Regulation (EU) 2015/2424 of the European Parliament and of the Council of 16 December 2015 amending Council Regulation (EC) No 207/2009 on the Community trade mark and Commission Regulation (EC) No 2868/95 implementing Council Regulation (EC) No 40/94 on the Community trade mark, and repealing Commission Regulation (EC) No 2869/95 on the fees payable to the Office for Harmonization in the Internal Market (Trade Marks and Designs) (Text with EEA relevance)

REGULATION (EU) 2015/2424 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 16 December 2015

amending Council Regulation (EC) No 207/2009 on the Community trade mark and Commission Regulation (EC) No 2868/95 implementing Council Regulation (EC) No 40/94 on the Community trade mark, and repealing Commission Regulation (EC) No 2869/95 on the fees payable to the Office for Harmonization in the Internal Market (Trade Marks and Designs)

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 118, first paragraph, thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Acting in accordance with the ordinary legislative procedure[(1)],

Whereas:

(1) Council Regulation (EC) No 40/94[(2)], which was codified in 2009 as Council Regulation (EC) No 207/2009[(3)], created a system of trade mark protection specific to the European Union which provided for the protection of trade marks at the level of the Union, in parallel to the protection of trade marks available at the level of the Member States according to the national trade mark systems, harmonised by Council Directive 89/104/EEC[(4)], which was codified as Directive 2008/95/EC of the European Parliament and of the Council[(5)].

(2) As a consequence of the entry into force of the Lisbon Treaty, the terminology of Regulation (EC) No 207/2009 should be updated. This entails the replacement of ‘Community trade mark’ by ‘European Union trade mark’ (‘EU trade mark’). In order to better reflect the actual work carried out by the Office for Harmonization in the Internal Market (trade marks and designs), its name should be replaced by ‘European Union Intellectual Property Office’ (‘the Office’).

(3) Further to the Commission's communication of 16 July 2008 on an industrial property rights strategy for Europe, the Commission carried out a comprehensive evaluation of

the overall functioning of the trade mark system in Europe as a whole, covering Union and national levels and the interrelation between the two.

(4) In its conclusions of 25 May 2010 on the future revision of the trade mark system in the European Union, the Council called on the Commission to present proposals for the revision of Regulation (EC) No 207/2009 and Directive 2008/95/EC.

(5) The experience acquired since the establishment of the Community trade mark system has shown that undertakings from within the Union and from third countries have accepted the system which has become a successful and viable complement and alternative to the protection of trade marks at the level of the Member States.

(6) National trade marks continue nevertheless to be necessary for those undertakings which do not want protection of their trade marks at Union level, or which are unable to obtain Union-wide protection while national protection does not face any obstacles. It should be left to each person seeking trade mark protection to decide whether the protection is sought only as a national trade mark in one or more Member States, or only as an EU trade mark, or both.

(7) While the evaluation of the overall functioning of the Community trade mark system confirmed that many aspects of that system, including the fundamental principles on which it is based, have stood the test of time and continue to meet business needs and expectations, the Commission concluded in its communication ‘A Single Market for Intellectual Property Rights’ of 24 May 2011 that there is a need to modernise the trade mark system in the Union by making it more effective, efficient and consistent as a whole and by adapting it to the internet era.

(8) In parallel with the improvements and amendments of the EU trade mark system, national trade mark laws and practices should be further harmonised and brought into line with the EU trade mark system to the extent appropriate in order to create as far as possible equal conditions for the registration and protection of trade marks throughout the Union.

(9) In order to allow for more flexibility while also ensuring greater legal certainty with regard to the means of representation of trade marks, the requirement of graphic representability should be deleted from the definition of an EU trade mark. A sign should be permitted to be represented in any appropriate form using generally available technology, and thus not necessarily by graphic means, as long as the representation is clear, precise, self-contained, easily accessible, intelligible, durable and objective.

(10) Regulation (EC) No 207/2009 currently falls short of offering the same degree of protection to designations of origin and geographical indications as other instruments of Union law. It is therefore necessary to clarify the absolute grounds for refusal concerning designations of origin and geographical indications and to ensure that such grounds for refusal are fully consistent with relevant Union legislation and national law providing for protection of those intellectual property titles. For reasons of coherence with other Union legislation, the scope of those absolute grounds should be extended to cover also protected traditional terms for wine and traditional specialities guaranteed.

(11) In order to maintain strong protection of rights in designations of origin and geographical indications protected at Union and national levels, it is necessary to clarify that those rights entitle any person authorised under the relevant law to oppose a later application for the registration of an EU trade mark, regardless of whether or not those rights are also grounds for refusal to be taken into account *ex officio* by the examiner.

(12) In order to ensure legal certainty and full consistency with the principle of priority, under which a registered earlier trade mark takes precedence over later registered trade marks, it is necessary to provide that the enforcement of rights conferred by an EU trade mark should be without prejudice to the rights of proprietors acquired prior to the filing or priority date of the EU trade mark. This is in conformity with Article 16(1) of the Agreement on trade-related aspects of intellectual property rights of 15 April 1994.

(13) Confusion as to the commercial source from which the goods or services emanate may occur when a company uses the same or a similar sign as a trade name in a way such that a link is established between the company bearing the name and the goods or services coming from that company. Infringement of an EU trade mark should therefore also comprise the use of the sign as a trade name or similar designation as long as the use is made for the purposes of distinguishing goods or services.

(14) In order to ensure legal certainty and full consistency with specific Union legislation, it is appropriate to provide that the proprietor of an EU trade mark should be entitled to prohibit a third party from using a sign in comparative advertising where such comparative advertising is contrary to Directive 2006/114/EC of the European Parliament and of the Council[(6)].

(15) In order to strengthen trade mark protection and combat counterfeiting more effectively, and in line with international obligations of the Union under the framework of the World Trade Organisation (WTO), in particular Article V of the General Agreement on Tariffs and Trade (GATT) on freedom of transit and, as regards generic medicines, the 'Declaration on the TRIPS Agreement and public health' adopted by the Doha WTO Ministerial Conference on 14 November 2001, the proprietor of an EU trade mark should be entitled to prevent third parties from bringing goods, in the course of trade, into the Union without being released for free circulation there, where such goods come from third countries and bear without authorisation a trade mark which is identical or essentially identical with the EU trade mark registered in respect of such goods.

(16) To this effect, it should be permissible for EU trade mark proprietors to prevent the entry of infringing goods and their placement in all customs situations, including transit, transhipment, warehousing, free zones, temporary storage, inward processing or temporary admission, also when such goods are not intended to be placed on the market of the Union. In performing customs controls, the customs authorities should make use of the powers and procedures laid down in Regulation (EU) No 608/2013 of the European Parliament and the Council[(7)], also at the request of the right holders. In particular, the customs authorities should carry out the relevant controls on the basis of risk analysis criteria.

Changes to legislation: *There are currently no known outstanding effects for the Regulation (EU) 2015/2424 of the European Parliament and of the Council. (See end of Document for details)*

(17) In order to reconcile the need to ensure the effective enforcement of trade mark rights with the necessity to avoid hampering the free flow of trade in legitimate goods, the entitlement of the proprietor of the EU trade mark should lapse where, during the subsequent proceedings initiated before the European Union trade mark court ('EU trade mark court') competent to take a substantive decision on whether the EU trade mark has been infringed, the declarant or the holder of the goods is able to prove that the proprietor of the EU trade mark is not entitled to prohibit the placing of the goods on the market in the country of final destination.

(18) Article 28 of Regulation (EU) No 608/2013 provides that a right holder is to be liable for damages towards the holder of the goods where, inter alia, the goods in question are subsequently found not to infringe an intellectual property right.

(19) Appropriate measures should be taken with a view to ensuring the smooth transit of generic medicines. With respect to international non-proprietary names (INN) as globally recognised generic names for active substances in pharmaceutical preparations, it is vital to take due account of the existing limitations on the effect of EU trade mark rights. Consequently, the proprietor of an EU trade mark should not have the right to prevent a third party from bringing goods into the Union without being released for free circulation there, based upon similarities between the INN for the active ingredient in the medicines and the trade mark.

(20) In order to enable proprietors of EU trade marks to combat counterfeiting more effectively, they should be entitled to prohibit the affixing of an infringing mark to goods and preparatory acts carried out prior to the affixing.

(21) The exclusive rights conferred by an EU trade mark should not entitle the proprietor to prohibit the use of signs or indications by third parties which are used fairly and thus in accordance with honest practices in industrial and commercial matters. In order to create equal conditions for trade names and EU trade marks in the event of conflicts, given that trade names are regularly granted unrestricted protection against later trade marks, such use should be only considered to include the use of the personal name of the third party. It should further permit the use of descriptive or non-distinctive signs or indications in general. Furthermore, the proprietor should not be entitled to prevent the fair and honest use of the EU trade mark for the purpose of identifying or referring to the goods or services as those of the proprietor. Use of a trade mark by third parties to draw the consumer's attention to the resale of genuine goods that were originally sold by or with the consent of the proprietor of the EU trade mark in the Union should be considered as being fair as long as it is at the same time in accordance with honest practices in industrial and commercial matters. Use of a trade mark by third parties for the purpose of artistic expression should be considered as being fair as long as it is at the same time in accordance with honest practices in industrial and commercial matters. Furthermore, this Regulation should be applied in a way that ensures full respect for fundamental rights and freedoms, and in particular the freedom of expression.

(22) In order to ensure legal certainty and safeguard legitimately acquired trade mark rights, it is appropriate and necessary to lay down, without prejudice to the principle that the later trade mark cannot be enforced against the earlier trade mark, that proprietors of

EU trade marks should not be entitled to oppose the use of a later trade mark if the later trade mark was acquired at a time when the earlier trade mark could not be enforced against the later trade mark.

(23) For reasons of equity and legal certainty, the use of an EU trade mark in a form that differs in elements which do not alter the distinctive character of that mark, in the form in which it is registered, should be sufficient to preserve the rights conferred regardless of whether the trade mark in the form as used is also registered.

(24) In view of the gradual decline and insignificant number of EU trade mark applications filed at the central industrial property offices of the Member States and the Benelux Office for Intellectual Property, it should be possible to file an EU trade mark application only at the Office.

(25) EU trade mark protection is granted in relation to specific goods or services whose nature and number determine the extent of protection afforded to the trade mark proprietor. It is therefore essential to establish rules for the designation and classification of goods and services in Regulation (EC) No 207/2009 and to ensure legal certainty and sound administration by requiring that the goods and services for which trade mark protection is sought are identified by the applicant with sufficient clarity and precision to enable the competent authorities and economic operators, on the basis of the application alone, to determine the extent of the protection applied for. The use of general terms should be interpreted as only including all goods and services clearly covered by the literal meaning of the term. Proprietors of EU trade marks, which because of the previous practice of the Office are registered in respect of the entire heading of a class of the Nice Classification, should be given the possibility to adapt their lists of goods and services in order to ensure that the content of the Register meets the requisite standard of clarity and precision in accordance with the case-law of the Court of Justice of the European Union.

(26) It is appropriate to streamline the regime of EU and national trade mark searches by avoiding unnecessary delays in registering an EU trade mark and to render it more flexible in terms of user needs and preferences by also making the search for EU trade marks optional. The optional EU and national trade mark searches should be complemented by the making available of all-encompassing, fast and powerful search engines for the use of the public free of charge within the context of cooperation between the Office and the central industrial property offices of the Member States, including the Benelux Office for Intellectual Property.

(27) As a complement to the existing provisions on Community collective marks and to remedy the current imbalance between national systems and the EU trade mark system, it is necessary to add a set of specific provisions for the purpose of providing protection to European Union certification marks (‘EU certification marks’) which allow a certifying institution or organisation to permit adherents to the certification system to use the mark as a sign for goods or services complying with the certification requirements.

(28) The experience gained in the application of the current system of EU trade marks has revealed the potential for improvement of certain aspects of procedure. Consequently,