

EU Trademark Law Reform – The Specification of Goods and Services.



On 23 March 2016 a reform of the Community trademark law will come into force. Among other amendments the CTM Regulation it will give owners of Community trademarks (which will be called “European Union Trade Marks” or “EUTMs” in the future) or of International registrations designating the EU the chance to clarify the scope of protection of their mark.

Background - the “IP Translator” decision

The background is the “IP Translator” decision of the Court of Justice of the EU (CJEU) of 19 June 2012. Prior to the “IP Translator” decision, CTM applicants often used the general indications of the class headings of the Nice Classification instead of listing all goods and services of interest individually when identifying the goods and services for which the CTM should be registered,

e.g. “*cosmetics*” instead of “*make-up, nail varnish, lipsticks*”.

In a case, in which the CTM used *all* general indications of the class headings of a class of goods or services, the Office for Harmonization (which will be called “European Union Intellectual Property Office” or “EUIPO” in the future) had considered such a specification of goods and services to cover all goods or services falling within the Alphabetical List of the class concerned - even if they were not covered by the literal meaning of the general indications of that class heading,

e.g. the class heading of Class 15 that consists of the general indication “*musical instruments*” only would have covered goods like music stands, tuning forks and conductor's batons even though they are not musical instruments in a literal sense.

New approach after “IP Translator”

In the “IP Translator” decision, the CJEU held that the general indications of the class headings include only goods or services covered by their literal meaning. The decision will now be codified by **Article 28** of the new EU Trademark Regulation (EUTMR). EUTMs that contain general indications of class headings will therefore now be limited to their literal meaning,

e.g. a CTM for “*musical instruments*” will no longer cover music stands, tuning forks and conductors' batons.

The new approach will apply retrospectively and extend to all CTMs

- which have been filed **after 21 June 2012** (the date when the communication of OHIM on its implementation of the „IP Translator“ decision came into force) and
- which have been filed **on or before 21 June 2012 but are still not registered** on 23 March 2016.

Safeguarding the previous protection

To safeguard the previous scope of protection, **Art. 28 (8) EUTMR** provides for a period of six months from 23 March to 23 September 2016 during which owners of CTMs

- which have been filed **on or before 21 June 2012** and
- which are registered for an **entire class heading** of the Nice Classification

will have the opportunity to amend, by way of a particular declaration, the specification of goods and services to include, in **addition to the general indications** of the class heading, those goods and services which do not fall within the literal meaning of the general indications but which the owners intended to cover. If no declaration is filed, the mark will be automatically limited to cover only the literal meaning of the general indications of the class headings.

Our recommendation

When filing a CTM, we always use terms which cover the goods and services that are relevant for our clients by their literal meaning. It is therefore not necessary to go through those CTMs for which we have prepared the specification of goods and services in cooperation with you class by class, to work out which cover entire class headings and what goods or services might not be covered by the literal meaning of the words of that class heading but need to be covered, and to file respective declarations for each CTM. Of course, we could do so if desired to be on the safe side.

However, there may be cases in which certain goods or services seemed to be irrelevant at the time when the CTM was filed but which have turned out to be of interest in the meantime due to an extension of the use of the CTM. In such a case, we recommend to take the opportunity and add, if possible, those goods or services of upcoming interest by Art. 28 (8) declarations. Even though the way in which Art. 28 (8) declarations will have to be made will be published on 23 March 2016 only, relevant CTMs may be identified already now.

If you consider filing an Art. 28 (8) EUTMR declaration

the following should be noted:

- The wording of Art. 28 (8) EUTMR and of the Communication of OHIM concerning the implementation of Art. 28 (8) EUTMR suggest that an amendment will be possible only if the CTM in question had already been **registered on 23 March 2016**.
- Only those specifications can be amended that cover at least one **entire class heading** of a Nice Class. For CTMs which do not include an entire class heading but are registered,
e.g. only for *“soaps; perfumery, essential oils, cosmetics, hair lotions”* in class 3,
Art. 28 (8) EUTMR does not allow an amendment.
Against this, an amendment will be possible if the specification covered additional goods or services along with (all) the general indications of the class heading.
- Specifications of goods and services can be amended only to include those terms which had been covered by the Alphabetical List of the **edition of the Nice Classification** that was in force at the time when the CTM application had been filed. Between 1996 and 2012, the Nice Classification existed in five different editions. It will therefore be necessary to check which edition applied to the CTM at issue.
- The amendment of the specification will be without prejudice to the **use requirement**. The addition of a good or service not covered by the literal meaning of the original specification will not set off a new grace period for putting the mark to use.

Alternative - Partial surrender acc. to Art. 50 EUTMR

According to Art. 50 EUTMR, CTM owners may surrender part of their CTM by deleting certain goods and services from the specification of goods and services. In this case **the class heading will be replaced** by the full alphabetical list of goods and services listed in the relevant Nice Classification for that class - less one good or service as otherwise nothing has been surrendered.

Differences between the options

Both options, an Art. 28 (8) declaration and an Art. 50 partial surrender, achieve a similar outcome, and neither option requires the payment of an official fee. However:

- Additional goods and services added by an Article 28 declaration will be subject to certain **defenses** if CTM owners try to assert their marks against third parties.

Acc. to Art. 28(g) EUTMR, the CTM

„shall not prevent a third party from continuing to use a trademark in relation to goods or services where and to the extent that the use of the trade mark for those goods or services:

(a) commenced before the register was amended; and

(b) did not infringe the proprietor's rights based on the literal meaning of the record of the goods and services in the register at that time.“

This defense does not apply to partial surrenders.

- Article 28 (8) EUTMR declarations will retain the class headings and add only a list of some additional goods and services. Against this, partial surrenders acc. to Art. 50 EUTMR delete the class headings and replace them with a **long list of goods and services**.

- The choice may be relevant in the context of a possible **non-use attack** on a mark. The use of the CTM for particular goods may maintain the protection of a general indication that remains in the specification of goods and services after an Art. 28 (8) declaration, or at least of a sub-group of goods that is broader than the particular goods for which the mark is used. Against this, a partial surrender acc. to Art. 50 EUTMR will create a list of goods and services that can be limited to only the particular goods for which use can be proved,

e.g. the owner of a CTM for “*musical instruments*” who only sells trumpets under the mark may keep the protection for “brass instruments” and thereby for trombones, horns and tubas in case of an Art. 28 (8) declaration while being cut down to trumpets in case of an Art. 50 partial surrender.

If you have any questions or if you require more detailed information, please do not hesitate to contact us.

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