or part of the Member State concerned. A license may be exclusive or non-exclusive.

2. The proprietor of a trade mark may invoke the rights conferred by that trade mark against a licensee who contravenes any provision in his licensing contract with regard to its duration, the form covered by the registration in which the trade mark may be used, the scope of the goods or services for which the licence is granted, the territory in which the trade mark may be affixed, or the quality of the goods manufactured or of the services provided by the licensee.

Article 9

Limitation in consequence of acquiescence

1. Where, in a Member State, the proprietor of an earlier trade mark as referred to in Article 4 (2) has acquiesced, for a period of five successive years, in the use of a later trade mark registered in that Member State while being aware of such use, he shall no longer be entitled on the basis of the earlier trade mark either to apply for a declaration that the later trade mark is invalid or to oppose the use of the later trade mark in respect of the goods or services for which the later trade mark has been used, unless registration of the later trade mark was applied for in bad faith.

2. Any Member State may provide that paragraph 1 shall apply mutatis mutandis to the proprietor of an earlier trade mark referred to in Article 4 (4) (a) or an other earlier right referred to in Article 4 (4) (b) or (c).

3. In the cases referred to in paragraphs 1 and 2, the proprietor of a later registered trade mark shall not be entitled to oppose the use of the earlier right, even though that right may no longer be invoked against the later trade mark.

Article 10

Use of trade marks

1. If, within a period of five years following the date of the completion of the registration procedure, the proprietor has not put the trade mark to genuine use in the Member State in connection with the goods or services in respect of which it is registered, or if such use has been suspended during an uninterrupted period of five years, the trade mark shall be subject to the sanctions provided for in this Directive, unless there are proper reasons for non-use.

2. The following shall also constitute use within the meaning of paragraph 1:
(a) use of the trade mark in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered;
(b) affixing of the trade mark to goods or to the packaging thereof in the Member State concerned solely for export purposes.

3. Use of the trade mark with the consent of the proprietor or by any person who has authority to use a collective mark or a guarantee or certification mark shall be deemed to constitute use by the proprietor.

4. In relation to trade marks registered before the date on which the provisions necessary to comply with this Directive enter into force in the Member State concerned:
(a) where a provision in force prior to that date attaches sanctions to non-use of a trade mark during an uninterrupted period, the relevant period of five years mentioned in paragraph 1 shall be deemed to have begun to run at the same time as any period of non-use which is already running at that date;
(b) where there is no use provision in force prior to that date, the periods of five years mentioned in paragraph 1 shall be deemed to run from that date at the earliest.

Article 11

Sanctions for non use of a trade mark in legal or administrative proceedings

1. A trade mark may not be declared invalid on the ground that there is an earlier conflicting trade mark if the latter does not fulfil the requirements of use set out in Article 10 (1), (2) and (3) or in Article 10 (4), as the case may be.

2. Any Member State may provide that registration of a trade mark may not be refused on the ground that there is an earlier conflicting trade mark if the latter does not fulfil the requirements of use set out in Article 10 (1), (2) and (3) or in Article 10 (4), as the case may be.

3. Without prejudice to the application of Article 12, where a counter-claim for revocation is made, any Member State may provide that a trade mark may not be successfully invoked in infringement proceedings if it is established as a result of a plea that the trade mark could be revoked pursuant to Article 12 (1).

4. If the earlier trade mark has been used in relation to part only of the goods or services for which it is registered, it shall, for purposes of applying paragraphs 1, 2 and 3, be deemed to be registered in respect only of that part of the goods or services.

Article 12

Grounds for revocation

1. A trade mark shall be liable to revocation if, within a continous period of five years, it

has not been put to genuine use in the Member State in connection with the goods or. services in respect of which it is registered, and there are no proper reasons for non-use; however, no person may claim that the proprietor's rights in a trade mark should be revoked where, during the interval between expiry of the five-year period and filing of the application for revocation, genuine use of the trade mark has been started or resumed; the commencement or resumption of use within a period of three months preceding the filing of the application for revocation which began at the earliest on expiry of the continuous period of five years of non-use, shall, however, be disregarded where preparations for the commencement or resumption occur only after the proprietor becomes aware that the application for revocation may be filed.

2. A trade mark shall also be liable to revocation if, after the date on which it was registered,
(a) in consequence of acts or inactivity of the proprietor, it has become the common name in the trade for a product or service in respect of which it is registered;
(b) in consequence of the use made of it by the proprietor of the trade mark or with his consent in respect of the goods or services for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of those goods or services.

Article 13

Grounds for refusal or revocation or invalidity relating to only some of the goods or services

Where grounds for refusal of registration or for revocation or invalidity of a trade mark exist in respect of only some of the goods or services for which that trade mark has been applied for or registered, refusal of registration or revocation or invalidity shall cover those goods or services only.

Article 14

Establishment *a posteriori* of invalidity or revocation of a trade mark

Where the seniority of an earlier trade mark which has been surrendered or allowed to lapse, is claimed for a Community trade mark, the invalidity or revocation of the earlier trade mark may be established a posteriori

Article 15

Special provisions in respect of collective marks, guarantee marks and certification marks

1. Without prejudice to Article 4, Member States whose laws authorize the registration of collective marks or of.
guarantee or certification marks may provide that such marks shall not be registered, or shall be revoked or declared invalid, on grounds additional to those specified in Articles 3

and 12 where the function of those marks so requires.

2. By way of derogation from Article 3 (1) (c), Member States may provide that signs or indications which may serve, in trade, to designate the geographical origin of the goods or services may constitute collective, guarantee or certification marks. Such a mark does not entitle the proprietor to prohibit a third party from using in the course of trade such signs or indications, provided he uses them in accordance with honest practices in industrial or commercial matters; in particular, such a mark may not be invoked against a third party who is entitled to use a geographical name

Article 16

National provisions to be adopted pursuant to this Directive

1. The Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive not later than 28 December 1991 They shall immediately inform the Commission thereof.

2. Acting on a proposal from the Commission, the Council, acting by qualified majority, may defer the date referred to in paragraph 1 until 31 December 1992 at the latest.

3. Member States shall communicate to the Commission the text of the main.provisions of national law which they adopt in the field governed by this Directive.

Article 17

Addressees

This Directive is addressed to the Member States.

Community Trade Marks

Council Regulation EC/40/94 of 20 December 1993 on the Community Trade Mark

The Council of the European Union,
Having regard to the Treaty establishing the European Community, and in particular Article 235 thereof,
Having regard to the proposal from the Commission (1),
Having regard to the opinion of the European Parliament (2),
Having regard to the opinion of the Economic and Social Committee (3),
Whereas it is desirable to promote throughout the Community a harmonious development of economic activities and a continuous and balanced expansion by completing an internal market which functions properly and offers conditions which are similar to those obtaining in a national market; whereas in order to create a market of this kind and make it increasingly a single market, not only must be barriers to free movement of goods and services be removed and arrangements be instituted which ensure that competition is not distorted, but, in addition, legal conditions must be created which enable undertakings to adapt their activities to the scale of the Community, whether in manufacturing and distributing goods or in providing services; whereas for those purposes, trade marks enabling the products and services of undertakings to be distinguished by identical means throughout the entire Community, regardless of frontiers, should feature amongst the legal instruments which undertakings have at their disposal;
Whereas action by the Community would appear to be necessary for the purpose of attaining the Community's said objectives; whereas such action involves the creation of Community arrangements for trade marks whereby undertakings can by means of one procedural system obtain Community trade marks to which uniform protection is given and which produce their effects throughout the entire area of the Community; whereas the principle of the unitary character of the Community trade mark thus stated will apply unless otherwise provided for in this Regulation;
Whereas the barrier of territoriality of the rights conferred on proprietors of trade marks by the laws of the Member States cannot be removed by approximation of laws; whereas in order to open up unrestricted economic activity in the whole of the common market for the benefit of undertakings, trade marks need to be created which are governed by a uniform Community law directly applicable in all Member States;
Whereas since the Treaty has not provided the specific powers to establish such a legal instrument, Article 235 of the Treaty should be applied;
Whereas the Community law relating to trade marks nevertheless does not replace the laws of the Member States on trade marks; whereas it would not in fact appear to be justified to require undertakings to apply for registration of their trade marks as Community trade marks; whereas national trade marks continue to be necessary for those undertakings which do not want protection of their trade marks at Community level;
Whereas the rights in a Community trade mark may not be obtained otherwise than by registration, and registration is to be refused in particular if the trade mark is not distinctive, if it is unlawful or if it conflicts with earlier rights;
Whereas the protection afforded by a Community trade mark, the function of which is in particular to guarantee the trade mark as an indication of origin, is absolute in the case of

identity between the mark and the sign and the goods or services; whereas the protection applies also in cases of similarity between the mark and the sign and the goods or services; whereas an interpretation should be given of the concept of similarity in relation to the likelihood of confusion; whereas the likelihood of confusion, the appreciation of which depends on numerous elements and, in particular, on the recognition of the trade mark on the market, the association which can be made with the used or registered sign, the degree of similarity between the trade mark and the sign and between the goods or services identified, constitutes the specific condition for such protection;
Whereas it follows from the principle of free flow of goods that the proprietor of a Community trade mark must not be entitled to prohibit its use by a third party in relation to goods which have been put into circulation in the Community, under the trade mark, by him or with his consent, save where there exist legitimate reasons for the proprietor to oppose further commercialization of the goods;
Whereas there is no justification for protecting Community trade marks or, as against them, any trade mark which has been registered before them, except where the trade marks are actually used;
Whereas a Community trade mark is to be regarded as an object of property which exists separately from the undertakings whose goods or services are designated by it; whereas accordingly, it must be capable of being transferred, subject to the overriding need to prevent the public being misled as a result of the transfer. It must also be capable of being charged as security in favour of a third party and of being the subject matter of licences;
Whereas administrative measures are necessary at Community level for implementing in relation to every trade mark the trade mark law created by this Regulation; whereas it is therefore essential, while retaining the Community's existing institutional structure and balance of powers, to establish an Office for Harmonization in the Internal Market (trade marks and designs) which is independent in relation to technical matters and has legal, administrative and financial autonomy; whereas to this end it is necessary and appropriate that it should be a body of the Community having legal personality and exercising the implementing powers which are conferred on it by this Regulation, and that it should operate within the framework of Community law without detracting from the competencies exercised by the Community institutions;
Whereas it is necessary to ensure that parties who are affected by decisions made by the Office are protected by the law in a manner which is suited to the special character of trade mark law; whereas to that end provision is made for an appeal to lie from decisions of the examiners and of the various divisions of the Office; whereas if the department whose decision is contested does not rectify its decision it is to remit the appeal to a Board of Appeal of the Office, which is to decide on it; whereas decisions of the Boards of Appeal are, in turn, amenable to actions before the Court of Justice of the European Communities, which has jurisdiction to annul or to alter the contested decision;
Whereas under Council Decision 88/591/ECSC, EEC, Euratom of 24 October 1988 establishing a Court of First Instance of the European Communities (4), as amended by Decision 93/350/Euratom, ECSC, EEC of 8 June 1993 (5), that Court shall exercise at the first instance the jurisdiction conferred on the Court of Justice by the Treaties establishing the Communities- with particular regard to appeals lodged under the second subparagraph of Article 173 of the EC Treaty - and by the acts adopted in implementation thereof, save as otherwise provided in an act setting up a body governed by Community

law; whereas the jurisdiction which this Regulation confers on the Court of Justice to cancel and reform decisions of the appeal courts shall accordingly be exercised at the first instance by the Court in accordance with the above Decision;
Whereas in order to strengthen the protection of Community trade marks the Member States should designate, having regard to their own national system, as limited a number as possible of national courts of first and second instance having jurisdiction in matters of infringement and validity of Community trade marks;
Whereas decisions regarding the validity and infringement of Community trade marks must have effect and cover the entire area of the Community, as this is the only way of preventing inconsistent decisions on the part of the courts and the Office and of ensuring that the unitary character of Community trade marks is not undermined; whereas the rules contained in the Brussels Convention of Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters will apply to all actions at law relating to Community trade marks, save where this Regulation derogates from those rules;
Whereas contradictory judgments should be avoided in actions which involve the same acts and the same parties and which are brought on the basis of a Community trade mark and parallel national trade marks; whereas for this purpose, when the actions are brought in the same Member State, the way in which this is to be achieved is a matter for national procedural rules, which are not prejudiced by this Regulation, whilst when the actions are brought in different Member States, provisions modelled on the rules on lis pendens and related actions of the abovementioned Brussels Convention appear appropriate;
Whereas in order to guarantee the full autonomy and independence of the Office, it is considered necessary to grant it an autonomous budget whose revenue comes principally from fees paid by the users of the system; whereas however, the Community budgetary procedure remains applicable as far as any subsidies chargeable to general budget of the European Communities are concerned; whereas moreover, the auditing of accounts should be undertaken by the Court of Auditors;
Whereas implementing measures are required for the Regulation's application, particularly as regards the adoption and amendment of fees regulations and an Implementing Regulation; whereas such measures should be adopted by the Commission, assisted by a Committee composed of representatives of the Member States, in accordance with the procedural rules laid down in Article 2, procedure III(b), of Council Decisions 87/373/EEC of 13 July 1987 laying down the procedures for the exercise of implementing powers conferred on the Commission (6),
has adopted this regulation:

TITLE I GENERAL PROVISIONS

Article 1

Community trade mark

1. A trade mark for goods or services which is registered in accordance with the conditions contained in this Regulation and in the manner herein provided is hereinafter referred to as a 'Community trade mark`.

2. A Community trade mark shall have a unitary character. It shall have equal effect throughout the Community: it shall not be registered, transferred or surrendered or be the subject of a decision revoking the rights of the proprietor or declaring it invalid, nor shall its use be prohibited, save in respect of the whole Community. This principle shall apply unless otherwise provided in this Regulation.

Article 2

Office

An Office for Harmonization in the Internal Market (trade marks and designs), hereinafter referred to as 'the Office`, is hereby established.

Article 3

Capacity to act

For the purpose of implementing this Regulation, companies or firms and other legal bodies shall be regarded as legal persons if, under the terms of the law governing them, they have the capacity in their own name to have rights and obligations of all kinds, to make contracts or accomplish other legal acts and to sue and be sued.

TITLE II THE LAW RELATING TO TRADE MARKS

SECTION 1

DEFINITION OF A COMMUNITY TRADE MARK
OBTAINING A COMMUNITY TRADE MARK

Article 4

Signs of which a Community trade mark may consist

A Community trade mark may consist 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.

Article 5

Persons who can be proprietors of Community trade marks

1. The following natural or legal persons, including authorities established under public law, may be proprietors of Community trade marks:
(a) nationals of the Member States; or
(b) nationals of other States which are parties to the Paris Convention for the protection

of industrial property, hereinafter referred to as 'the Paris Convention`; or
(c) nationals of States which are not parties to the Paris Convention who are domiciled or have their seat or who have real and effective industrial or commercial establishments within the territory of the Community or of a State which is party to the Paris Convention; or
(d) nationals, other than those referred to under subparagraph (c), of any State which is not party to the Paris Convention and which, according to published findings, accords to nationals of all the Member States the same protection for trade marks as it accords to its own nationals and, if nationals of the Member States are required to prove registration in the country of origin, recognizes the registration of Community trade marks as such proof.

2. With respect to the application of paragraph 1, stateless persons as defined by Article 1 of the Convention relating to the Status of Stateless Persons signed at New York on 28 September 1954, and refugees as defined by Article 1 of the Convention relating to the Status of Refugees signed at Geneva on 28 July 1951 and modified by the Protocol relating to the Status of Refugees signed at New York on 31 January 1967, shall be regarded as nationals of the country in which they have their habitual residence.

3. Persons who are nationals of a State covered by paragraph 1 (d) must prove that the trade mark for which an application for a Community trade mark has been submitted is registered in the State of origin, unless, according to published findings, the trade marks of nationals of the Member States are registered in the State of origin in question without proof of prior registration as a Community trade mark or as a national trade mark in a Member State.

Article 6

Means whereby a Community trade mark is obtained

A Community trade mark shall be obtained by registration.

Article 7

Absolute grounds for refusal

1. The following shall not be registered:
(a) signs which do not conform to the requirements of Article 4;
(b) trade marks which are devoid of any distinctive character;
(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service;
(d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade;

(e) signs which consist exclusively of:
(i) the shape which results from the nature of the goods themselves; or
(ii) the shape of goods which is necessary to obtain a technical result; or
(iii) the shape which gives substantial value to the goods;
(f) trade marks which are contrary to public policy or to accepted principles of morality;
(g) trade marks which are of such a nature as to deceive the public, for instance as to the nature, quality or geographical origin of the goods or service;
(h) trade marks which have not been authorized by the competent authorities and are to be refused pursuant to Article 6ter of the Paris Convention;
(i) trade marks which include badges, emblems or escutcheons other than those covered by Article 6ter of the Paris Convention and which are of particular public interest, unless the consent of the appropriate authorities to their registration has been given.

2. Paragraph 1 shall apply notwithstanding that the grounds of non-registrability obtain in only part of the Community.

3. Paragraph 1 (b), (c) and (d) shall not apply if the trade mark has become distinctive in relation to the goods or services for which registration is requested in consequence of the use which has been made of it.

Article 8

Relative grounds for refusal

1. Upon opposition by the proprietor of an earlier trade mark, the trade mark applied for shall not be registered:
(a) if it is identical with the earlier trade mark and the goods or services for which registration is applied for are identical with the goods or services for which the earlier trade mark is protected;
(b) if because of its identity with or similarity to the earlier trade mark and the identity or similarity of the goods or services covered by the trade marks there exists a likelihood of confusion on the part of the public in the territory in which the earlier trade mark is protected; the likelihood of confusion includes the likelihood of association with the earlier trade mark.

2. for the purposes of paragraph 1, 'Earlier trade marks` means:
(a) trade marks of the following kinds with a date of application for registration which is earlier than the date of application for registration of the Community trade mark, taking account, where appropriate, of the priorities claimed in respect of those trade marks:
(i) Community trade marks;
(ii) trade marks registered in a Member State, or, in the case of Belgium, the Netherlands or Luxembourg, at the Benelux Trade Mark Office;
(iii) trade marks registered under international arrangements which have effect in a Member State;
(b) applications for the trade marks referred to in subparagraph (a), subject to their registration;

(c) trade marks which, on the date of application for registration of the Community trade mark, or, where appropriate, of the priority claimed in respect of the application for registration of the Community trade mark, are well known in a Member State, in the sense in which the words 'well known` are used in Article 6 bis of the Paris Convention.

3. Upon opposition by the proprietor of the trade mark, a trade mark shall not be registered where an agent or representative of the proprietor of the trade mark applies for registration thereof in his own name without the proprietor's consent, unless the agent or representative justifies his action.

4. Upon opposition by the proprietor of a non-registered trade mark or of another sign used in the course of trade of more than mere local significance, the trade mark applied for shall not be registered where and to the extent that, pursuant to the law of the Member State governing that sign,
(a) rights to that sign were acquired prior to the date of application for registration of the Community trade mark, or the date of the priority claimed for the application for registration of the Community trade mark;
(b) that sign confers on its proprietor the right to prohibit the use of a subsequent trade mark.

5. Furthermore, upon opposition by the proprietor of an earlier trade mark within the meaning of paragraph 2, the trade mark applied for shall not be registered where it is identical with or similar to the earlier trade mark and is to be registered for goods or services which are not similar to those for which the earlier trade mark is registered, where in the case of an earlier Community trade mark the trade mark has a reputation in the Community and, in the case of an earlier national trade mark, the trade mark 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.

SECTION 2
EFFECTS OF COMMUNITY TRADE MARKS

Article 9

Rights conferred by a Community trade mark

1. A Community trade mark shall confer on the proprietor exclusive rights therein. The proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade:
(a) any sign which is identical with the Community trade mark in relation to goods or services which are identical with those for which the Community trade mark is registered;
(b) any sign where, because of its identity with or similarity to the Community trade mark and the identity or similarity of the goods or services covered by the Community trade mark and the sign, there exists a likelihood of confusion on the part of the public; the

likelihood of confusion includes the likelihood of association between the sign and the trade mark;
(c) any sign which is identical with or similar to the Community trade mark in relation to goods or services which are not similar to those for which the Community trade mark is registered, where the latter has a reputation in the Community and where use of that sign without due cause takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the Community trade mark.

2. The following, inter alia, may be prohibited under paragraph 1:
(a) affixing the sign to the goods or to the packaging thereof;
(b) offering the goods, putting them on the market or stocking them for these purposes under that sign, or offering or supplying services thereunder;
(c) importing or exporting the goods under that sign;
(d) using the sign on business papers and in advertising.

3. The rights conferred by a Community trade mark shall prevail against third parties from the date of publication of registration of the trade mark. Reasonable compensation may, however, 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. The court seized of the case may not decide upon the merits of the case until the registration has been published.

Article 10

Reproduction of Community trade marks in dictionaries

If the reproduction of a Community trade mark in a dictionary, encyclopaedia or similar reference work gives the impression that it constitutes the generic name of the goods or services for which the trade mark is registered, the publisher of the work shall, at the request of the proprietor of the Community trade mark, ensure that the reproduction of the trade mark at the latest in the next edition of the publication is accompanied by an indication that it is a registered trade mark.

Article 11

Prohibition on the use of a Community trade mark registered in the name of an agent or representative

Where a Community trade mark is registered in the name of the agent or representative of a person who is the proprietor of that trade mark, without the proprietor's authorization, the latter shall be entitled to oppose the use of his mark by his agent or representative if he has not authorized such use, unless the agent or representative justifies his action.

Article 12

Limitation of the effects of a Community trade mark

A Community trade mark shall not entitle the proprietor to prohibit a third party from using in the course of trade:
(a) his own name or address;
(b) indications concerning the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of the goods or of rendering of the service, or other characteristics of the goods or service;
(c) the trade mark where it is necessary to indicate the intended purpose of a product or service, in particular as accessories or spare parts,
provided he uses them in accordance with honest practices in industrial or commercial matters.

Article 13

1. A Community trade mark shall not entitle the proprietor to prohibit its use in relation to goods which have been put on the market in the Community under that trade mark by the proprietor or with his consent.

2. Paragraph 1 shall not apply where there exist legitimate reasons for the proprietor to oppose further commercialization of the goods, especially where the condition of the goods is changed or impaired after they have been put on the market.

Article 14

Complementary application of national law relating to infringement

1. The effects of Community trade marks shall be governed solely by the provisions of this Regulation. In other respects, infringement of a Community trade mark shall be governed by the national law relating to infringement of a national trade mark in accordance with the provisions of Title X.

2. This Regulation shall not prevent actions concerning a Community trade mark being brought under the law of Member States relating in particular to civil liability and unfair competition.

3. The rules of procedure to be applied shall be determined in accordance with the provisions of Title X.

SECTION 3
USE OF COMMUNITY TRADE MARKS

Article 15

Use of Community trade marks

1. If, within a period of five years following registration, the proprietor has not put the Community trade mark to genuine use in the Community in connection with the goods or services in respect of which it is registered, or if such use has been suspended during an uninterrupted period of five years, the Community trade mark shall be subject to the sanctions provided for in this Regulation, unless there are proper reasons for non-use.

2. The following shall also constitute use within the meaning of paragraph 1:
(a) use of the Community trade mark in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered;
(b) affixing of the Community trade mark to goods or to the packaging thereof in the Community solely for export purposes.

3. Use of the Community trade mark with the consent of the proprietor shall be deemed to constitute use by the proprietor.

SECTION 4
COMMUNITY TRADE MARKS AS OBJECTS OF PROPERTY

Article 16

Dealing with Community trade marks as national trade marks

1. Unless Articles 17 to 24 provide otherwise, a Community trade mark as an object of property shall be dealt with in its entirety, and for the whole area of the Community, as a national trade mark registered in the Member State in which, according to the Register of Community trade marks,
(a) the proprietor has his seat or his domicile on the relevant date; or
(b) where subparagraph (a) does not apply, the proprietor has an establishment on the relevant date.

2. In cases which are not provided for by paragraph 1, the Member State referred to in that paragraph shall be the Member State in which the seat of the Office is situated.

3. If two or more persons are mentioned in the Register of Community trade marks as joint proprietors, paragraph 1 shall apply to the joint proprietor first mentioned; failing this, it shall apply to the subsequent joint proprietors in the order in which they are mentioned. Where paragraph 1 does not apply to any of the joint proprietors, paragraph 2 shall apply.

Article 17

Transfer

1. A Community trade mark may be transferred, separately from any transfer of the undertaking, in respect of some or all of the goods or services for which it is registered.

2. A transfer of the whole of the undertaking shall include the transfer of the Community trade mark except where, in accordance with the law governing the transfer, there is agreement to the contrary or circumstances clearly dictate otherwise. This provision shall apply to the contractual obligation to transfer the undertaking.

3. Without prejudice to paragraph 2, an assignment of the Community trade mark shall be made in writing and shall require the signature of the parties to the contract, except when it is a result of a judgment; otherwise it shall be void.

4. Where it is clear from the transfer documents that because of the transfer the Community trade mark is likely to mislead the public concerning the nature, quality or geographical origin of the goods or services in respect of which it is registered, the Office shall not register the transfer unless the successor agrees to limit registration of the Community trade mark to goods or services in respect of which it is not likely to mislead.

5. On request of one of the parties a transfer shall be entered in the Register and published.

6. As long as the transfer has not been entered in the Register, the successor in title may not invoke the rights arising from the registration of the Community trade mark.

7. Where there are time limits to be observed vis-à-vis the Office, the successor in title may make the corresponding statements to the Office once the request for registration of the transfer has been received by the Office.

8. All documents which require notification to the proprietor of the Community trade mark in accordance with Article 77 shall be addressed to the person registered as proprietor.

Article 18

Transfer of a trade mark registered in the name of an agent

Where a Community trade mark is registered in the name of the agent or representative of a person who is the proprietor of that trade mark, without the proprietor's authorization, the latter shall be entitled to demand the assignment in his favour of the said registration, unless such agent or representative justifies his action.

Article 19

Rights *in rem*

1. A Community trade mark may, independently of the undertaking, be given as security or be the subject of rights in rem.

2. On request of one of the parties, rights mentioned in paragraph 1 shall be entered in the Register and published.

Article 20

Levy of execution

1. A Community trade mark may be levied in execution.

2. As regards the procedure for levy of execution in respect of a Community trade mark, the courts and authorities of the Member States determined in accordance with Article 16 shall have exclusive jurisdiction.

3. On request of one the parties, levy of execution shall be entered in the Register and published.

Article 21

Bankruptcy or like proceedings

1. Until such time as common rules for the Member States in this field enter into force, the only Member State in which a Community trade mark may be involved in bankruptcy or like proceedings shall be that in which such proceedings are first brought within the meaning of national law or of conventions applicable in this field.

2. Where a Community trade mark is involved in bankruptcy or like proceedings, on request of the competent national authority an entry to this effect shall be made in the Register and published.

Article 22

Licensing

1. A Community trade mark may be licensed for some or all of the goods or services for which it is registered and for the whole or part of the Community. A licence may be exclusive or non-exclusive.

2. The proprietor of a Community trade mark may invoke the rights conferred by that trade mark against a licensee who contravenes any provision in his licensing contract

with regard to its duration, the form covered by the registration in which the trade mark may be used, the scope of the goods or services for which the licence is granted, the territory in which the trade mark may be affixed, or the quality of the goods manufactured or of the services provided by the licensee.

3. Without prejudice to the provisions of the licensing contract, the licensee may bring proceedings for infringement of a Community trade mark only if its proprietor consents thereto. However, the holder of an exclusive licence may bring such proceedings if the proprietor of the trade mark, after formal notice, does not himself bring infringement proceedings within an appropriate period.

4. A licensee shall, for the purpose of obtaining compensation for damage suffered by him, be entitled to intervene in infringement proceedings brought by the proprietor of the Community trade mark.

5. On request of one of the parties the grant or transfer of a licence in respect of a Community trade mark shall be entered in the Register and published.

Article 23

Effects vis-à-vis third parties

1. Legal acts referred to in Article 17, 19 and 22 concerning a Community trade mark shall only have effects vis-à-vis third parties in all the Member States after entry in the Register. Nevertheless, such an act, before it is so entered, shall have effect visà- vis third parties who have acquired rights in the trade mark after the date of that act but who knew of the act at the date on which the rights were acquired.

2. Paragraph 1 shall not apply in the case of a person who acquires the Community trade mark or a right concerning the Community trade mark by way of transfer of the whole of the undertaking or by any other universal succession.

3. The effects vis-à-vis third parties of the legal acts referred to in Article 20 shall be governed by the law of the Member State determined in accordance with Article 16.

4. Until such time as common rules for the Member States in the field of bankruptcy enter into force, the effects vis-à-vis third parties of bankruptcy or like proceedings shall be governed by the law of the Member State in which such proceedings are first brought within the meaning of national law or of conventions applicable in this field.

Article 24

The application for a Community trade mark as an object of property

Articles 16 to 23 shall apply to applications for Community trade marks.

TITLE III APPLICATION FOR COMMUNITY TRADE MARKS
SECTION 1
FILING OF APPLICATIONS AND THE CONDITIONS WHICH GOVERN THEM

Article 25

Filing of applications

1. An application for a Community trade mark shall be filed, at the choice of the applicant,
(a) at the Office; or
(b) at the central industrial property office of a Member State or at the Benelux Trade Mark Office. An application filed in this way shall have the same effect as if it had been filed on the same date at the Office.

2. Where the application is filed at the central industrial property office of a Member State or at the Benelux Trade Mark Office, that office shall take all steps to forward the application to the Office within two weeks after filing. It may charge the applicant a fee which shall not exceed the administrative costs of receiving and forwarding the application.

3. Applications referred to in paragraph 2 which reach the Office more than one month after filing shall be deemed withdrawn.

4. Ten years after the entry into force of this Regulation, the Commission shall draw up a report on the operation of the system of filing applications for Community trade marks, together with any proposals for modifying this system.

Article 26

Conditions with which applications must comply

1. An application for a Community trade mark shall contain:
(a) a request for the registration of a Community trade mark;
(b) information identifying the applicant;
(c) a list of the goods or services in respect of which the registration is requested;
(d) a representation of the trade mark.

2. The application for a Community trade mark shall be subject to the payment of the application fee and, when appropriate, of one or more class fees.

3. An application for a Community trade mark must comply with the conditions laid down in the implementing Regulation referred to in Article 140.

Article 27

Date of filing

The date of filing of a Community trade mark application shall be the date on which documents containing the information specified in Article 26 (1) are filed with the Office by the applicant or, if the application has been filed with the central office of a Member State or with the Benelux Trade Mark Office, with that office, subject to payment of the application fee within a period of one month of filing the abovementioned documents.

Article 28

Classification

Goods and services in respect of which Community trade marks are applied for shall be classified in conformity with the system of classification specified in the Implementing Regulation.

SECTION 2
PRIORITY

Article 29

Right of priority

1. A person who has duly filed an application for a trade mark in or for any State party to the Paris Convention, or his successors in title, shall enjoy, for the purpose of filing a Community trade mark application for the same trade mark in respect of goods or services which are identical with or contained within those for which the application has been filed, a right of priority during a period of six months from the date of filing of the first application.

2. Every filing that is equivalent to a regular national filing under the national law of the State where it was made or under bilateral or multilateral agreements shall be recognized as giving rise to a right of priority.

3. By a regular national filing is meant any filing that is sufficient to establish the date on which the application was filed, whatever may be the outcome of the application.

4. A subsequent application for a trade mark which was the subject of a previous first application in respect of the same goods or services, and which is filed in or in respect of the same State shall be considered as the first application for the purposes of determining priority, provided that, at the date of filing of the subsequent application, the previous application has been withdrawn, abandoned or refused, without being open to public inspection and without leaving any rights outstanding, and has not served as a basis for claiming a right of priority. The previous application may not thereafter serve as a basis

for claiming a right of priority.

5. If the first filing has been made in a State which is not a party to the Paris Convention, paragraphs 1 to 4 shall apply only in so far as that State, according to published findings, grants, on the basis of a first filing made at the Office and subject to conditions equivalent to those laid down in this Regulation, a right of priority having equivalent effect.

Article 30

Claiming priority

An applicant desiring to take advantage of the priority of a previous application shall file a declaration of priority and a copy of the previous application. If the language of the latter is not one of the languages of the Office, the applicant shall file a translation of the previous application in one of those languages.

Article 31

Effect of priority right

The right of priority shall have the effect that the date of priority shall count as the date of filing of the Community trade mark application for the purposes of establishing which rights take precedence.

Article 32

Equivalence of Community filing with national filing

A Community trade mark application which has been accorded a date of filing shall, in the Member States, be equivalent to a regular national filing, where appropriate with the priority claimed for the Community trade mark application.

SECTION 3
EXHIBITION PRIORITY

Article 33

Exhibition priority

1. If an applicant for a Community trade mark has displayed goods or services under the mark applied for, at an official or officially recognized international exhibition falling within the terms of the Convention on International Exhibitions signed at Paris on 22 November 1928 and last revised on 30 November 1972, he may, if he files the application within a period of six months from the date of the first display of the goods or services under the mark applied for, claim a right of priority from that date within the

meaning of Article 31.

2. An applicant who wishes to claim priority pursuant to paragraph 1 must file evidence of the display of goods or services under the mark applied for under the conditions laid down in the Implementing Regulation.

3. An exhibition priority granted in a Member State or in a third country does not extend the period of priority laid down in Article 29.

SECTION 4
CLAIMING THE SENIORITY OF A NATIONAL TRADE MARK

Article 34

Claiming the seniority of a national trade mark

1. The proprietor of an earlier trade mark registered in a Member State, including a trade mark registered in the Benelux countries, or registered under international arrangements having effect in a Member State, who applies for an identical trade mark for registration as a Community trade mark for goods or services which are identical with or contained within those for which the earlier trade mark has been registered, may claim for the Community trade mark the seniority of the earlier trade mark in respect of the Member State in or for which it is registered.

2. Seniority shall have the sole effect under this Regulation that, where the proprietor of the Community trade mark surrenders the earlier trade mark or allows it to lapse, he shall be deemed to continue to have the same rights as he would have had if the earlier trade mark had continued to be registered.

3. The seniority claimed for the Community trade mark shall lapse if the earlier trade mark the seniority of which is claimed is declared to have been revoked or to be invalid or if it is surrendered prior to the registration of the Community trade mark.

Article 35

Claiming seniority after registration of the Community trade mark

1. The proprietor of a Community trade mark who is the proprietor of an earlier identical trade mark registered in a Member State, including a trade mark registered in the Benelux countries, or of a trade mark registered under international arrangements having effect in a Member State, for identical goods or services, may claim the seniority of the earlier trade mark in respect of the Member State in or for which it is registered.

2. Article 34 (2) and (3) shall apply.

TITLE IV REGISTRATION PROCEDURE
SECTION 1
EXAMINATION OF APPLICATIONS

Article 36

Examination of the conditions of filing

1. The Office shall examine whether:
(a) the Community trade mark application satisfies the requirements for the accordance of a date of filing in accordance with Article 27;
(b) the Community trade mark application complies with the conditions laid down in the Implementing Regulation;
(c) where appropriate, the class fees have been paid within the prescribed period.

2. Where the Community trade mark application does not satisfy the requirements referred to in paragraph 1, the Office shall request the applicant to remedy the deficiencies or the default on payment within the prescribed period.

3. If the deficiencies or the default on payment established pursuant to paragraph 1 (a) are not remedied within this period, the application shall not be dealt with as a Community trade mark application. If the applicant complies with the Office's request, the Office shall accord as the date of filing of the application the date on which the deficiencies or the default on payment established are remedied.

4. If the deficiencies established pursuant to paragraph 1 (b) are not remedied within the prescribed period, the Office shall refuse the application.

5. If the default on payment established pursuant to paragraph 1 (c) is not remedied within the prescribed period, the application shall be deemed to be withdrawn unless it is clear which categories of goods or services the amount paid is intended to cover.

6. Failure to satisfy the requirements concerning the claim to priority shall result in loss of the right of priority for the application.

7. Failure to satisfy the requirements concerning the claiming of seniority of a national trade mark shall result in loss of that right for the application.

Article 37

Examination of the conditions relating to the entitlement of the proprietor

1. Where, pursuant to Article 5, the applicant may not be the proprietor of a Community trade mark, the application shall be refused.

2. The application may not be refused before the applicant has been given the opportunity

to withdraw his application or submit his observations.

Article 38

Examination as to absolute grounds for refusal

1. Where, under Article 7, a trade mark is ineligible for registration in respect of some or all of the goods or services covered by the Community trade mark application, the application shall be refused as regards those goods or services.

2. Where the trade mark contains an element which is not distinctive, and where the inclusion of said element in the trade mark could give rise to doubts as to the scope of protection of the trade mark, the Office may request, as a condition for registration of said trade mark, that the applicant state that he disclaims any exclusive right to such element. Any disclaimer shall be published together with the application or the registration of the Community trade mark, as the case may be.

3. The application shall not be refused before the applicant has been allowed the opportunity of withdrawing or amending the application or of submitting his observations.

SECTION 2
SEARCH

Article 39

Search

1. Once the Office has accorded a date of filing to a Community trade mark application and has established that the applicant satisfies the conditions referred to in Article 5, it shall draw up a Community search report citing those earlier Community trade marks or Community trade mark applications discovered which may be invoked under Article 8 against the registration of the Community trade mark applied for.

2. As soon as a Community trade mark application has been accorded a date of filing, the Office shall transmit a copy thereof to the central industrial property office of each Member State which has informed the Office of its decision to operate a search in its own register of trade marks in respect of Community trade mark applications.

3. Each of the central industrial property offices referred to in paragraph 2 shall communicate to the Office within three months as from the date on which it received the Community trade mark application a search report which shall either cite those earlier national trade marks or trade mark applications discovered which may be invoked under Article 8 against the registration of the Community trade mark applied for, or state that the search has revealed no such rights.

4. An amount shall be paid by the Office to each central industrial property office for each search report provided by that office in accordance with paragraph 3. The amount, which shall be the same for each office, shall be fixed by the Budget Committee by means of a decision adopted by a majority of three-quarters of the representatives of the Member States.

5. The Office shall transmit without delay to the applicant for the Community trade mark the Community search report and the national search reports received within the time limit laid down in paragraph 3.

6. Upon publication of the Community trade mark application, which may not take place before the expiry of a period of one month as from the date on which the Office transmits the search reports to the applicant, the Office shall inform the proprietors of any earlier Community trade marks or Community trade mark applications cited in the Community search report of the publication of the Community trade mark application.

7. The Commission shall, five years after the opening of the Office for the filing of applications, submit to the Council a report on the operation of the system of searching resulting from this Article, including the payments made to Member States under paragraph 4, and, if necessary, appropriate proposals for amending this Regulation with a view to adapting the system of searching on the basis of the experience gained and bearing in mind developments in searching techniques.

SECTION 3
PUBLICATION OF THE APPLICATION

Article 40

Publication of the application

1. If the conditions which the application for a Community trade mark must satisfy have been fulfilled and if the period referred to in Article 39 (6) has expired, the application shall be published to the extent that it has not been refused pursuant to Articles 37 and 38.

2. Where, after publication, the application is refused under Articles 37 and 38, the decision that it has been refused shall be published upon becoming final.

SECTION 3
PUBLICATION OF THE APPLICATION

Article 40

Publication of the application

1. If the conditions which the application for a Community trade mark must satisfy have

been fulfilled and if the period referred to in Article 39 (6) has expired, the application shall be published to the extent that it has not been refused pursuant to Articles 37 and 38.
2. Where, after publication, the application is refused under Articles 37 and 38, the decision that it has been refused shall be published upon becoming final.

SECTION 4
OBSERVATIONS BY THIRD PARTIES AND OPPOSITION

Article 41

Observations by third parties

1. Following the publication of the Community trade mark application, any natural or legal person and any group or body representing manufacturers, producers, suppliers of services, traders or consumers may submit to the Office written observations, explaining on which grounds under Article 7, in particular, the trade mark shall not be registered *ex officio*. They shall not be parties to the proceedings before the Office.

2. The observations referred to in paragraph 1 shall be communicated to the applicant who may comment on them.

Article 42

Opposition

1. Within a period of three months following the publication of a Community trade mark application, notice of opposition to registration of the trade mark may be given on the grounds that it may not be registered under Article 8:
(a) by the proprietors of earlier trade marks referred to in Article 8 (2) as well as licensees authorized by the proprietors of those trade marks, in respect of Article 8 (1) and (5);
(b) by the proprietors of trade marks referred to in Article 8 (3);
(c) by the proprietors of earlier marks or signs referred to in Article 8 (4) and by persons authorized under the relevant national law to exercise these rights.

2. Notice of opposition to registration of the trade mark may also be given, subject to the conditions laid down in paragraph 1, in the event of the publication of an amended application in accordance with the second sentence of Article 44 (2).

3. Opposition must be expressed in writing and must specify the grounds on which it is made. It shall not be treated as duly entered until the opposition fee has been paid. Within a period fixed by the Office, the opponent may submit in support of his case facts, evidence and arguments.

Article 43

Examination of opposition

1. In the examination of the opposition the Office shall invite the parties, as often as necessary, to file observations, within a period set them by the Office, on communications from the other parties or issued by itself.

2. If the applicant so requests, the proprietor of an earlier Community trade mark who has given notice of opposition shall furnish proof that, during the period of five years preceding the date of publication of the Community trade mark application, the earlier Community trade mark has been put to genuine use in the Community in connection with the goods or services in respect of which it is registered and which he cites as justification for his opposition, or that there are proper reasons for non-use, provided the earlier Community trade mark has at that date been registered for not less than five years. In the absence of proof to this effect, the opposition shall be rejected. If the earlier Community trade mark has been used in relation to part only of the goods or services for which it is registered it shall, for the purposes of the examination of the opposition, be deemed to be registered in respect only of that part of the goods or services.

3. Paragraph 2 shall apply to earlier national trade marks referred to in Article 8 (2) (a), by substituting use in the Member State in which the earlier national trade mark is protected for use in the Community.

4. The Office may, if it thinks fit, invite the parties to make a friendly settlement.

5. If examination of the opposition reveals that the trade mark may not be registered in respect of some or all of the goods or services for which the Community trade mark application has been made, the application shall be refused in respect of those goods or services. Otherwise the opposition shall be rejected.

6. The decision refusing the application shall be published upon becoming final.

SECTION 5
WITHDRAWAL, RESTRICTION AND AMENDMENT OF THE APPLICATION

Article 44

Withdrawal, restriction and amendment of the application

1. The applicant may at any time withdraw his Community trade mark application or restrict the list of goods or services contained therein. Where the application has already been published, the withdrawal or restriction shall also be published.

2. In other respects, a Community trade mark application may be amended, upon request of the applicant, only by correcting the name and address of the applicant, errors of

wording or of copying, or obvious mistakes, provided that such correction does not substantially change the trade mark or extend the list of goods or services. Where the amendments affect the representation of the trade mark or the list of goods or services and are made after publication of the application, the trade mark application shall be published as amended.

SECTION 6
REGISTRATION

Article 45

Registration

Where an application meets the requirements of this Regulation and where no notice of opposition has been given within the period referred to in Article 42 (1) or where opposition has been rejected by a definitive decision, the trade mark shall be registered as a Community trade mark, provided that the registration fee has been paid within the period prescribed. If the fee is not paid within this period the application shall be deemed to be withdrawn.

TITLE V
DURATION, RENEWAL AND ALTERATION OF COMMUNITY TRADE MARKS

Article 46

Duration of registration

Community trade marks shall be registered for a period of ten years from the date of filing of the application. Registration may be renewed in accordance with Article 47 for further periods of ten years.

Article 47

Renewal

1. Registration of the Community trade mark shall be renewed at the request of the proprietor of the trade mark or any person expressly authorized by him, provided that the fees have been paid.

2. The Office shall inform the proprietor of the Community trade mark, and any person having a registered right in respect of the Community trade mark, of the expiry of the registration in good time before the said expiry. Failure to give such information shall not involve the responsibility of the Office.

3. The request for renewal shall be submitted within a period of six months ending on the last day of the month in which protection ends. The fees shall also be paid within this

period. Failing this, the request may be submitted and the fees paid within a further period of six months following the day referred to in the first sentence, provided that an additional fee is paid within this further period.

4. Where the request is submitted or the fees paid in respect of only some of the goods or services for which the Community trade mark is registered, registration shall be renewed for those goods or services only.

5. Renewal shall take effect from the day following the date on which the existing registration expires. The renewal shall be registered.

Article 48

Alteration

1. The Community trade mark shall not be altered in the register during the period of registration or on renewal thereof.

2. Nevertheless, where the Community trade mark includes the name and address of the proprietor, any alteration thereof not substantially affecting the identity of the trade mark as originally registered may be registered at the request of the proprietor.

3. The publication of the registration of the alteration shall contain a representation of the Community trade mark as altered. Third parties whose rights may be affected by the alteration may challenge the registration thereof within a period of three months following publication.

TITLE VI
SURRENDER, REVOCATION AND INVALIDITY
SECTION 1
SURRENDER

Article 49

Surrender

1. A Community trade mark may be surrendered in respect of some or all of the goods or services for which it is registered.

2. The surrender shall be declared to the Office in writing by the proprietor of the trade mark. It shall not have effect until it has been entered in the Register.

3. Surrender shall be entered only with the agreement of the proprietor of a right entered in the Register. If a licence has been registered, surrender shall only be entered in the Register if the proprietor of the trade mark proves that he has informed the licensee of his intention to surrender; this entry shall be made on expiry of the period prescribed by the

Implementing Regulation.

SECTION 2
GROUNDS FOR REVOCATION

Article 50

Grounds for revocation

1. The rights of the proprietor of the Community trade mark shall be declared to be revoked on application to the Office or on the basis of a counterclaim in infringement proceedings:
(a) if, within a continuous period of five years, the trade mark has not been put to genuine use in the Community in connection with the goods or services in respect of which it is registered, and there are no proper reasons for non-use; however, no person may claim that the proprietor's rights in a Community trade mark should be revoked where, during the interval between expiry of the five-year period and filing of the application or counterclaim, genuine use of the trade mark has been started or resumed; the commencement or resumption of use within a period of three months preceding the filing of the application or counterclaim which began at the earliest on expiry of the continuous period of five years of non-use shall, however, be disregarded where preparations for the commencement or resumption occur only after the proprietor becomes aware that the application or counterclaim may be filed;
(b) if, in consequence of acts or inactivity of the proprietor, the trade mark has become the common name in the trade for a product or service in respect of which it is registered;
(c) if, in consequence of the use made of it by the proprietor of the trade mark or with his consent in respect of the goods or services for which it is registered, the trade mark is liable to mislead the public, particularly as to the nature, quality or geographical origin of those goods or services;
(d) if the proprietor of the trade mark no longer satisfies the conditions laid down by Article 5.

2. Where the grounds for revocation of rights exist in respect of only some of the goods or services for which the Community trade mark is registered, the rights of the proprietor shall be declared to be revoked in respect of those goods or services only.

SECTION 3
GROUNDS FOR INVALIDITY

Article 51

Absolute grounds for invalidity

1. A Community trade mark shall be declared invalid on application to the Office or on the basis of a counterclaim in infringement proceedings,
(a) where the Community trade mark has been registered in breach of the provisions of

Article 5 or of Article 7;
(b) where the applicant was acting in bad faith when he filed the application for the trade mark.

2. Where the Community trade mark has been registered in breach of the provisions of Article 7 (1) (b), (c) or (d), it may nevertheless not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

3. Where the ground for invalidity exists in respect of only some of the goods or services for which the Community trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

Article 52

Relative grounds for invalidity

1. A Community trade mark shall be declared invalid on application to the Office or on the basis of a counterclaim in infringement proceedings:
(a) where there is an earlier trade mark as referred to in Article 8 (2) and the conditions set out in paragraph 1 or paragraph 5 of that Article are fulfilled;
(b) where there is a trade mark as referred to in Article 8 (3) and the conditions set out in that paragraph are fulfilled;
(c) where there is an earlier right as referred to in Article 8 (4) and the conditions set out in that paragraph are fulfilled.

2. A Community trade mark shall also be declared invalid on application to the Office or on the basis of a counterclaim in infringement proceedings where the use of such trade mark may be prohibited pursuant to the national law governing the protection of any other earlier right an in particular:
(a) a right to a name;
(b) a right of personal portrayal;
(c) a copyright;
(d) an industrial property right.

3. A Community trade mark may not be declared invalid where the proprietor of a right referred to in paragraphs 1 or 2 consents expressly to the registration of the Community trade mark before submission of the application for a declaration of invalidity or the counterclaim.

4. Where the proprietor of one of the rights referred to in paragraphs 1 or 2 has previously applied for a declaration that a Community trade mark is invalid or made a counterclaim in infringement proceedings, he may not submit a new application for a declaration of invalidity or lodge a counterclaim on the basis of another of the said rights which he could have invoked in support of his first application or counterclaim.

5. Article 51 (3) shall apply.

Article 53

Limitation in consequence of acquiescence

1. Where the proprietor of a Community trade mark has acquiesced, for a period of five successive years, in the use of a later Community trade mark in the Community while being aware of such use, he shall no longer be entitled on the basis of the earlier trade mark either to apply for a declaration that the later trade mark is invalid or to oppose the use of the later trade mark in respect of the goods or services for which the later trade mark has been used, unless registration of the later Community trade mark was applied for in bad faith.

2. Where the proprietor of an earlier national trade mark as referred to in Article 8 (2) or of another earlier sign referred to in Article 8 (4) has acquiesced, for a period of five successive years, in the use of a later Community trade mark in the Member State in which the earlier trade mark or the other earlier sign is protected while being aware of such use, he shall no longer be entitled on the basis of the earlier trade mark or of the other earlier sign either to apply for a declaration that the later trade mark is invalid or to oppose the use of the later trade mark in respect of the goods or services for which the later trade mark has been used, unless registration of the later Community trade mark was applied for in bad faith.

3. In the cases referred to in paragraphs 1 and 2, the proprietor of a later Community trade mark shall not be entitled to oppose the use of the earlier right, even though that right may no longer be invoked against the later Community trade mark.

SECTION 4
CONSEQUENCES OF REVOCATION AND INVALIDITY

Article 54

Consequences of revocation and invalidity

1. The Community trade mark shall be deemed not to have had, as from the date of the application for revocation or of the counterclaim, the effects specified in this Regulation, to the extent that the rights of the proprietor have been revoked. An earlier date, on which one of the grounds for revocation occurred, may be fixed in the decision at the request of one of the parties.

2. The Community trade mark shall be deemed not to have had, as from the outset, the effects specified in this Regulation, to the extent that the trade mark has been declared invalid.

3. Subject to the national provisions relating either to claims for compensation for

damage caused by negligence or lack of good faith on the part of the proprietor of the trade mark, or to unjust enrichment, the retroactive effect of revocation or invalidity of the trade mark shall not affect:
(a) any decision on infringement which has acquired the authority of a final decision and been enforced prior to the revocation or invalidity decision;
(b) any contract concluded prior to the revocation or invalidity decision, in so far as it has been performed before that decision; however, repayment, to an extent justified by the circumstances, of sums paid under the relevant contract, may be claimed on grounds of equity.

SECTION 5
PROCEEDINGS IN THE OFFICE IN RELATION TO REVOCATION OR INVALIDITY

Article 55

Application for revocation or for a declaration of invalidity

1. An application for revocation of the rights of the proprietor of a Community trade mark or for a declaration that the trade mark is invalid may be submitted to the Office:
(a) where Articles 50 and 51 apply, by any natural or legal person and any group or body set up for the purpose of representing the interests of manufacturers, producers, suppliers of services, traders or consumers, which under the terms of the law governing it has the capacity in its own name to sue and be sued;
(b) where Article 52 (1) applies, by the persons referred to in Article 42 (1);
(c) where Article 52 (2) applies, by the owners of the earlier rights referred to in that provision or by the persons who are entitled under the law of the Member State concerned to exercise the rights in question.

2. The application shall be filed in a written reasoned statement. It shall not be deemed to have been filed until the fee has been paid.

3. An application for revocation or for a declaration of invalidity shall be inadmissible if an application relating to the same subject matter and cause of action, and involving the same parties, has been adjudicated on by a court in a Member State and has acquired the authority of a final decision.

Article 56

Examination of the application

1. In the examination of the application for revocation of rights or for a declaration of invalidity, the Office shall invite the parties, as often as necessary, to file observations, within a period to be fixed by the Office, on communications from the other parties or issued by itself.

2. If the proprietor of the Community trade mark so requests, the proprietor of an earlier Community trade mark, being a party to the invalidity proceedings, shall furnish proof that, during the period of five years preceding the date of the application for a declaration of invalidity, the earlier Community trade mark has been put to genuine use in the Community in connection with the goods or services in respect of which it is registered and which he cites as justification for his application, or that there are proper reasons for non-use, provided the earlier Community trade mark has at that date been registered for non-use, provided the earlier Community trade mark has at that date been registered for not less than five years. If, at the date on which the Community trade mark application was published, the earlier Community trade mark had been registered for not less than five years, the proprietor of the earlier Community trade mark shall furnish proof that, in addition, the conditions contained in Article 43 (2) were satisfied at that date. In the absence of proof to this effect the application for a declaration of invalidity shall be rejected. If the earlier Community trade mark has been used in relation to part only of the goods or services for which it is registered it shall, for the purpose of the examination of the application for a declaration of invalidity, be deemed to be registered in respect only of that part of the goods or services.

3. Paragraph 2 shall apply to earlier national trade marks referred to in Article 8 (2) (a), by substituting use in the Member State in which the earlier national trade mark is protected for use in the Community.

4. The Office may, if it thinks fit, invite the parties to make a friendly settlement.

5. If the examination of the application for revocation of rights or for a declaration of invalidity reveals that the trade mark should not have been registered in respect of some or all of the goods or services for which it is registered, the rights of the proprietor of the Community trade mark shall be revoked or it shall be declared invalid in respect of those goods or services. Otherwise the application for revocation of rights or for a declaration of invalidity shall be rejected.

6. The decision revoking the rights of the proprietor of the Community trade mark or declaring it invalid shall be entered in the Register upon becoming final.

TITLE VII APPEALS

Article 57

Decisions subject to appeal

1. An appeal shall lie from decisions of the examiners, Opposition Divisions, Administration of Trade Marks and Legal Divisions and Cancellation Divisions. It shall have suspensive effect.

2. A decision which does not terminate proceedings as regards one of the parties can only

be appealed together with the final decision, unless the decision allows separate appeal.

Article 58

Persons entitled to appeal and to be parties to appeal proceedings

Any party to proceedings adversely affected by a decision may appeal. Any other parties to the proceedings shall be parties to the appeal proceedings as of right.

Article 59

Time limit and form of appeal

Notice of appeal must be filed in writing at the Office within two months after the date of notification of the decision appealed from. The notice shall be deemed to have been filed only when the fee for appeal has been paid. Within four months after the date of notification of the decision, a written statement setting out the grounds of appeal must be filed.

Article 60

Interlocutory revision

1. If the department whose decision is contested considers the appeal to be admissible and well founded, it shall rectify its decision. This shall not apply where the appellant is opposed by another party to the proceedings.

2. If the decision is not rectified within one month after receipt of the statement of grounds, the appeal shall be remitted to the Board of Appeal without delay, and without comment as to its merit.

Article 61

Examination of appeals

1. If the appeal is admissible, the Board of Appeal shall examine whether the appeal is allowable.

2. In the examination of the appeal, the Board of Appeal shall invite the parties, as often as necessary, to file observations, within a period to be fixed by the Board of Appeal, on communications from the other parties or issued by itself.

Article 62

Decisions in respect of appeals

1. Following the examination as to the allowability of the appeal, the Board of Appeal shall decide on the appeal. The Board of Appeal may either exercise any power within the competence of the department which was responsible for the decision appealed or remit the case to that department for further prosecution.

2. If the Board of Appeal remits the case for further prosecution to the department whose decision was appealed, that department shall be bound by the ratio decidendi of the Board of Appeal, in so far as the facts are the same.

3. The decisions of the Boards of Appeal shall take effect only as from the date of expiration of the period referred to in Article 63 (5) or, if an action has been brought before the Court of Justice within that period, as from the date of rejection of such action.

Article 63

Actions before the Court of Justice

1. Actions may be brought before the Court of Justice against decisions of the Boards of Appeal on appeals.

2. The action may be brought on grounds of lack of competence, infringement of an essential procedural requirement, infringement of the Treaty, of this Regulation or of any rule of law relating to their application or misuse of power.

3. The Court of Justice has jurisdiction to annul or to alter the contested decision.

4. The action shall be open to any party to proceedings before the Board of Appeal adversely affected by its decision.

5. The action shall be brought before the Court of Justice within two months of the date of notification of the decision of the Board of Appeal.

6. The Office shall be required to take the necessary measures to comply with the judgment of the Court of Justice.

TITLE VIII COMMUNITY COLLECTIVE MARKS

Article 64

Community collective marks

1. A Community collective mark shall be a Community trade mark which is described as

such when the mark is applied for and is capable of distinguishing the goods or services of the members of the association which is the proprietor of the mark from those of other undertakings. Associations of manufacturers, producers, suppliers of services, or traders which, under the terms of the law governing them, have the capacity in their own name to have rights and obligations of all kinds, to make contracts or accomplish other legal acts and to sue and be sued, as well as legal persons governed by public law, may apply for Community collective marks.

2. In derogation from Article 7 (1) (c), signs or indications which may serve, in trade, to designate the geographical origin of the goods or services may constitute Community collective marks within the meaning of paragraph 1. A collective mark shall not entitle the proprietor to prohibit a third party from using in the course of trade such signs or indications, provided he uses them in accordance with honest practices in industrial or commercial matters; in particular, such a mark may not be invoked against a third party who is entitled to use a geographical name.

3. The provisions of this Regulation shall apply to Community collective marks, unless Articles 65 to 72 provide otherwise.

Article 65

Regulations governing use of the mark

1. An applicant for a Community collective mark must submit regulations governing its use within the period prescribed.

2. The regulations governing use shall specify the persons authorized to use the mark, the conditions of membership of the association and, where they exist, the conditions of use of the mark including sanctions. The regulations governing use of a mark referred to in Article 64 (2) must authorize any person whose goods or services originate in the geographical area concerned to become a member of the association which is the proprietor of the mark.

Article 66

Refusal of the application

1. In addition to the grounds for refusal of a Community trade mark application provided for in Articles 36 and 38, an application for a Community collective mark shall be refused where the provisions of Article 64 or 65 are not satisfied, or where the regulations governing use are contrary to public policy or to accepted principles of morality.

2. An application for a Community collective mark shall also be refused if the public is liable to be misled as regards the character or the significance of the mark, in particular if it is likely to be taken to be something other than a collective mark.

3. An application shall not be refused if the applicant, as a result of amendment of the regulations governing use, meets the requirements of paragraphs 1 and 2.

Article 67

Observations by third parties

Apart from the cases mentioned in Article 41, any person, group or body referred to in that Article may submit to the Office written observations based on the particular grounds on which the application for a Community collective mark should be refused under the terms of Article 66.

Article 68

Use of marks

Use of a Community collective mark by any person who has authority to use it shall satisfy the requirements of this Regulation, provided that the other conditions which this Regulation imposes with regard to the use of Community trade marks are fulfilled.

Article 69

Amendment of the regulations governing use of the mark

1. The proprietor of a Community collective mark must submit to the Office any amended regulations governing use.

2. The amendment shall not be mentioned in the Register if the amended regulations do not satisfy the requirements of Article 65 or involve one of the grounds for refusal referred to in Article 66.

3. Article 67 shall apply to amended regulations governing use.

4. For the purposes of applying this Regulation, amendments to the regulations governing use shall take effect only from the date of entry of the mention of the amendment in the Register.

Article 70

Persons who are entitled to bring an action for infringement

1. The provisions of Article 22 (3) and (4) concerning the rights of licensees shall apply to every person who has authority to use a Community collective mark.

2. The proprietor of a Community collective mark shall be entitled to claim compensation on behalf of persons who have authority to use the mark where they have sustained

damage in consequence of unauthorized use of the mark.

Article 71

Grounds for revocation

Apart from the grounds for revocation provided for in Article 50, the rights of the proprietor of a Community collective mark shall be revoked on application to the Office or on the basis of a counterclaim in infringement proceedings, if:
(a) the proprietor does not take reasonable steps to prevent the mark being used in a manner incompatible with the conditions of use, where these exist, laid down in the regulations governing use, amendments to which have, where appropriate, been mentioned in the Register;
(b) the manner in which the mark has been used by the proprietor has caused it to become liable to mislead the public in the manner referred to in Article 66 (2);
(c) an amendment to the regulations governing use of the mark has been mentioned in the Register in breach of the provisions of Article 69 (2), unless the proprietor of the mark, by further amending the regulations governing use, complies with the requirements of those provisions.

Article 72

Grounds for invalidity

Apart from the grounds for invalidity provided for in Articles 51 and 52, a Community collective mark which is registered in breach of the provisions of Article 66 shall be declared invalid on application to the Office or on the basis of a counterclaim in infringement proceedings, unless the proprietor of the mark, by amending the regulations governing use, complies with the requirements of those provisions.

TITLE IX PROCEDURE
SECTION 1
GENERAL PROVISIONS

Article 73

Statement of reasons on which decisions are based

Decisions of the Office shall state the reasons on which they are based. They shall be based only on reasons or evidence on which the parties concerned have had on opportunity to present their comments.

Article 74

Examination of the facts by the Office of its own motion

1. In proceedings before it the Office shall examine the facts of its own motion; however, in proceedings relating to relative grounds for refusal of registration, the Office shall be restricted in this examination to the facts, evidence and arguments provided by the parties and the relief sought.

2. The Office may disregard facts or evidence which are not submitted in due time by the parties concerned.

Article 75

Oral proceedings

1. If the Office considers that oral proceedings would be expedient they shall be held either at the instance of the Office or at the request of any party to the proceedings.

2. Oral proceedings before the examiners, the Opposition Division and the Administration of Trade Marks and Legal Division shall not be public.

3. Oral proceedings, including delivery of the decision, shall be public before the Cancellation Division and the Boards of Appeal, in so far as the department before which the proceedings are taking place does not decide otherwise in cases where admission of the public could have serious and unjustified disadvantages, in particular for a party to the proceedings.

Article 76

Taking of evidence

1. In any proceedings before the Office, the means of giving or obtaining evidence shall include the following:
(a) hearing the parties;
(b) requests for information;
(c) the production of documents and items of evidence;
(d) hearing witnesses;
(e) opinions by experts;
(f) statements in writing sworn or affirmed or having a similar effect under the law of the State in which the statement is drawn up.

2. The relevant department may commission one of its members to examine the evidence adduced.

3. If the Office considers it necessary for a party, witness or expert to give evidence orally, it shall issue a summons to the person concerned to appear before it.

4. The parties shall be informed of the hearing of a witness or expert before the Office. They shall have the right to be present and to put questions to the witness or expert.

Article 77

Notification

The Office shall, as a matter of course, notify those concerned of decisions and summonses and of any notice or other communication from which a time limit is reckoned, or of which those concerned must be notified under other provisions of this Regulation or of the Implementing Regulation, or of which notification has been ordered by the President of the Office.

Article 78

Restitutio in integrum

1. The applicant for or proprietor of a Community trade mark or any other party to proceedings before the Office who, in spite of all due care required by the circumstances having been taken, was unable to observe a time limit vis-à-vis the Office shall, upon application, have his rights re-established if the non-observance in question has the direct consequence, by virtue of the provisions of this Regulation, of causing the loss of any right or means of redress.

2. The application must be filed in writing within two months from the removal of the cause of non-compliance with the time limit. The omitted act must be completed within this period. The application shall only be admissible within the year immediately following the expiry of the unobserved time limit. In the case of non-submission of the request for renewal of registration or of non-payment of a renewal fee, the further period of six months provided in Article 47 (3), third sentence, shall be deducted from the period of one year.

3. The application must state the grounds on which it is based and must set out the facts on which it relies. It shall not be deemed to be filed until the fee for re-establishment of rights has been paid.

4. The department competent to decide on the omitted act shall decide upon the application.

5. The provisions of this Article shall not be applicable to the time limits referred to in paragraph 2 of this Article, Articles 29 (1) and 42 (1).

6. Where the applicant for or proprietor of a Community trade mark has his rights re-

established, he may not invoke his rights vis-à-vis a third party who, in good faith, has put goods on the market or supplied services under a sign which is identical with or similar to the Community trade mark in the course of the period between the loss of rights in the application or in the Community trade mark and publication of the mention of re-establishment of those rights.

7. A third party who may avail himself of the provisions of paragraph 6 may bring third party proceedings against the decision re-establishing the rights of the applicant for or proprietor of a Community trade mark within a period of two months as from the date of publication of the mention of re-establishment of those rights.

8. Nothing in this Article shall limit the right of a Member State to grant *restitutio in integrum* in respect of time limits provided for in this Regulation and to be observed vis-à-vis the authorities of such State.

Article 79

Reference to general principles

In the absence of procedural provisions in this Regulation, the Implementing Regulation, the fees regulations or the rules of procedure of the Boards of Appeal, the Office shall take into account the principles of procedural law generally recognized in the Member States.

Article 80

Termination of financial obligations

1. Rights of the Office to the payment of a fee shall be extinguished after four years from the end of the calendar year in which the fee fell due.

2. Rights against the Office for the refunding of fees or sums of money paid in excess of a fee shall be extinguished after four years from the end of the calendar year in which the right arose.

3. The period laid down in paragraphs 1 and 2 shall be interrupted in the case covered by paragraph 1 by a request for payment of the fee and in the case covered by paragraph 2 by a reasoned claim in writing. On interruption it shall begin again immediately and shall end at the latest six years after the end of the year in which it originally began, unless, in the meantime, judicial proceedings to enforce the right have begun; in this case the period shall end at the earliest one year after the judgement has acquired the authority of a final decision.

SECTION 2
COSTS

Article 81

Costs

1. The losing party in opposition proceedings, proceedings for revocation, proceedings for a declaration of invalidity or appeal proceedings shall bear the fees incurred by the other party as well as all costs, without prejudice to Article 115 (6), incurred by him essential to the proceedings, including travel and subsistence and the remuneration of an agent, adviser or advocate, within the limits of the scales set for each category of costs under the conditions laid down in the Implementing Regulation.

2. However, where each party succeeds on some and fails on other heads, or if reasons of equity so dictate, the Opposition Division, Cancellation Division or Board of Appeal shall decide a different apportionment of costs.

3. The party who terminates the proceedings by withdrawing the Community trade mark application, the opposition, the application for revocation of rights, the application for a declaration of invalidity or the appeal, or by not renewing registration of the Community trade mark or by surrendering the Community trade mark, shall bear the fees and the costs incurred by the other party as stipulated in paragraphs 1 and 2.

4. Where a case does not proceed to judgment the costs shall be at the discretion of the Opposition Division, Cancellation Division or Board of Appeal.

5. Where the parties conclude before the Opposition Division, Cancellation Division or Board of Appeal a settlement of costs differing from that provided for in the preceding paragraphs, the department concerned shall take note of that agreement.

6. On request the registry of the Opposition Division or Cancellation Division or Board of Appeal shall fix the amount of the costs to be paid pursuant to the preceding paragraphs. The amount so determined may be reviewed by a decision of the Opposition Division or Cancellation Division or Board of Appeal on a request filed within the prescribed period.

Article 82

Enforcement of decisions fixing the amount of costs

1. Any final decision of the Office fixing the amount of costs shall be enforceable.

2. Enforcement shall be governed by the rules of civil procedure in force in the State in the territory of which it is carried out. The order for its enforcement shall be appended to the decision, without other formality than verification of the authenticity of the decision,

by the national authority which the Government of each Member State shall designate for this purpose and shall make known to the Office and to the Court of Justice.

3. When these formalities have been completed on application by the party concerned, the latter may proceed to enforcement in accordance with the national law, by bringing the matter directly before the competent authority.

4. Enforcement may be suspended only by a decision of the Court of Justice. However, the courts of the country concerned shall have jurisdiction over complaints that enforcement is being carried out in an irregular manner.

SECTION 3
INFORMATION OF THE PUBLIC AND OF THE OFFICIAL AUTHORITIES OF THE MEMBER STATES

Article 83

Register of Community trade marks

The Office shall keep a register to the known as the Register of Community trade marks, which shall contain those particulars the registration or inclusion of which is provided for by this Regulation or by the Implementing Regulation. The Register shall be open to public inspection.

Article 84

Inspection of files

1. The files relating to Community trade mark applications which have not yet been published shall not be made available for inspection without the consent of the applicant.

2. Any person who can prove that the applicant for a Community trade mark has stated that after the trade mark has been registered he will invoke the rights under it against him may obtain inspection of the files prior to the publication of that application and without the consent of the applicant.

3. Subsequent to the publication of the Community trade mark application, the files relating to such application and the resulting trade mark may be inspected on request.

4. However, where the files are inspected pursuant to paragraphs 2 or 3, certain documents in the file may be withheld from inspection in accordance with the provisions of the Implementing Regulation.

Article 85

Periodical publications

The Office shall periodically publish:
(a) a Community Trade Marks Bulletin containing entries made in the Register of Community trade marks as well as other particulars the publication of which is prescribed by this Regulation or by the Implementing Regulation;
(b) an Official Journal containing notices and information of a general character issued by the President of the Office, as well as any other information relevant to this Regulation or its implementation.

Article 86

Administrative cooperation

Unless otherwise provided in this Regulation or in national laws, the Office and the courts or authorities of the Member States shall on request give assistance to each other by communicating information or opening files for inspection. Where the Office lays files open to inspection by courts, Public Prosecutors' Offices or central industrial property offices, the inspection shall not be subject to the restrictions laid down in Article 84.

Article 87

Exchange of publications

1. The Office and the central industrial property offices of the Member States shall despatch to each other on request and for their own use one or more copies of their respective publications free of charge.

2. The Office may conclude agreements relating to the exchange or supply of publications.

SECTION 4
REPRESENTATION

Article 88

General principles of representation

1. Subject to the provisions of paragraph 2, no person shall be compelled to be represented before the Office.

2. Without prejudice to paragraph 3, second sentence, natural or legal persons not having either their domicile or their principal place of business or a real and effective industrial

or commercial establishment in the Community must be represented before the Office in accordance with Article 89 (1) in all proceedings established by this Regulation, other than in filing an application for a Community trade mark; the Implementing Regulation may permit other exceptions.

3. Natural or legal persons having their domicile or principal place of business or a real and effective industrial or commercial establishment in the Community may be represented before the Office by an employee, who must file with it a signed authorization for insertion on the files, the details of which are set out in the Implementing Regulation. An employee of a legal person to which this paragraph applies may also represent other legal persons which have economic connections with the first legal person, even if those other legal persons have neither their domicile nor their principal place of business nor a real and effective industrial or commercial establishment within the Community.

Article 89

Professional representatives

1. Representation of natural or legal persons before the Office may only be undertaken by;
(a) any legal practitioner qualified in one of the Member States and having his place of business within the Community, to the extent that he is entitled, within the said State, to act as a representative in trade mark matters; or
(b) professional representatives whose names appear on the list maintained for this purpose by the Office.
Representatives acting before the Office must file with it a signed authorization for insertion on the files, the details of which are set out in the Implementing Regulation.

2. Any natural person who fulfils the following conditions may be entered on the list of professional representatives:
(a) he must be a national of one of the Member States;
(b) he must have his place of business or employment in the Community;
(c) he must be entitled to represent natural or legal persons in trade mark matters before the central industrial property office of the Member State in which he has his place of business or employment. Where, in that State, the entitlement is not conditional upon the requirement of special professional qualifications, persons applying to be entered on the list who act in trade mark matters before the central industrial property office of the said State must have habitually so acted for at least five years. However, persons whose professional qualification to represent natural or legal persons in trade mark matters before the central industrial property office of one of the Member States is officially recognized in accordance with the regulations laid down by such State shall not be subject to the condition of having exercised the profession.

3. Entry shall be effected upon request, accompanied by a certificate furnished by the

central industrial property office of the Member State concerned, which must indicate that the conditions laid down in paragraph 2 are fulfilled.

4. The President of the Office may grant exemption from:
(a) the requirement of paragraph 2 (c), second sentence, if the applicant furnishes proof that he has acquired the requisite qualification in another way;
(b) the requirement of paragraph 2 (a) in special circumstances.

5. The conditions under which a person may be removed from the list of professional representatives shall be laid down in the Implementing Regulation.

TITLE X JURISDICTION AND PROCEDURE IN LEGAL ACTIONS RELATING TO COMMUNITY TRADE MARKS
SECTION 1
APPLICATION OF THE CONVENTION ON JURISDICTION AND ENFORCEMENT

Article 90

Application of the Convention on Jurisdiction and Enforcement

1. Unless otherwise specified in this Regulation, the Convention on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters, signed in Brussels on 27 September 1968, as amended by the Conventions on the Accession to that Convention of the States acceding to the European Communities, the whole of which Convention and of which Conventions of Accession are hereinafter referred to as the 'Convention on Jurisdiction and Enforcement`, shall apply to proceedings relating to Community trade marks and applications for Community trade marks, as well as to proceedings relating to simultaneous and successive actions on the basis of Community trade marks and national trade marks.

2. In the case of proceedings in respect of the actions and claims referred to in Article 92:
(a) Articles 2, 4, 5 (1), (3), (4) and (5) and Article 24 of the Convention on Jurisdiction and Enforcement shall not apply;
(b) Articles 17 and 18 of that Convention shall apply subject to the limitations in Article 93 (4) of this Regulation;
(c) the provisions of Title II of that Convention which are applicable to persons domiciled in a Member State shall also be applicable to persons who do not have a domicile in any Member State but have an establishment therein.

SECTION 2
DISPUTES CONCERNING THE INFRINGEMENT AND VALIDITY OF COMMUNITY TRADE MARKS

Article 91

Community trade mark courts

1. The Member States shall designate in their territories as limited a number as possible of national courts and tribunals of first and second instance, hereinafter referred to as 'Community trade mark courts`, which shall perform the functions assigned to them by this Regulation.

2. Each Member State shall communicate to the Commission within three years of the entry into force of this Regulation a list of Community trade mark courts indicating their names and their territorial jurisdiction.

3. Any change made after communication of the list referred to in paragraph 2 in the number, names or territorial jurisdiction of the courts shall be notified without delay by the Member State concerned to the Commission.

4. The information referred to in paragraphs 2 and 3 shall be notified by the Commission to the Member States and published in the Official Journal of the European Communities.

5. As long as a Member State has not communicated the list as stipulated in paragraph 2, jurisdiction for any proceedings resulting from an action or application covered by Article 92, and for which the courts of that State have jurisdiction under Article 93, shall lie with that court of the State in question which would have jurisdiction ratione loci and ratione materiae in the case of proceedings relating to a national trade mark registered in that State.

Article 92

Jurisdiction over infringement and validity

The Community trade mark courts shall have exclusive jurisdiction:
(a) for all infringement actions and - if they are permitted under national law - actions in respect of threatened infringement relating to Community trade marks;
(b) for actions for declaration of non-infringement, if they are permitted under national law;
(c) for all actions brought as a result of acts referred to in Article 9 (3), second sentence;
(d) for counterclaims for revocation or for a declaration of invalidity of the Community trade mark pursuant to Article 96.

Article 93

International jurisdiction

1. Subject to the provisions of this Regulation as well as to any provisions of the Convention on Jurisdiction and Enforcement applicable by virtue of Article 90, proceedings in respect of the actions and claims referred to in Article 92 shall be brought in the courts of the Member State in which the defendant is domiciled or, if he is not domiciled in any of the Member States, in which he has an establishment.

2. If the defendant is neither domiciled nor has an establishment in any of the Member States, such proceedings shall be brought in the courts of the Member State in which the plaintiff is domiciled or, if he is not domiciled in any of the Member States, in which he has an establishment.

3. If neither the defendant nor the plaintiff is so domiciled or has such an establishment, such proceedings shall be brought in the courts of the Member State where the Office has its seat.

4. Notwithstanding the provisions of paragraphs 1, 2 and 3:
(a) Article 17 of the Convention on Jurisdiction and Enforcement shall apply if the parties agree that a different Community trade mark court shall have jurisdiction;
(b) Article 18 of that Convention shall apply if the defendant enters an appearance before a different Community trade mark court.

5. Proceedings in respect of the actions and claims referred to in Article 92, with the exception of actions for a declaration of non-infringement of a Community trade mark, may also be brought in the courts of the Member State in which the act of infringement has been committed or threatened, or in which an act within the meaning of Article 9 (3), second sentence, has been committed.

Article 94

Extent of jurisdiction

1. A Community trade mark court whose jurisdiction is based on Article 93 (1) to (4) shall have jurisdiction in respect of:
- acts of infringement committed or threatened within the territory of any of the Member States,
- acts within the meaning of Article 9 (3), second sentence, committed within the territory of any of the Member States.

2. A Community trade mark court whose jurisdiction is based on Article 93 (5) shall have jurisdiction only in respect of acts committed or threatened within the territory of the Member State in which that court is situated.

Article 95

Presumption of validity - Defence as to the merits

1. The Community trade mark courts shall treat the Community trade mark as valid unless its validity is put in issue by the defendant with a counterclaim for revocation or for a declaration of invalidity.

2. The validity of a Community trade mark may not be put in issue in an action for a declaration of non-infringement.

3. In the actions referred to in Article 92 (a) and (c) a plea relating to revocation or invalidity of the Community trade mark submitted otherwise than by way of a counterclaim shall be admissible in so far as the defendant claims that the rights of the proprietor of the Community trade mark could be revoked for lack of use or that Community trade mark could be declared invalid on account of an earlier right of the defendant.

Article 96

Counterclaims

1. A counterclaim for revocation or for a declaration of invalidity may only be based on the grounds for revocation or invalidity mentioned in this Regulation.

2. A Community trade mark court shall reject a counterclaim for revocation or for a declaration of invalidity if a decision taken by the Office relating to the same subject matter and cause of action and involving the same parties has already become final.

3. If the counterclaim is brought in a legal action to which the proprietor of the trade mark is not already a party, he shall be informed thereof and may be joined as a party to the action in accordance with the conditions set out in national law.

4. The Community trade mark court with which a counterclaim for revocation or for a declaration of invalidity of the Community trade mark has been filed shall inform the Office of the date on which the counterclaim was filed. The latter shall record this fact in the Register of Community trade marks.

5. Article 56 (3), (4), (5) and (6) shall apply.

6. Where a Community trade mark court has given a judgment which has become final on a counterclaim for revocation or for invalidity of a Community trade mark, a copy of the judgment shall be sent to the Office. Any party may request information about such transmission. The Office shall mention the judgment in the Register of Community trade marks in accordance with the provisions of the Implementing Regulation.

7. The Community trade mark court hearing a counterclaim for revocation or for a declaration of invalidity may stay the proceedings on application by the proprietor of the Community trade mark and after hearing the other parties and may request the defendant to submit an application for revocation or for a declaration of invalidity to the Office within a time limit which it shall determine. If the application is not made within the time limit, the proceedings shall continue; the counterclaim shall be deemed withdrawn. Article 100 (3) shall apply.

Article 97

Applicable law

1. The Community trade mark courts shall apply the provisions of this Regulation.

2. On all matters not covered by this Regulation a Community trade mark court shall apply its national law, including its private international law.

3. Unless otherwise provided in this Regulation, a Community trade mark court shall apply the rules of procedure governing the same type of action relating to a national trade mark in the Member State where it has its seat.

Article 98

Sanctions

1. Where a Community trade mark court finds that the defendant has infringed or threatened to infringe a Community trade mark, it shall, unless there are special reasons for not doing so, issue an order prohibiting the defendant from proceeding with the acts which infringed or would infringe the Community trade mark. It shall also take such measures in accordance with its national law as are aimed at ensuring that this prohibition is complied with.

2. In all other respects the Community trade mark 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.

Article 99

Provisional and protective measures

1. Application may be made to the courts of a Member State, including Community trade mark courts, for such provisional, including protective, measures in respect of a Community trade mark or Community trade mark application as may be available under the law of that State in respect of a national trade mark, even if, under this Regulation, a Community trade mark court of another Member State has jurisdiction as to the substance of the matter.

2. A Community trade mark court whose jurisdiction is based on Article 93 (1), (2), (3) or (4) shall have jurisdiction to grant provisional and protective measures which, subject to any necessary procedure for recognition and enforcement pursuant to Title III of the Convention on Jurisdiction and Enforcement, are applicable in the territory of any Member State. No other court shall have such jurisdiction.

Article 100

Specific rules on related actions

1. A Community trade mark court hearing an action referred to in Article 92, other than an action for a declaration of non-infringement shall, unless there are special grounds for continuing the hearing, 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 Community trade mark is already in issue before another Community trade mark court on account of a counterclaim or where an application for revocation or for a declaration of invalidity has already been filed at the Office.

2. The Office, when hearing an application for revocation or for a declaration of invalidity shall, unless there are special grounds for continuing the hearing, 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 Community trade mark is already in issue on account of a counterclaim before a Community trade mark court. However, if one of the parties to the proceedings before the Community trade mark court so requests, the court may, after hearing the other parties to these proceedings, stay the proceedings. The Office shall in this instance continue the proceedings pending before it.

3. Where the Community trade mark court stays the proceedings it may order provisional and protective measures for the duration of the stay.

Article 101

Jurisdiction of Community trade mark courts of second instance - Further appeal

1. An appeal to the Community trade mark courts of second instance shall lie from judgments of the Community trade mark courts of first instance in respect of proceedings arising from the actions and claims referred to in Article 92.

2. The conditions under which an appeal may be lodged with a Community trade mark court of second instance shall be determined by the national law of the Member State in which that court is located.

3. The national rules concerning further appeal shall be applicable in respect of judgments of Community trade mark courts of second instance.

SECTION 3
OTHER DISPUTES CONCERNING COMMUNITY TRADE MARKS

Article 102

Supplementary provisions on the jurisdiction of national courts other than Community trade mark courts

1. Within the Member State whose courts have jurisdiction under Article 90 (1) those courts shall have jurisdiction for actions other than those referred to in Article 92, which would have jurisdiction *ratione loci* and *ratione materiae* in the case of actions relating to a national trade mark registered in that State.

2. Actions relating to a Community trade mark, other than those referred to in Article 92, for which no court has jurisdiction under Article 90 (1) and paragraph 1 of this Article may be heard before the courts of the Member State in which the Office has its seat.

Article 103

Obligation of the national court

A national court which is dealing with an action relating to a Community trade mark, other than the action referred to in Article 92, shall treat the trade mark as valid.

SECTION 4
TRANSITIONAL PROVISION

Article 104

Transitional provision relating to the application of the Convention on Jurisdiction and Enforcement

The provisions of the Convention on Jurisdiction and Enforcement which are rendered applicable by the preceding Articles shall have effect in respect of any Member State solely in the text of the Convention which is in force in respect of that State at any given time.

TITLE XI EFFECTS ON THE LAWS OF THE MEMBER STATES
SECTION 1
CIVIL ACTIONS ON THE BASIS OF MORE THAN ONE TRADE MARK

Article 105

Simultaneous and successive civil actions on the basis of Community trade marks and national trade marks

1. Where actions for infringement involving the same cause of action and between the same parties are brought in the courts of different Member States, one seized on the basis of a Community trade mark and the other seized on the basis of a national trade mark:
(a) the court other than the court first seized shall of its own motion decline jurisdiction in favour of that court where the trade marks concerned are identical and valid for identical goods or services. The court which would be required to decline jurisdiction may stay its proceedings if the jurisdiction of the other court is contested;
(b) the court other than the court first seized may stay its proceedings where the trade marks concerned are identical and valid for similar goods or services and where the trade marks concerned are similar and valid for identical or similar goods or services.

2. The court hearing an action for infringement on the basis of a Community 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.

3. 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 Community trade mark valid for identical goods or services.

4. Paragraphs 1, 2 and 3 shall not apply in respect of provisional, including protective, measures.

SECTION 2
APPLICATION OF NATIONAL LAWS FOR THE PURPOSE OF PROHIBITING THE USE OF COMMUNITY TRADE MARKS

Article 106

Prohibition of use of Community trade marks

1. This Regulation shall, unless otherwise provided for, not affect the right existing under the laws of the Member States to invoke claims for infringement of earlier rights within the meaning of Article 8 or Article 52 (2) in relation to the use of a later Community trade mark. Claims for infringement of earlier rights within the meaning of Article 8 (2) and (4) may, however, no longer be invoked if the proprietor of the earlier right may no

longer apply for a declaration that the Community trade mark is invalid in accordance with Article 53 (2).

2. This Regulation shall, unless otherwise provided for, not affect the right to bring proceedings under the civil, administrative or criminal law of a Member Sate or under provisions of Community law for the purpose of prohibiting the use of a Community trade mark to the extent that the use of a national trade mark may be prohibited under the law of that Member State or under Community law.

Article 107

Prior rights applicable to particular localities

1. The proprietor of an earlier right which only applies to a particular locality may oppose the use of the Community trade mark in the territory where his right is protected in so far as the law of the Member State concerned so permits.

2. Paragraph 1 shall cease to apply if the proprietor of the earlier right has acquiesced in the use of the Community trade mark in the territory where his right is protected for a period of five successive years, being aware of such use, unless the Community trade mark was applied for in bad faith.

3. The proprietor of the Community trade mark shall not be entitled to oppose use of the right referred to in paragraph 1 even though that right may no longer be invoked against the Community trade mark.

SECTION 3
CONVERSION INTO A NATIONAL TRADE MARK APPLICATION

Article 108

Request for the application of national procedure

1. The applicant for or proprietor of a Community trade mark may request the conversion of his Community trade mark application or Community trade mark into a national trade mark application
(a) to the extent that the Community trade mark application is refused, withdrawn, or deemed to be withdrawn;
(b) to the extent that the Community trade mark ceases to have effect.

2. Conversion shall not take place:
(a) where the rights of the proprietor of the Community trade mark have been revoked on the grounds of non-use, unless in the Member State for which conversion is requested the Community trade mark has been put to use which would be considered to be genuine use under the laws of that Member State;
(b) for the purpose of protection in a Member State in which, in accordance with the

decision of the Office or of the national court, grounds for refusal of registration or grounds for revocation or invalidity apply to the Community trade mark application or Community trade mark.

3. The national trade mark application resulting from the conversion of a Community trade mark application or a Community trade mark shall enjoy in respect of the Member State concerned the date of filing or the date of priority of that application or trade mark and, where appropriate, the seniority of a trade mark of that State claimed under Article 34 or 35.

4. Where:
- the Community trade mark application is deemed to be withdrawn or is refused by a decision of the Office which has become final,
- the Community trade mark ceases to have effect as a result of a decision of the Office which has become final or as a result of registration of surrender of the Community trade mark,
the Office shall notify to the applicant or proprietor a communication fixing a period of three months from the date of that communication in which a request for conversion may be filed.

5. Where the Community trade mark application is withdrawn or the Community trade mark ceases to have effect as a result of failure to renew the registration, the request for conversion shall be filed within three months after the date on which the Community trade mark application is withdrawn or on which the registration of the Community trade mark expires.

6. Where the Community trade mark ceases to have effect as a result of a decision of a national court, the request for conversion shall be filed within three months after the date on which that decision acquired the authority of a final decision.

7. The effect referred to in Article 32 shall lapse if the request is not filed in due time.

Article 109

Submission, publication and transmission of the request for conversion

1. A request for conversion shall be filed with the Office and shall specify the Member States in which application of the procedure for registration of a national trade mark is desired. The request shall not be deemed to be filed until the conversion fee has been paid.

2. If the Community trade mark application has been published, receipt of any such request shall be recorded in the Register of Community trade marks and the request for conversion shall be published.

3. The Office shall check whether conversion may be requested in accordance with

Article 108 (1), whether the request has been filed within the period laid down in Article 108 (4), (5) or (6), as the case may be, and whether the conversion fee has been paid. If these conditions are fulfilled, the Office shall transmit the request to the central industrial property offices of the States specified therein. At the request of the central industrial property office of a State concerned, the Office shall give it any information enabling that office to decide as to the admissibility of the request.

Article 110

Formal requirements for conversion

1. Any central industrial property office to which the request is transmitted shall decide as to its admissibility.

2. A Community trade mark application or a Community trade mark transmitted in accordance with Article 109 shall not be subjected to formal requirements of national law which are different from or additional to those provided for in this Regulation or in the Implementing Regulation.

3. Any central industrial property office to which the request is transmitted may require that the applicant shall, within not less than two months:
(a) pay the national application fee;
(b) file a translation in one of the official languages of the State in question of the request and of the documents accompanying it;
(c) indicate an address for service in the State in question;
(d) supply a representation of the trade mark in the number of copies specified by the State in question.

TITLE XII THE OFFICE
SECTION 1
GENERAL PROVISIONS

Article 111

Legal status

1. The Office shall be a body of the Community. It shall have legal personality.

2. In each of the Member States the Office shall enjoy the most extensive legal capacity accorded to legal persons under their laws; it may, in particular, acquire or dispose of movable and immovable property and may be a party to legal proceedings.

3. The Office shall be represented by its President.

Article 112

Staff

1. The Staff Regulations of officials of the European Communities, the Conditions of Employment of other servants of the European Communities, and the rules adopted by agreement between the Institutions of the European Communities for giving effect to those Staff Regulations and Conditions of Employment shall apply to the staff of the Office, without prejudice to the application of Article 131 to the members of the Boards of Appeal.

2. Without prejudice to Article 120, the powers conferred on each Institution by the Staff Regulations and by the Conditions of Employment of other servants shall be exercised by the Office in respect of its staff.

Article 113

Privileges and immunities

The Protocol on the Privileges and Immunities of the European Communities shall apply to the Office.

Article 114

Liability

1. The contractual liability of the Office shall be governed by the law applicable to the contract in question.

2. The Court of Justice shall be competent to give judgment pursuant to any arbitration clause contained in a contract concluded by the Office.

3. In the case of non-contractual liability, the Office shall, in accordance with the general principles common to the laws of the Member States, make good any damage caused by its departments or by its servants in the performance of their duties.

4. The Court of Justice shall have jurisdiction in disputes relating to compensation for the damage referred to in paragraph 3.

5. The personal liability of its servants towards the Office shall be governed by the provisions laid down in their Staff Regulations or in the Conditions of Employment applicable to them.

Article 115

Languages

1. The application for a Community trade mark shall be filed in one of the official languages of the European Community.

2. The languages of the Office shall be English, French, German, Italian and Spanish.

3. The applicant must indicate a second language which shall be a language of the Office the use of which he accepts as a possible language of proceedings for opposition, revocation or invalidity proceedings. If the application was filed in a language which is not one of the languages of the Office, the Office shall arrange to have the application, as described in Article 26 (1), translated into the language indicated by the applicant.

4. Where the applicant for a Community trade mark is the sole party to proceedings before the Office, the language of proceedings shall be the language used for filing the application for a Community trade mark. If the application was made in a language other than the languages of the Office, the Office may send written communications to the applicant in the second language indicated by the applicant in his application.

5. The notice of opposition and an application for revocation or invalidity shall be filed in one of the languages of the Office.

6. If the language chosen, in accordance with paragraph 5, for the notice of opposition or the application for revocation or invalidity is the language of the application for a trade mark or the second language indicated when the application was filed, that language shall be the language of the proceedings. If the language chosen, in accordance with paragraph 5, for the notice of opposition or the application for revocation or invalidity is neither the language of the application for a trade mark nor the second language indicated when the application was filed, the opposing party or the party seeking revocation or invalidity shall be required to produce, at his own expense, a translation of his application either into the language of the application for a trade mark, provided that it is a language of the Office, or into the second language indicated when the application was filed. The translation shall be produced within the period prescribed in the implementing regulation. The language into which the application has been translated shall then become the language of the proceedings.

7. Parties to opposition, revocation, invalidity or appeal proceedings may agree that a different official language of the European Community is to be the language of the proceedings.

Article 116

Publication; entries in the Register

1. An application for a Community trade mark, as described in Article 26 (1), and all other information the publication of which is prescribed by this Regulation or the implementing regulation, shall be published in all the official languages of the European Community.

2. All entries in the Register of Community trade marks shall be made in all the official languages of the European Community.

3. In cases of doubt, the text in the language of the Office in which the application for the Community trade mark was filed shall be authentic. If the application was filed in an official language of the European Community other than one of the languages of the Office, the text in the second language indicated by the applicant shall be authentic.

Article 117

The translation services required for the functioning of the Office shall be provided by the Translation Centre of the Bodies of the Union once this begins operation.

Article 118

Control of legality

1. The Commission shall check the legality of those acts of the President of the Office in respect of which Community law does not provide for any check on legality by another body and of acts of the Budget Committee attached to the Office pursuant to Article 133.

2. It shall require that any unlawful acts as referred to in paragraph 1 be altered or annulled.

3. Member States and any person directly and personally involved may refer to the Commission any act as referred to in paragraph 1, whether express or implied, for the Commission to examine the legality of that act. Referral shall be made to the Commission within 15 days of the day on which the party concerned first became aware of the act in question. The Commission shall take a decision within one month. If no decision has been taken within this period, the case shall be deemed to have been dismissed.

SECTION 2
MANAGEMENT OF THE OFFICE

Article 119

Powers of the President

1. The Office shall be managed by the President.

2. To this end the President shall have in particular the following functions and powers:
(a) he shall take all necessary steps, including the adoption of internal administrative instructions and the publication of notices, to ensure the functioning of the Office;
(b) he may place before the Commission any proposal to amend this Regulation, the Implementing Regulation, the rules of procedure of the Boards of Appeal, the fees regulations and any other rules applying to Community trade marks after consulting the Administrative Board and, in the case of the fees regulations and the budgetary provisions of this Regulation, the Budget Committee;
(c) he shall draw up the estimates of the revenue and expenditure of the Office and shall implement the budget;
(d) he shall submit a management report to the Commission, the European Parliament and the Administrative Board each year;
(e) he shall exercise in respect of the staff the powers laid down in Article 112 (2);
(f) he may delegate his powers.

3. The President shall be assisted by one or more Vice-Presidents. If the President is absent or indisposed, the Vice-President or one of the Vice-Presidents shall take his place in accordance with the procedure laid down by the Administrative Board.

Article 120

Appointment of senior officials

1. The President of the Office shall be appointed by the Council from a list of at most three candidates, which shall be prepared by the Administrative Board. Power to dismiss the President shall lie with the Council, acting on a proposal from the Administrative Board.

2. The term of office of the President shall not exceed five years. This term of office shall be renewable.

3. The Vice-President or Vice-Presidents of the Office shall be appointed or dismissed as in paragraph 1, after consultation of the President.

4. The Council shall exercise disciplinary authority over the officials referred to in paragraphs 1 and 3 of this Article.

SECTION 3
ADMINISTRATIVE BOARD

Article 121

Creation and powers

1. An Administrative Board is hereby set up, attached to the Office. Without prejudice to the powers attributed to the Budget Committee in Section 5 - budget and financial control - the Administrative Board shall have the powers defined below.

2. The Administrative Board shall draw up the lists of candidates provided for in Article 120.

3. It shall fix the date for the first filing of Community trade mark applications, pursuant to Article 143(3).

4. It shall advise the President on matters for which the Office is responsible.

5. It shall be consulted before adoption of the guidelines for examination in the Office and in the other cases provided for in this Regulation.

6. It may deliver opinions and requests for information to the President and to the Commission where it considers that this is necessary.

Article 122

Composition

1. The Administrative Board shall be composed of one representative of each Member State and one representative of the Commission and their alternates.

2. The members of the Administrative Board may, subject to the provisions of its rules of procedure, be assisted by advisers or experts.

Article 123

Chairmanship

1. The Administrative Board shall elect a chairman and a deputy chairman from among its members. The deputy chairman shall ex officio replace the chairman in the event of his being prevented from attending to his duties.

2. The duration of the terms of office of the chairman and the deputy chairman shall be three years. The terms of office shall be renewable.

Article 124

Meetings

1. Meetings of the Administrative Board shall be convened by its chairman.

2. The President of the Office shall take part in the deliberations, unless the Administrative Board decides otherwise.

3. The Administrative Board shall hold an ordinary meeting once a year; in addition, it shall meet on the initiative of its chairman or at the request of the Commission or of one-third of the Member States.

4. The Administrative Board shall adopt rules of procedure.

5. The Administrative Board shall take its decisions by a simple majority of the representatives of the Member States. However, a majority of three-quarters of the representatives of the Member States shall be required for the decisions which the Administrative Board is empowered to take under Article 120 (1) and (3). In both cases each Member State shall have one vote.

6. The Administrative Board may invite observers to attend its meetings.

7. The Secretariat for the Administrative Board shall be provided by the Office.

SECTION 4
IMPLEMENTATION OF PROCEDURES

Article 125

Competence

For taking decisions in connection with the procedures laid down in this Regulation, the following shall be competent:
(a) Examiners;
(b) Opposition Divisions;
(c) an Administration of Trade Marks and Legal Division;
(d) Cancellation Divisions;
(e) Boards of Appeal.

Article 126

Examiners

An examiner shall be responsible for taking decisions on behalf of the Office in relation to an application for registration of a Community trade mark, including the matters

referred to in Articles 36, 37, 38 and 66, except in so far as an Opposition Division is responsible.

Article 127

Opposition Divisions

1. An Opposition Division shall be responsible for taking decisions on an opposition to an application to register a Community trade mark.

2. An Opposition Division shall consist of three members. At least one of the members must be legally qualified.

Article 128

Administration of Trade Marks and Legal Division

1. The Administration of Trade Marks and Legal Division shall be responsible for those decisions required by this Regulation which do not fall within the competence of an examiner, an Opposition Division or a Cancellation Division. It shall in particular be responsible for decisions in respect of entries in the Register of Community trade marks.

2. It shall also be responsible for keeping the list of professional representatives which is referred to in Article 89.

3. A decision of the Division shall be taken by one member.

Article 129

Cancellation Divisions

1. A Cancellation Division shall be responsible for taking decisions in relation to an application for the revocation or declaration of invalidity of a Community trade mark.

2. A Cancellation Division shall consist of three members. At least one of the members must be legally qualified.

Article 130

Boards of Appeal

1. The Boards of Appeal shall be responsible for deciding on appeals from decisions of the examiners, Opposition Divisions, Administration of Trade Marks and Legal Division and Cancellation Divisions.

2. A Board of Appeal shall consist of three members. At least two of the members must

be legally qualified.

Article 131

Independence of the members of the Boards of Appeal

1. The members, including the chairmen, of the Boards of Appeal shall be appointed, in accordance with the procedure laid down in Article 120, for the appointment of the President of the Office, for a term of five years. They may not be removed from office during this term, unless there are serious grounds for such removal and the Court of Justice, on application by the body which appointed them, takes a decision to this effect. Their term of office shall be renewable.

2. The members of the Boards of Appeal shall be independent. In their decisions they shall not be bound by any instructions.

3. The members of the Boards of Appeal may not be examiners or members of the Opposition Divisions, Administration of Trade Marks and Legal Division or Cancellation Divisions.

Article 132

Exclusion and objection

1. Examiners and members of the Divisions set up within the Office or of the Boards of Appeal may not take part in any proceedings if they have any personal interest therein, or if they have previously been involved as representatives of one of the parties. Two of the three members of an Opposition Division shall not have taken part in examining the application. Members of the Cancellation Divisions may not take part in any proceedings if they have participated in the final decision on the case in the proceedings for registration or opposition proceedings. Members of the Boards of Appeal may not take part in appeal proceedings if they participated in the decision under appeal.

2. If, for one of the reasons mentioned in paragraph 1 or for any other reason, a member of a Division or of a Board of Appeal considers that he should not take part in any proceedings, he shall inform the Division or Board accordingly.

3. Examiners and members of the Divisions or of a Board of Appeal may be objected to by any party for one of the reasons mentioned in paragraph 1, or if suspected of partiality. An objection shall not be admissible if, while being aware of a reason for objection, the party has taken a procedural step. No objection may be based upon the nationality of examiners or members.

4. The Divisions and the Boards of Appeal shall decide as to the action to be taken in the cases specified in paragraphs 2 and 3 without the participation of the member concerned.

For the purposes of taking this decision the member who withdraws or has been objected to shall be replaced in the Division or Board of Appeal by his alternate.

SECTION 5
BUDGET AND FINANCIAL CONTROL

Article 133

Budget Committee

1. A Budget Committee is hereby set up, attached to the Office. The Budget Committee shall have the powers assigned to it in this Section and in Article 39 (4).

2. Articles 121 (6), 122, 123 and 124 (1) to (4), (6) and (7) shall apply to the Budget Committee *mutatis mutandis*.

3. The Budget Committee shall take its decisions by a simple majority of the representatives of the Member States. However, a majority of three-quarters of the representatives of the Member States shall be required for the decisions which the Budget Committee is empowered to take under Articles 39 (4), 135 (3) and 138. In both cases each Member State shall have one vote.

Article 134

Budget

1. Estimates of all the Office's revenue and expenditure shall be prepared for each financial year and shall be shown in the Office's budget, and each financial year shall correspond with the calendar year.

2. The revenue and expenditure shown in the budget shall be in balance.

3. Revenue shall comprise, without prejudice to other types of income, total fees payable under the fees regulations, and, to the extent necessary, a subsidy entered against a specific heading of the general budget of the European Communities, Commission Section.

Article 135

Preparation of the budget

1. The President shall draw up each year an estimate of the Office's revenue and expenditure for the following year and shall send it to the Budget Committee not later than 31 March in each year, together with a list of posts.

2. Should the budget estimates provide for a Community subsidy, the Budget Committee

shall immediately forward the estimate to the Commission, which shall forward it to the budget authority of the Communities. The Commission may attach an opinion on the estimate along with an alternative estimate.

3. The Budget Committee shall adopt the budget, which shall include the Office's list of posts. Should the budget estimates contain a subsidy from the general budget of the Communities, the Office's budget shall, if necessary, be adjusted.

Article 136

Financial control

Control of commitment and payment of all expenditure and control of the existence and recovery of all revenue of the Office shall be carried out by the Financial Controller appointed by the Budget Committee.

Article 137

Auditing of accounts

1. Not later than 31 March in each year the President shall transmit to the Commission, the European Parliament, the Budget Committee and the Court of Auditors accounts of the Office's total revenue and expenditure for the preceding financial year. The Court of Auditors shall examine them in accordance with Article 188c of the Treaty.

2. The Budget Committee shall give a discharge to the President of the Office in respect of the implementation of the budget.

Article 138

Financial provisions

The Budget Committee shall, after consulting the Court of Auditorsof the European Communities and the Commission, adopt internal financial provisions specifying, in particular, the procedure for establishing and implementing the Office's budget. As far as is compatible with the particular nature of the Office, the financial provisions shall be based on the financial regulations adopted for other bodies set up by the Community.

Article 139

Fees regulations

1. The fees regulations shall determine in particular the amounts of the fees and the ways in which they are to be paid.

2. The amounts of the fees shall be fixed at such a level as to ensure that the revenue in respect thereof is in principle sufficient for the budget of the Office to be balanced.

3. The fees regulations shall be adopted and amended in accordance with the procedure laid down in Article 141.

TITLE XIII
FINAL PROVISIONS

Article 140

Community implementing provisions

1. The rules implementing this Regulation shall be adopted in an Implementing Regulation.

2. In addition to the fees provided for in the preceding Articles, fees shall be charged, in accordance with the detailed rules of application laid down in the Implementing Regulation, in the cases listed below:
1. alteration of the representation of a Community trade mark;
2. late payment of the registration fee;
3. issue of a copy of the certificate of registration;
4. registration of the transfer of a Community trade mark;
5. registration of a licence or another right in respect of a Community trade mark;
6. registration of a licence or another right in respect of an application for a Community trade mark;
7. cancellation of the registration of a licence or another right;
8. alteration of a registered Community trade mark;
9. issue of an extract from the Register;
10. inspection of the files;
11. issue of copies of file documents;
12. issue of certified copies of the application;
13. communication of information in a file;
14. review of the determination of the procedural costs to be refunded.

3. The Implementing Regulation and the rules of procedure of the Boards of Appeal shall be adopted and amended in accordance with the procedure laid down in Article 141.

Article 141

Establishment of a committee and procedure for the adoption of implementing regulations

1. The Commission shall be assisted by a Committee on Fees, Implementation Rules and the Procedure of the Boards of Appeal of the Office for Harmonization in the Internal

Market (trade marks and designs), which shall be composed of representatives of the Member States and chaired by a representative of the Commission.

2. The representative of the Commission shall submit to the Committee a draft of the measures to be taken. The Committee shall deliver its opinion on the draft within a time limit which the chairman may lay down according to the urgency of the matter. The opinion shall be delivered by the majority laid down in Article 148 (2) of the Treaty in the case of decisions which the Council is required to adopt on a proposal from the Commission. The votes of the representatives of the Member States within the Committee shall be weighted in the manner set out in that Article. The chairman shall not vote.
The Commission shall adopt the measures envisaged if they are in accordance with the opinion of the Committee.
If the measures envisaged are not in accordance with the opinion of the Committee, or if no opinion is delivered, the Commission shall, without delay, submit to the Council a proposal relating to the measures to be taken. The Council shall act by a qualified majority.
If, on the expiry of a period of three months from the date of referral to the Council, the Council has not acted, the proposed measures shall be adopted by the Commission, save where the Council has decided against the measures by a simple majority.

Article 142

Compatibility with other Community legal provisions

This Regulation shall not affect Council Regulation EEC/2081/92 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs (7) of 14 July 1992, and in particular Article 14 thereof.

Article 143

Entry into force

1. This Regulation shall enter into force on the 60th day following that of its publication in the Official Journal of the European Communities.

2. The Member States shall within three years following entry into force of this Regulation take the necessary measures for the purpose of implementing Articles 91 and 110 hereof and shall forthwith inform the Commission of those measures.

3. Applications for Community trade marks may be filed at the Office from the date fixed by the Administrative Board on the recommendation of the President of the Office.

4. Applications for Community trade marks filed within three months before the date referred to in paragraph 3 shall be deemed to have been filed on that date.