



# Client Memorandum

March 2, 2016

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## Change Coming to the European Trademark System

On March 23, 2016, amended trademark regulations will go into effect in Europe to harmonize the existing European Community trademark system with the various national trademark offices of the European Union.

The European Community trademark is a centralized system which allows trademark owners to protect their trademarks in all 28 member countries of the European Union with one single trademark application or registration.

We encourage our clients to review some of the important changes being implemented by the trademark reform package and to contact us with any questions.

### The European Union Trade Mark

On March 23, 2016, new trademark terminology will be used to identify European trademarks. The Office of Harmonization in the Internal Mark (OHIM) will be changed to the European Union Intellectual Property Office (EUIPO). Similarly, the former Community Trade Mark (CTM) will be known as the European Union Trade Mark (EUTM). Going forward, use of CTM and “Community” will be discontinued and our client correspondence and intellectual property reports will reference “EU” and “European Union” trademarks.

### Fee Reductions and No More “Three-for-One”

There will be a moderate reduction to all current trademark fees, including a substantial 37 percent reduction in trademark renewal fees.

Currently, it is possible to file new European trademark applications designating up to three international classes of goods and services, for the cost of one. Effective March 23, 2016, a new one fee per class system will take effect. This change seeks to eliminate “register clustering,” where trademark owners obtain registrations in up to three classes, at the cost of one class, many times for goods or services they do not actually provide, thereby blocking others’ use and registration of similar trademarks.

### Class Headings

All European trademarks must specify the specific goods and services for which protection is sought, with sufficient clarity so to allow trademark offices, courts and the general public to determine what is actually covered by the trademark. Accordingly, use of the Nice Trademark Classification Heading to identify all goods or services in a class will no longer be permitted, without also specifically identifying the actual goods or services to be designated by the trademark.

Trademark owners with European trademarks (or Madrid registrations designating Europe) filed before June 22, 2012, which currently identify a Nice Trademark Classification Heading (Class Heading) as the description of goods and services, have until September 23, 2016 to declare if use of the Class Heading was intended to cover goods or services beyond the literal meaning of the Class Heading and amend their trademarks to identify the specific goods and services which should be covered. If no changes are made, trademarks will be considered to cover the exact goods and services listed as part of a Class Heading, by their literal meaning, rather than as a broad Class Heading umbrella meant to cover all goods/services in that class.

COJK attorneys and paralegals are currently reviewing all European trademark records in our system to identify trademark registrations which may require clarification. We will contact clients directly with recommendations. Please contact us if you have any questions about the scope of coverage afforded by your European trademarks.

The class heading rule change does not apply to existing registrations that presently include a Class Heading description followed by a statement that identifies the specific goods and services claimed. Previous trademark rule changes required applications filed after June 22, 2012, to identify specific goods and services with “sufficient clarity” when using a Class Heading.

## **Opposition Term**

The deadline to oppose a European application designated under the Madrid Protocol will be reduced from a six-month term to a three-month term, beginning one month after an application is published. The three-month opposition term for non-Madrid European applications remains the same.

## **Proof of Use**

Current practice allows for European trademarks to be vulnerable for cancellation if use of the mark does not commence within five years of registration, or if use is discontinued for any subsequent five-year term. Under the new regulations, the five-year term will begin at the date of expiration of the trademark’s opposition period. In cases where an opposition is filed, the five-year term will begin at the date the opposition is withdrawn, or the opposition decision is made final. In oppositions, the period for which an opposer must file proof of use of its mark will now be the five-year period preceding the filing date or priority date of the opposed application. The pertinent date was formerly the date of publication of the opposed application.

## **New Trademark Types**

On March 23, 2016, the EUIPO will begin accepting certification marks, sound marks and other non-traditional marks, such as holograms and motion marks.

## **Search Surveillance Letters**

The current European trademark system allows for trademark owners to automatically receive notice of new third-party applications for similar trademarks. Effective March 23, 2016, it will be possible for trademark owners to opt out of receiving these notices. At the time of filing of new applications, applicants will have the option of opting in or out of the European Union search surveillance notification system (at no additional cost) and/or to receive notices from the National Trademark Offices from the member state offices that provide them (with additional fees required).

Our European associates discourage opting out of the search surveillance notices, and COJK’s recommendation is the same. The notices are valuable resources and are often a trademark owner’s first notification of a later-filed, potentially conflicting mark.

## **Conclusion**

While the aforementioned changes are the most prominent, there are a number of other modifications being made to the European trademark procedures, including a number of revised administrative procedures to be implemented at the national level.

If you have any questions about the changes being implemented by the European Union’s trademark reform, we invite you to contact your COJK attorney, or email us at [trademarks@cojk.com](mailto:trademarks@cojk.com).

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This memorandum is not intended to provide legal advice, and no legal or business decision should be based on its content. Questions concerning issues addressed in this memorandum should be directed to your COJK attorney.