

Trade Mark Briefing Paper:

CTM Information

What Is A CTM?

A Community Trade Mark (CTM) is a unitary right covering all member states of the European Union (namely, *Austria, Belgium, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden and the UK*) – a market of over 450 million consumers. It is a cost-effective alternative to obtaining individual national trade mark registrations. A CTM is obtained through a single application made at the Community Trade Mark Office (OHIM) in Alicante, Spain. We can file such applications directly from the UK. An application can cover multiple classes, but the initial filing fee covers up to 3 classes. A CTM may only be registered, assigned, renewed or cancelled in respect of the whole of the EU. However, the licensing of a CTM may be partial with respect to the goods/services or the territories covered.

The CTM Application Process

1. The Applicant

Any natural or legal person may apply for and hold a CTM.

Applicants that are not domiciled, or do not have a principal place of business or a real and effective industrial or commercial establishment in the Community must appoint a qualified representative to act for them in all proceedings before OHIM, except for the filing of an application for registration of a CTM directly with OHIM.

2. Paperwork:

- Authorisation.
 - *OHIM no longer requires its standard form of authorisation to be filed in support of an application.*
 - *This represents a change in procedure rather than law, so we recommend that a form is completed and held on our file, in case of future queries.*
- Convention Priority documents.
 - *A photocopy of the base application, and confirmation from the national office of the date it received this, is all that is required: this does not have to be certified.*
 - *Due within 3 months of filing the application. This term can be extended.*

3. Examination and Searches:

- OHIM and certain of the national offices conduct searches of their records for earlier rights. The results are notified to the applicant some six to nine months after the application was filed. OHIM will not, however, refuse an application of its own motion on the basis of earlier rights and the results are forwarded for information only.
- All CTM applications are examined on absolute grounds – if objections are raised regarding inherent registrability, it may be possible to overcome these by argument, or by showing that the mark in question does possess the requisite distinctive character through the use made of it – in other words, by demonstrating that an otherwise indistinctive/descriptive mark has acquired a secondary meaning to the relevant public (Art 7(3)).

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4. Advertisement:

- Publication in the Community Trade Marks Bulletin usually takes place within two months of the search results being issued.
- There is a non-extendable 3 month opposition term. CTM applications can be opposed on the basis of earlier rights only: oppositions cannot be based on absolute grounds but such objections can be raised with the office by filing observations.

5. Registration:

- A registration fee is payable at the end of the process (about the same amount as the filing fee).

6. Costs / Timing:

- It typically takes fourteen to sixteen months for an unopposed application to reach registration.
- The total costs over this period will be about US\$4,500 for an application in up to 3 classes.

Opposition

1. Cooling Off:

- If an application is opposed OHIM issues a Notice of Opposition. There follows an automatic "cooling-off" period of two months. This two-month period is a halt to proceedings to allow both parties to try and resolve the conflict between themselves (usually by agreeing to co-exist or by limitations to the goods/services). This initial two-month period is extendible on application by both parties. 20% of CTM applications are opposed, but the majority of cases are settled amicably within the cooling-off period.

2. Costs Awarded:

- If the opposition is withdrawn within the cooling-off period, OHIM will not make an award of costs against either party; the official opposition fee will be refunded to the opponent, if, within the cooling off period, the application is withdrawn, or restricted to goods or services against which the opposition is not directed.

3. Adversarial Stage:

- If the matter cannot be resolved then, at the end of the cooling-off period, the parties enter the "adversarial part of proceedings", meaning that the opposition proceedings start in earnest. After the exchange of evidence and observations (beginning with the opponent) OHIM will issue a decision but this can be within a few months or might take upwards of a year in more complex cases.
- It is difficult to obtain extensions of time during the adversarial phase. However, at the request of both parties OHIM may agree to suspend the proceedings, at any time, to allow settlement negotiations to take place.

4. Languages:

- Opposition cases will nearly always be conducted in one of the 5 OHIM languages: English, French, German, Italian, Spanish. The great majority of oppositions are conducted in English.

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Conversion

If a CTM application is refused, or a CTM registration is cancelled (for example, invalidated or revoked), it is possible at some cost to convert the application or registration into national applications which retain the original filing date of the CTM. The national applications are then examined in accordance with national trade mark practice.

Linkage

Since 1 October 2004, it has been possible to claim a Community Trade Mark as a designation of an International Registration.

Seniority

The Community Trade Mark system allows for the merging of CTMs and identical earlier national registrations. An identical registration means that the mark, the goods and/or services and the proprietor are the same. This facility allows a proprietor to consolidate all of its European national registrations into a single CTM with one renewal term, and maintain the earlier filing dates for those countries from which seniority is claimed. For the seniority to take effect, the national rights must lapse. A claim to seniority may be made at the same time as the CTM application, up to two months after the filing date, or (most commonly) post registration of a CTM.

Rights Conferred by a CTM

Registration does not mean that the proprietor has acquired the exclusive right to use of the trade mark throughout the European Union: his use might infringe earlier conflicting national, or even CTM rights. The Council Regulation states that a CTM provides rights in each member state equivalent to a regular national filing. However, territorially the rights may not be precisely equivalent. For example, a UK national registration covers the Isle of Man whereas a CTM registration does not. Decisions on infringement of CTMs are made by the Community trade mark courts (which are designated by the member states). These courts may grant injunctions on a Community-wide basis, but whether this relief is available will depend in any given case on the choice of forum for the proceedings (Article 93).

Duration

A CTM will last 10 years and is renewable every 10 years, indefinitely (making it a very powerful form of protection). A CTM may become vulnerable to revocation proceedings if the mark is not used for any continuous five year period. Genuine commercial use of the trade mark must be made to avoid such vulnerability, but it is not necessary to show use throughout the European Union.

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