

Mr. Antonio Campinos
President
Office for the Harmonization in the Internal Market
Avenida de Europea, 4
E- 03008 Alicante, Spain

March 15, 2016

Re: Comments on the OHIM Strategic Plan 2020

Dear Mr. Campinos,

The International Trademark Association (INTA) appreciates the opportunity to provide its views on OHIM's Strategic Plan 2020. Please note that most of the comments we previously provided on the Strategic Plan in February 2015 and October 2014 remain valid.

First of all, we commend the Office for placing users at the heart of its vision. The Office's success will continue to derive from its capacity to stay close to the needs of users and to respond accordingly. Involving and consulting users as frequently and in as many instances as possible is essential to ensure that OHIM excels at its tasks. In addition, we strongly support OHIM's goal to "design and develop services provided by the Office around what users need rather than on the Office's process to render such services."

The Office should thus be supported in its drive for enhanced quality of its decisions and services. INTA particularly welcomes the focus on ex-ante checks, the creation of immediate user feedback options, examination support tool, the Anti-Fraud Strategy and the move towards seamless electronic interaction, all while maintaining traditional means of communication. Although we appreciate the objective to improve OHIM's Guidelines, they should not become "versatile" as it goes against the principle of "predictability" and legal certainty at the detriment of users.

Nonetheless, INTA would like to reiterate our concerns about the scope and structure of the Strategic Plan. We were expecting a more detailed approach, with action points, measurable targets and a precise timeline. This plan, contrary to what is stated, goes beyond a simple evolution and represents a radical change of direction for the Office. INTA suggests that the key priorities for the Office should be (a) achieving excellence in OHIM's core business of trademark and design registration and (b) no diversion of CTM and RCD generated funds to unrelated tasks. Unfortunately, the Strategic Plan appears to disproportionately focus on non-core activities.

This is even more of a concern in as much as the Office recognizes the need to improve the trademark and design system in the EU and to implement the EU trademark reform, since, as the plan states, "the speed, consistency, simplicity and accessibility of the registration procedures, as

well as the level of convergence in how offices handle these procedures has been far from perfect.” Yet the Office also expects a €20 to €40 million reduction of income due to trademark fee reduction and the expected change in user behavior, an increased volume of applications and a further tightening of resources. Moreover, the Plan acknowledges the negative impact of these factors in stating that “this combined with new activities may put the level of service provided by the Office to applicants and other stakeholders at risk.”

It is somewhat reassuring to note the Office’s claims that “registering trade marks and designs continues to be the main task of the Office” in accordance with Article 123b of the revised Basic Regulation, and that the “focus of the EUIPO remains on registration and management of trade marks and designs in a European context.” However, this prioritization is not reflected in the Strategic Plan which should further detail how the Office will ensure this prioritization of tasks.

Fees paid by CTM and RCD users should be dedicated to OHIM’s core services and an equitable funding by other IPR stakeholders should be implemented for other IPR and non-core services and projects. We welcome the Office’s commitment to adopt a transparent and activity-based budgeting/costing as it would facilitate clarity on the use of CTM and RCD user fees. Accordingly, the remaining accumulated surplus should be invested in further deepening and enhancing the Cooperation Fund and Convergence Programme and implementing new projects for the benefit of trademark and design users, with a clear priority on a harmonized implementation of the trademark reform (objective 6.1).

In order to foster further harmonization, INTA welcomes the Office’s objective to support national offices which have not already received backing to implement particular project results. Given INTA’s urgings over the years for the creation of Search Image for designs, we are very pleased to see this foreseen in the Strategic Plan.

Overall, the Strategic Plan fails to distinguish between activities related to international cooperation, convergence programs and the role of the EUIPO and that of the Observatory. INTA continues to support the development of a European Trademark and Design Network as a platform for cooperation and a means to support convergence of practices for trademarks and designs within Europe and beyond. OHIM’s engagement in the TM5 and ID5 process and its sharing of TMView and TMClass is welcome and should be further expanded. We support the Office’s efforts to network and develop ties with other institutions, authorities and associations dealing with IP. The focus, however, of any international activity should remain on trademarks and designs and within the limits of OHIM’s financial means. In addition, the focus on fostering EU businesses does not take into account that OHIM’s funds derive from the global community of trademark and design owners “from more than 170 countries.” Likewise, while the Association fully agrees that SMEs are vital part of the European economy and should be supported, large companies and multinationals are equally important to the economy and should continue benefitting fully of the Observatory’s findings, projects and support.

From an enforcement perspective, INTA continues supporting the work of the European Observatory on Infringements of Intellectual Property Rights. INTA’s membership appreciates the extensive studies that the Observatory produces, but we believe that that these valuable reports

should receive greater promotion and publicity. The use of the sectorial studies on counterfeiting in events to raise public awareness should be increased. Although the Observatory relies on its network to circulate the information, we believe that the Observatory should allocate sufficient resources of its own to the promotion and post-publication advocacy of its thought-leadership pieces. This should include the development and implementation of a broader strategy for disseminating this information to a wider audience.

INTA supports the Office's intention to increase collaboration with the national IP offices and customs officials, as well as with Europol and Eurojust, to help harmonize and strengthen enforcement practices throughout the EU as noted in section 5.6.3. In this regard, the Observatory could perhaps consider looking at the value of the convergence of decisions of trademark offices and judgments of courts, especially in how this relates to forum shopping by practitioners.

Finally, the fight against counterfeiting remains a key priority for INTA's membership. Nonetheless, we would like to see more of a focus on trademark-related activities in the Observatory's work in the upcoming strategic plan, that take into account all forms of trademark infringements, not only counterfeiting. We also believe that a multiplication of databases could be confusing and counter-productive. We thus strongly support the Office's objective to seek greater integration between existing databases so as to obtain consolidated enforcement information.

INTA stands ready to support the Office in its efforts towards implementing the EU trademark reform. We hope you will find these comments useful. Should you wish to further discuss any of the points we have raised or additional issues, please contact H el ene Nicora at hnicora@inta.org.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Ronald van Tuijl', written over a horizontal line.

Ronald van Tuijl,
INTA President

Annex: Comments on the OHIM Strategic Plan 2020, Guiding Principles and Outlines (23 February 2015) and Comments on the OHIM Strategic Plan 2016-2020, Guiding Principles (October 3, 2014)