

PUBLICATION

Will Your EU Registrations Be Invalidated by the New Law?

January 25, 2016

On December 15, 2015, following several years of negotiations, the European Parliament and the Council of the European Union approved a new EU Trade Mark Directive as well as a new Trade Mark Regulation. Aimed at harmonizing substantive trademark law within the region and increasing businesses' intellectual property protection, the legislative package renames the Office for Harmonization in the Internal Market (OHIM) as the European Union Intellectual Property Office (EUIPO) and makes important changes to the registration, renewal and enforcement of Community Trade Marks (CTMs).

Existing CTMs will be renamed as European Union Trade Marks (EUTMs). Once the Regulation is effective, existing CTM registrations that were filed before June 22, 2012, and which cover an entire "class heading" of the official classification of goods and services will be interpreted more narrowly. Specifically, a CTM designating the list of goods/services in a particular class heading will no longer cover all of the goods/services in that class. Instead, only the goods/services clearly and precisely indicated in the wording of the class heading will be covered.

Accordingly, registrants should amend their registrations prior to the Regulation's effective date of March 23, 2016, in order to maintain stronger protection and exercise more control over changes to their registrations' coverage. Alternatively, the new Regulation will allow pre-June 22, 2012, applicants to declare that their intention was to seek protection for goods/services beyond the literal meaning of a given class, as long as the intended goods/services were included in the official list of goods/services for that class on the date of filing, and filing is made within six months of the Regulation's effective date (no later than September 23, 2016).

The Regulation also sets out changes to CTM application fees. As of March 23, 2016, CTM application fees will no longer cover up to three classes. Rather, only one class will be covered by the basic fee, which is being lowered by €50. If a registrant's application covers three or more classes, the cost will increase by €150 per class over two. Conversely, all CTM renewal fees will decrease, no matter the number of classes in a registration. Accordingly, trademark owners should delay renewal of their CTM registrations until the reduced fees take effect.

Also, under the new laws, CTM registrants may seize any counterfeit goods in transit through the EU. This is true even if those goods are not targeted at EU consumers, unless the alleged infringer shows there is no trademark infringement in the country of final destination. Based on this legislation, trademark owners with counterfeit goods outside of the EU should obtain EU trademark registrations and EU customs registrations, even if they have no counterfeit problems in the EU.

For more information about how this issue may affect your business or related matters, please contact any member of the Firm's Intellectual Property Group.