

INTA COMMENTS

Committee on Legal Affairs Draft Report of July 31, 2013 on the proposal for a Directive to approximate the laws of the Member States relating to trade marks (Recast)

and

Committee on Legal Affairs Draft Report of July 31, 2013 on the proposal for a Regulation amending Council Regulation (EC) N°207/2009 on the Community Trade Mark

9 September 2013

INTA generally supports the Commission's proposals but we believe that several of the proposals are improved by the Rapporteur of the Legal Affairs Committee (JURI). We appreciate the Rapporteur's clear and balanced amendments especially in view of the time pressure to move the package through the legislative process by the end of this parliamentary term.

INTA welcomes improvements from the Rapporteur with respect to the following points:

- The abolition of the reference to the origin function in case of double identity infringements;
- An extension of the period for amending specifications following the *IP Translator* case;
- Consultation with user representatives on the common projects;
- The abolition of the Executive Board of the Agency;
- The removal of the possibility of a budget surplus being transferred to the general budget of the EU or to Member states;
- The placing of the start of the grace period on the register; and
- The multiple references to cooperation and complementarity between trade mark systems.

INTA reiterates its concerns on the following issues:

- Counterfeit goods in transit: INTA supports the European Commission's proposals as an appropriate way forward to deal with the global fight against trademark counterfeiting and is concerned that the Rapporteur's proposed provisions stop short of this voluntaristic objective. Please see our proposed amendments on pages 5, 9, 22 and 27

as well as a detailed Rationale in Annex 1 on page 34 as a proposed means to improve on the Rapporteur's amendment.

- Delegated acts: INTA has already raised concerns regarding the Commission's proposal to adopt delegated acts on procedural issues that currently are covered by OHIM's guidelines. We believe that OHIM, which deals with these issues on a daily basis, is the most suitable authority to find appropriate solutions and draft guidelines, especially when the Office consults users in reaching these solutions. We recommend that practical issues should be left to the discretion of OHIM; and we encourage the Commission to consult with users before adopting delegated acts. We therefore look forward to seeing the Rapporteur's separate comments on delegated acts.
- Fees: with respect to the setting of the levels of the fees, INTA favors the Commission's suggested approach via comitology; we believe that this approach will facilitate future revisions of the level of fees if and when necessary. As regards the level of fees itself, INTA supports that a CTM application should cover only one class rather than three classes. Although this has a slight positive impact on the relevant level of fees, INTA regrets that the CTM renewal fees are still higher than the CTM application fees and in some cases up to 100% higher.

INTA regrets that the Rapporteur has not seized this opportunity to address some important issues, including:

- Territorial requirement for genuine use of a European Union trade mark (related to Article 15(1) of EC (Regulation) No 207/2009): jurisprudence has failed to provide legal certainty in this area of the law which has serious consequences for trade mark proprietors. INTA therefore recommends that the legislation be amended to clarify that use of an EU trade mark in one Member State be sufficient to satisfy this territorial requirement so long as use is "genuine".
- Prioritization of the Agency's tasks (Art. 123(b) CTMR): INTA believes that trade mark and design registrations should be listed as priority tasks compared to other tasks of the Agency. Trade mark and design registrations are in fact the activity which largely contributes to financing the Agency. Likewise it is the activity for which the Agency is best known and recognized by undertakings across the EU.
- Mediation (Article 123b CTMR): INTA believes that mediation should be promoted at an early stage of proceedings and that mediators external to the Agency should be allowed.
- Fair use (Articles 12 CTMR and 14 TMD): INTA recommend correcting what appears to be a semantic error, so that all limitations of the effect of an EU trade mark are subject to the same conditions of fair use.

Please find detailed comments and suggestions in the chart below.

The International Trademark Association remains at your disposal to offer further comments and expertise, or answer any question you may have. For more details on INTA's views, please refer to INTA comments on the CTMR and TMD (June 2013):

<http://www.inta.org/Advocacy/Documents/June2013INTACommentsEUTMSsystemsReview.pdf>

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About INTA

INTA is a global organization founded in 1878 with over 6200 members established in 190 countries, including all EU Member States and candidate countries. One of INTA's key goals is the promotion and protection of trademarks as a primary means for consumers to make informed choices regarding the products and services they purchase.

INTA is one of the user associations with an Observer status to OHIM's Administrative Board and Budget Committee.

For further information about INTA, please visit our website at www.inta.org

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A- CTMR

Text proposed by the Commission	Amendments tabled	INTA recommendations
<p>Recital 2 (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 implies the replacement of ‘Community trade mark’ by ‘European trade mark’. In line with the Common approach on decentralised Agencies, agreed in July 2012 by the European Parliament, the Council and the Commission, the name ‘Office for Harmonisation in the Internal Market (trade marks and designs)’ should be replaced by ‘European Union Trade Marks and Designs Agency’ (hereinafter ‘the Agency’).</p>	<p>Amendment 1 (Rapporteur, JURI) (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 implies the replacement of ‘Community trade mark’ by ‘European Union trade mark’. In line with the Common approach on decentralised Agencies, agreed in July 2012 by the European Parliament, the Council and the Commission, the name ‘Office for Harmonisation in the Internal Market (trade marks and designs)’ should be replaced by ‘European Union Intellectual Property Agency’ (hereinafter ‘the Agency’).</p>	<p>Name and tasks of the Agency INTA would be more favorable to a name which would not risk diluting the Agency’s core functions, i.e. trade mark and design registrations, especially bearing in mind that the financing of the Agency largely stems from trade mark users.</p> <p>Accordingly, INTA supports the name suggested by the Commission.</p> <p>We reiterate however that OHIM must continue to prioritize its primary tasks, and that such prioritization should be made clear when listing its functions in Article 123(b) ranking trade mark and design registration as primary tasks with the others secondary.</p> <p>European Union Trade Mark INTA supports the replacement of “Community trade mark” by “European Union trade mark”.</p>
<p>Recital 9 (9) In order to allow for more flexibility while 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 a European trade mark. A sign should be permitted to be represented in any appropriate form, and thus not necessarily by graphic means, as long as the representation enables the competent authorities and the public to determine with precision and clarity the precise subject matter of protection.</p>	<p>Amendment 3 (Rapporteur, JURI) (9) In order to allow for more flexibility while 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 a European Union trade mark. A sign should be permitted to be represented in the Register of European Union trade marks in any appropriate form, and thus not necessarily by graphic means, as long as the representation uses generally available technology and enables the</p>	<p>Graphical representation INTA supports the evolution of the trade mark system via the recognition and protection of non-traditional trade marks.</p> <p>INTA agrees with amendment 3 but recommends replacing “generally” with “freely”, as the available technology may present proprietary issues.</p>

	competent authorities and the public to determine with precision and clarity the precise subject matter of protection.	
<p>Recital 15 (15) In order to ensure legal certainty and clarity, it is necessary to clarify that not only in the case of similarity but also in case of an identical sign being used for identical goods or services, protection should be granted to a European trade mark only if and to the extent that the main function of the European trade mark, which is to guarantee the commercial origin of the goods or services, is adversely affected.</p>	<p>Amendment 4 (Rapporteur, JURI) Deleted.</p>	<p>Double identity INTA strongly supports amendment 4 which deletes the reference to the origin function of a trade mark in connection with double identity cases. The requirement that the origin function of the trade mark be affected in case of double identity would have created significant legal uncertainty.</p>
<p>Recital 18 (18) With the aim of strengthening trade mark protection and combatting counterfeiting more effectively, the proprietor of a European trade mark should be entitled to prevent third parties from bringing goods into the customs territory of the Union without being released for free circulation there, where such goods come from third countries and bear without authorization a trade mark which is essentially identical to the European trade mark registered in respect of such goods.</p>	<p>Amendment 5 (Rapporteur, JURI) (18) With the aim of strengthening trade mark protection and combatting counterfeiting more effectively, the proprietor of a European Union trade mark should be entitled to prevent third parties from bringing goods into the customs territory of 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 essentially identical to the European Union trade mark registered in respect of such goods. In order not to hamper legitimate flows of goods, this rule should only apply if the proprietor of a European Union trade mark is able to show that the trade mark is validly registered also in the country of destination. This rule should be without prejudice to the Union's right to promote access to medicines for third countries.</p>	<p>Goods in transit INTA supports the European Commission's proposals as an appropriate way forward to deal with the global fight against trade mark counterfeiting and is concerned that the Rapporteur's proposed provisions stop short of this voluntaristic objective. INTA recommends the below amendment as a proposed means to improve on the Rapporteur's amendment. A detailed rationale is available as Annex 1 of this document.</p> <p><i>(18) With the aim of strengthening trade mark protection and combatting counterfeiting more effectively, the proprietor of a European Union trade mark should be entitled to prevent third parties from bringing goods into the customs territory of the Union without being regardless of whether they are released for free circulation there, where such goods come from a third countries country and bear without authorisation a trade mark which is essentially identical to the European Union trade mark validly registered in respect of such goods. In order not to hamper legitimate flows of goods, this rule should only apply if the proprietor of a European</i></p>

		<p>Union trade mark is able to show that the trade mark is validly registered also in the country of destination. This rule should be without prejudice to the Union's right to promote access to medicines for third countries.</p> <p><i>In order to eliminate any risk of hampering legitimate international trade, this rule should only apply if the proprietor of the European Union trade mark is able to prove that a corresponding trade mark is also validly registered in either the country of origin or in the country of destination, in the name of the proprietor of the European Union trade mark or a person connected thereto.</i></p>
<p>Recital 19 (19) In order to more effectively prevent the entry of infringing goods, particularly in the context of sales over the Internet, the proprietor should be entitled to prohibit the importing of such goods into the Union, where it is only the consignor of the goods who acts for commercial purposes.</p>	<p>Amendment 6 (Rapporteur, JURI) (19) In order to more effectively prevent the entry of counterfeit goods, particularly in the context of sales over the internet, the proprietor should be entitled to prohibit the importing of such goods into the Union where it is only the consignor of the counterfeit goods who acts for commercial purposes.</p>	<p>Consignments INTA supports the Commission's approach, which would more effectively prevent the entry of the trade mark-infringing goods into the European Union.</p>
<p>Recital 40 (40) With the aim of promoting convergence of practices and of developing common tools, it is necessary to establish an appropriate framework for cooperation between the Agency and the offices of the Member States, clearly defining the areas of cooperation and enabling the Agency to coordinate relevant common projects of Union interest and to finance, up to a maximum amount, those common projects by means of grants. Those cooperation activities should be beneficial for undertakings using trade mark systems in Europe. For users of the Union regime laid</p>	<p>Amendment 7 (Rapporteur, JURI) (40) With the aim of promoting convergence of practices and of developing common tools, it is necessary to establish an appropriate framework for cooperation between the Agency and the offices of the Member States, defining key areas of cooperation and enabling the Agency to coordinate relevant common projects of Union interest and to finance, up to a maximum amount, those common projects by means of grants. Those cooperation activities should be beneficial for</p>	<p>Cooperation INTA is concerned by amendment 7. We fully support the European Commission's approach which is faithful to our understanding of the long-term objectives of the Cooperation Fund and Convergence Programme projects but understand that some flexibility may be necessary under certain circumstances. We thus would recommend the below clarifications:</p> <ul style="list-style-type: none"> · We recognize that some Member states may have already adopted tools which are of an equivalent or better level than the tools suggested in the common project. In that case, we recommend that Member States

<p>down in this Regulation, the common projects, particularly the databases for search and consultation purposes, should provide additional, inclusive, efficient and free of charge tools to comply with the specific requirements flowing from the unitary character of the European trade mark.</p>	<p>undertakings using trade mark systems in the Union. For users of the Union regime laid down in Regulation (EC) No 207/2009, the common projects, particularly the databases used for search and consultation purposes, should provide, free of charge, additional, inclusive and efficient tools to comply with the specific requirements flowing from the unitary character of the European Union trade mark. It should, however, not be mandatory for Member States to implement the results of such common projects. While it is important that all parties contribute to the success of common projects, not least by sharing best practices and experiences, a strict obligation requiring all Member States to implement the results of common projects, even where, for example, a Member State believes that it already has a better IT or similar tool in place, would be neither proportional nor in the best interests of users.</p>	<p>shall have an obligation (of means) to participate, contribute to common projects but would not have an obligation (of result) to implement such common projects, <u>as long as these Member states provide clear and objective reasons for not doing so.</u></p> <ul style="list-style-type: none"> · We also recognize that some EU national offices have varying financial and human resources at their disposal to implement these projects. In that case, we recommend that Member States shall have an obligation (of means) to participate, contribute to common projects as well as an obligation (of result) to implement such common projects. However, <u>some flexibility regarding the obligation to implement the common project could be provided</u>, such as a delay in time.
	<p>Amendment 8 (Rapporteur, JURI) Recital 44 (a) new (44a) The fees structure has been laid down by Commission Regulation (EC) No 2869/95¹. However, the fees structure is a central aspect of the functioning of the Union trade mark system, and has only been revised twice since its establishment, and only after significant political debate. The fees structure should therefore be directly regulated in Regulation (EC) No 207/2009. Regulation (EC) No 2869/95 should therefore be</p>	<p>Fees (Views for amendments 8, 24, 30, 61, 62, 67, 69 and 70).</p> <p>INTA supports that a CTM application should cover only one class rather than three classes. Although this has a slightly positive impact on the relevant fees, INTA regrets that the CTM renewal fees are still higher than the CTM Application fee, in some cases up to 100% higher than the application fees.</p> <p>With respect to the setting of the levels of the fees, INTA favours the Commission's suggested approach via comitology; we believe that this approach will facilitate</p>

	<i>repealed and the provisions concerning the fees structure contained in Commission Regulation (EC) No 2868/95² should be deleted.</i>	future revision of the level of fees if and when necessary.
<p>Article 1 – point 9 Article 4 - point a, Reg (EC) 207/2009 : (a) distinguishing the goods or services of one undertaking from those of other undertakings;</p>	<p>Amendment 14 (Rapporteur, JURI) (a) distinguishing the goods or services of one undertaking from those of other undertakings; and</p> <p><i>Justification</i> It should be made clear that only one of the conditions in points a and b has to be fulfilled.</p>	<p>Signs of which a European Union trade mark may consist INTA supports the amendment, which matches the original text of Article 4 CTMR, which includes cumulative conditions “A Community trade mark may consist of any signs <u>capable of being represented graphically</u>, particularly words, including personal names, designs, letters, numerals, the shape of goods or of their packaging, provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings”. (The expression “provided” is the equivalent of “AND”).</p> <p>However, there seems to be a contradiction between amendment 14 and the justification provided.</p>
<p>Article 1 – point 12 Art9 –para2–point a, Reg(EC)207/2009 : (a) the sign is identical with the European trade mark and is used in relation to goods or services which are identical with those for which the European trade mark is registered, and where such use affects or is liable to affect the function of the European trade mark to guarantee to consumers the origin of the goods or services;</p>	<p>Amendment 18 (Rapporteur, JURI) (a) the sign is identical with the European Union trade mark and is used in relation to goods or services which are identical with those for which the European Union trade mark is registered;</p>	<p>Double identity INTA strongly supports amendment 18 which deletes the reference to the origin function of a trade mark in connection with double identity cases. The requirement that the origin function of the trade mark be affected in case of double identity would have created significant legal uncertainty.</p>
<p>Article 1 – point 12 Article 9 –para 4 Reg (EC)207/2009</p> <p>The proprietor of a European trade mark shall also be entitled to prevent the importing of goods referred to in paragraph 3(c) where</p>	<p>Amendment 19 The proprietor of a European Union trade mark shall also be entitled to prevent the importing of goods where only the consignor of the goods acts for commercial purposes and where such</p>	<p>Consignments INTA supports the Commission’s approach, which would more effectively prevent the entry of the trade mark-infringing goods into the European Union.</p>

<p>only the consignor of the goods acts for commercial purposes.</p>	<p>goods, including packaging, bear without authorisation a trade mark which is identical to the European Union trade mark registered in respect of such goods, or which cannot be distinguished in its essential aspects from that trade mark.</p> <p><i>Justification: Although counterfeiting should be opposed the proposed provision goes too far as it also covers the importation by individual citizens of goods that have been legitimately placed on the market outside of the EU. The provision should be limited to counterfeit goods.</i></p>	
<p>Article 1 – point 12 Art9 – para 5, Reg(EC) 207/2009: 5. The proprietor of a European trade mark shall also be entitled to prevent all third parties from bringing goods, in the context of commercial activity, into the customs territory of the Union without being released for free circulation there, where such goods, including packaging, come from third <i>countries</i> and bear without <i>authorization</i> a trade mark which is identical to the European trade mark registered in respect of such goods, or which cannot be distinguished in its essential aspects from that trade mark.</p>	<p>Amendment 20 (Rapporteur, JURI) 5. The proprietor of a European Union trade mark shall also be entitled to prevent all third parties from bringing goods, in the context of commercial activity, into the customs territory of the Union without being released for free circulation there, where such goods, including packaging, come from a third country and bear without authorisation a trade mark which is identical to the European Union trade mark validly registered in respect of such goods, or which cannot be distinguished in its essential aspects from that trade mark, on condition that the proprietor proves that the trade mark is also validly registered in the country of destination.</p>	<p>Goods in transit INTA supports the European Commission’s proposals as an appropriate way forward to deal with the global fight against trade mark counterfeiting and is concerned that the Rapporteur’s proposed provisions stop short of this voluntaristic objective. INTA recommends the below amendment as a proposed means to improve on the Rapporteur’s amendment. A detailed rationale is available as Annex 1 of this document.</p> <p><i>5. The proprietor of a European Union trade mark shall also be entitled to prevent all third parties from bringing goods, in the context of commercial activity, into the customs territory of the Union without being regardless of whether they are released for free circulation there, where such goods, including packaging, come from a third country and bear without authorisation a trade mark which is identical to the European Union trade mark validly registered in respect of such goods, or which cannot be distinguished in its essential aspects</i></p>

		<p>from that trade mark, on condition that the proprietor proves that the a corresponding trade mark is also validly registered in the country of origin or in the country of destination, in the name of the proprietor of the trade mark or a person connected thereto.</p>
<p>Article 1 – point 13 Article 9a -points a and b, Reg (EC) 207/2009 :</p> <p>(a) affixing in the course of trade a sign identical with or similar to the European trade mark on get-up, packaging or other means on which the mark may be affixed;</p> <p>(b) offering or placing on the market, or stocking for those purposes, or importing or exporting get-up, packaging or other means on which the mark is affixed.</p>	<p>Amendments 21+22 (Rapporteur, JURI)</p> <p>(a) affixing in the course of trade a sign identical with or similar to the European Union trade mark on packaging, labels, tags, security features, authenticity devices or any other means on which the mark may be affixed;</p> <p>(b) offering or placing on the market, or stocking for those purposes, or importing or exporting, packaging, labels, tags, security features, authenticity devices or any other means on which the mark is affixed;</p>	<p>Preparatory acts</p> <p>INTA agrees with this clarification, especially since the term “get up” is undefined in the Regulation and can have a number of possible definitions.</p>
<p>'Article 12 Limitation of the effects of a European trade mark</p> <p>1. A European trade mark shall not entitle the proprietor to prohibit a third party from using in the course of trade:</p> <p>(a) his own personal name or address;</p> <p>(b) signs or indications which are not distinctive or which concern the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of the service, or other characteristics of the goods or services;</p> <p>(c) the trade mark for the purpose of identifying or referring to goods or services as those of the proprietor of the trade mark, in particular, where the use of the trade mark is</p>	<p>No amendment tabled.</p>	<p>Fair use</p> <p>INTA regrets that the Rapporteur did not take this opportunity to correct what appears to be a semantic error. We suggest replacing the words “The first subparagraph” with “This” in Articles 12 CTMR and 14 TMD, to provide greater clarity. There seems to be a semantic error as “The first subparagraph” could read as if the requirement for the use to be in accordance with honest practices in trade, i.e. fair, only applied to Art.12 (1)(a), i.e. the use of one's own name.</p> <p>It is obvious that the Commission did not want to restrict the fair use condition to Art.12(1)(a), in light of the current Article 6(1) of TMD 2008/95 and recital 25 of the Directive.</p>

<p>necessary to indicate the intended purpose of a product or service, in particular as accessories or spare parts.</p> <p><u>The first subparagraph</u> shall only apply where the use made by the third party is in accordance with honest practices in industrial or commercial matters.</p>		<p>Article 12 amended would read as follow:</p> <p><i>A European trade mark shall not entitle the proprietor to prohibit a third party from using in the course of trade:</i></p> <p><i>(a) his own personal name or address;</i></p> <p><i>(b) signs or indications which are not distinctive or which concern the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of the service, or other characteristics of the goods or services;</i></p> <p><i>(c) the trade mark for the purpose of identifying or referring to goods or services as those of the proprietor of the trade mark, in particular, where the use of the trade mark is necessary to indicate the intended purpose of a product or service, in particular as accessories or spare parts.</i></p> <p>The first subparagraph This shall only apply where the use made by the third party is in accordance with honest practices in industrial or commercial matters.</p>
<p>Existing Art.15(1) of EC(Reg) 207/2009 Use of a Community Trade mark (no change suggested by the Commission)</p> <p><i>1. If, within a period of five years following registration, the proprietor has not put the Community trade mark to genuine use in the Community in connection with the goods or services in respect of which it is registered, or if such use has been suspended during an uninterrupted period of five years, the Community trade mark shall be subject to the sanctions provided for in this Regulation, unless there are proper reasons for nonuse.</i></p>	<p>No amendment tabled.</p>	<p>Territorial requirement for genuine use of an EU trade mark</p> <p>INTA regrets that the Rapporteur did not take this opportunity to include within the CTMR a provision regarding the territorial requirement for genuine use of EU trade marks. Following the judgment of the Court of Justice of 19 December 2012 in Case C-149/11, <i>Leno Merken BV v Hagelkruis Beheer BV</i>, there remains a great deal of uncertainty in this area of the law. We consider that now may be the opportunity to provide clarity on what is a critical issue with serious consequences for trade mark proprietors.</p> <p>INTA's long-held view is that so long as use is "genuine", it should be sufficient to defeat a claim for revocation on grounds of non-use, even (in the case of an EU trade mark) if the use has been confined to a single Member State or part of a Member State.</p>

		<p>INTA members have not perceived any serious issue of cluttering of the registers in the EU, and as such, it does not appear to be justified to set a higher geographic standard, which would result in discrimination against small and medium-size businesses, as well as be a clear departure from the Joint Statement of the Council and Commission of 20 December 1993, on which many trade mark proprietors and practitioners rely in good faith (http://oami.europa.eu/en/mark/aspects/reg/reg4094.htm).</p> <p>INTA calls for legislative clarification on this issue, and thus recommends that a specific statement be included in the legislation stating that :</p> <p><i>“Genuine use of a European Union trade mark in a Member State shall be considered genuine use within the meaning of CTMR Article 15(1).”</i></p>
<p>Article 1 – point 27 Article 27, Reg (EC) 207/2009 : The date of filing of a European trade mark application shall be the date on which documents containing the information specified in Article 26(1) are filed with the Agency by the applicant, subject to payment of the application fee for which the order for payment shall have been given at the latest on that date.';</p>	<p>Amendment 25 (Rapporteur, JURI)</p> <p>The date of filing of a European Union trade mark application shall be the date on which documents containing the information specified in Article 26(1) are filed with the Agency by the applicant, subject to the order for payment of the application fee. In the case of a belated order for payment, the date of filing shall be deemed to be the date on which the order for payment is given';</p>	<p>Date of filing (payment of EU trade mark filing fee)</p> <p>INTA believes that the reference to <i>“the order for payment of the application fee”</i> in amendment 25 lacks of clarification. Indeed, amendment 25 may trigger lengthy discussion and uncertainty over when that order was triggered, what constitutes a proper order and who should give the order (the bank, the Agency?...). Trade mark users open accounts with the Agency so that they can debit fees. In some cases, the fees are significant and provide the Agency with financial interests. In exchange, users who do not receive any interests will not have their fees debited from their account with the Agency until one month after the filing date.</p> <p><u>The existing one month grace period of Article 27 of Reg (EC) 207/2009 should be maintained.</u> INTA disagrees with new CTMR Article 27, which abolishes the one month grace period for paying the filing fee. Given the very rigid law and practice relating to changes to the EU trade mark once filed, the possibility to withdraw and re-file in a</p>

		<p>short time period after the filing without having to pay the hefty EU trade mark filing fee twice is important, especially from an SME's perspective. This is also especially needed due to errors in online filing. Additionally, we question the alleged negative impact of decisions by applicants to withdraw (without paying the fee) when receiving an objection and re-file in an acceptable form. This system is as an incredibly fast and efficient way of dealing with the Agency's objections.</p>
<p>Article 1 – point 28 Art 28, para 8–subpara2, Reg(EC)207/2009 The declaration shall be filed at the Agency within 4 months from the entry into force of this Regulation, and shall indicate, in a clear, precise and specific manner, the goods and services, other than those clearly covered by the literal meaning of the indications of the class heading, originally covered by the proprietor's intention. The Agency shall take appropriate measures to amend the Register accordingly. This possibility is without prejudice to the application of Articles 15, 42(2), 51(1)(a) and 57(2).</p> <p>Article 1 –point 28 Article 28, paragraph 8-subparagraph 1, Reg(EC)207/2009 <i>8. Proprietors of European trade marks applied for before 22 June 2012 which are registered solely in respect of the entire heading of a Nice class, may declare that their intention on the date of filing had been to seek protection in respect of goods or services beyond those covered by the literal meaning of the heading of that class, provided that the goods or services so designated are included in the alphabetical list for that class of the</i></p>	<p>Amendment 27 (Rapporteur, JURI) The declaration shall be filed at the Agency within six months from the entry into force of this Regulation, and shall indicate, in a clear, precise and specific manner, the goods and services, other than those clearly covered by the literal meaning of the indications of the class heading, originally covered by the proprietor's intention. The Agency shall take appropriate measures to amend the Register accordingly. This possibility is without prejudice to the application of Article 15, Article 42(2), point (a) of Article 51(1) and Article 57(2).</p> <p>No amendment table on Article 28, paragraph 8, subparagraph 2.</p>	<p>Classification Period: INTA welcomes the extension of the period of 4 months to 6 months, as going in the right direction. However, INTA believes that a 1 year period would be more appropriate both for trade mark owners to make correct decisions and for the Agency to be able to deal with the flow of declarations. Indeed, affected trade mark owners must make decisions on the exact new wording of the goods or services that shall be designated in addition to the class headings. This will require time, and trade mark owners with larger portfolios will need to do the same exercise for a number of EU trade mark registrations.</p> <p>Scope of application: As it reads now, the window to amend class headings only applies to registrations <u>solely</u> comprised of class headings, i.e. not to those which comprise an entire class heading as well as certain other goods/services. Accordingly, INTA urges for the word "solely" to be removed.</p> <p><i>Proposed amendment:</i> Article 28, paragraph 8- subparagraphs 1 and 2 <i>8. Proprietors of European trade marks applied for before 22 June 2012 which are registered solely in respect of the entire heading of a Nice class, may declare that their intention on the date of filing had been to seek protection in respect of goods or services beyond those covered by</i></p>

<p><i>edition of the Nice classification in force at the date of filing.</i></p>		<p><i>the literal meaning of the heading of that class, provided that the goods or services so designated are included in the alphabetical list for that class of the edition of the Nice classification in force at the date of filing.</i></p> <p><i>The declaration shall be filed at the Agency within six months one year from the entry into force of this Regulation, and shall indicate, in a clear, precise and specific manner, the goods and services, other than those clearly covered by the literal meaning of the indications of the class heading, originally covered by the proprietor's intention. The Agency shall take appropriate measures to amend the Register accordingly. This possibility is without prejudice to the application of Article 15, Article 42(2), point (a) of Article 51(1) and Article 57(2).</i></p>
<p>Article 1 – point 68 Article 79d, Reg (EC) 207/2009: The Agency shall correct any linguistic errors or errors of transcription and manifest oversights in the Agency's decisions or technical errors attributable to the Agency in registering the trade mark or in publishing its registration.</p>	<p>Amendment 37 (Rapporteur, JURI) The Agency shall correct any linguistic errors or errors of transcription and manifest oversights in the Agency's decisions or technical errors attributable to the Agency in registering the trade mark or in publishing its registration. <i>The Agency shall keep records of any such corrections.</i></p>	<p>Records of corrections INTA supports amendment 37. INTA believes that the Agency must keep records for reasons of legal certainty. The parties should also be notified of the date and the reasons for the correction and this information must be recorded in the database. The Agency must also leave evidence in writing justifying the correction in the case file.</p>
<p>Article 1 – point 69 – point b Art 80 – para 2, Reg (EC) 207/2009: (b) <i>in</i> paragraph 2, <i>the second sentence</i> is replaced by the following: 'The cancellation of the entry in the Register or the revocation of the decision shall be effected within one year from the date on which the entry was made in the Register or that decision was taken, after consultation with the parties to the proceedings and any proprietor of rights to the European trade mark in question that are entered</p>	<p>Amendment 39 (Rapporteur, JURI) (b) paragraph 2 is replaced by the following: '2. Cancellation or revocation as referred to in paragraph 1 shall be determined, ex officio or at the request of one of the parties to the proceedings, by the department which made the entry or took the decision. The cancellation of the entry in the Register or the revocation of the decision shall be effected within one year from the date on which the entry</p>	<p>Request of cancellation and revocation INTA supports amendment 39, which reintroduces Article 80(2) of the Regulation (EC) No 207/2009. Cancellations and revocations cannot be only ex-officio but should also be at the request of one of the parties in the proceedings.</p>

<p>in the Register.¹;</p>	<p>was made in the Register or that decision was taken, after consultation with the parties to the proceedings and any proprietor of rights to the European Union trade mark in question that are entered in the Register. The Agency shall keep records of any such cancellation or revocation.¹;</p>	
<p>Article 123b 1. The Agency shall have the following tasks: (a) administration and promotion of the European trade mark system established in this Regulation; (b) administration and promotion of the European design system established in Council Regulation (EC) No 6/2002 (*); (c) promoting convergence of practices and tools in the fields of trade marks and designs in cooperation with the central industrial property offices in the Member States, including the Benelux Intellectual Property Office; (d) the tasks referred to in Regulation (EU) No 386/2012 of the European Parliament and of the Council (**).</p>	<p>No amendment tabled.</p>	<p>Tasks of the Agency CTMR Article 123(b) expands the Agency’s formal responsibilities to include the Observatory on the Infringements of Intellectual Property Rights as well as cooperation and convergence initiatives. This manifests what the Agency is currently doing.</p> <p>However, we note that these tasks are given equal standing to the Agency’s main activity and core mission of registering of EU trade marks and design rights.</p> <p>Accordingly, INTA recommends that prioritization of the Agency’s tasks, ranking trade mark and design registrations as primary tasks with the others secondary, should be made clear in CTMR Art. 123(b). Trade mark and design registrations are in fact the activity which largely contributes to the financing of the Agency and for which it is best known and recognized by undertakings across the EU.</p> <p><u>Proposed amendment :</u> 1. The Agency shall have the following primary tasks: (a) administration and promotion of the European trade mark system established in this Regulation; (b) administration and promotion of the European design system established in Council Regulation (EC) No 6/2002 (*); <u>The Agency shall have the following other tasks:</u> (c) promoting convergence of practices and tools in the</p>

		<p><i>fields of trade marks and designs in cooperation with the central industrial property offices in the Member States, including the Benelux Intellectual Property Office;</i></p> <p><i>(d) the tasks referred to in Regulation (EU) No 386/2012 of the European Parliament and of the Council (**).</i></p>
<p>Article 123b</p> <p>3. The Agency may provide voluntary mediation services for the purpose of assisting parties in reaching an amicable settlement.</p>	<p>No amendment tabled.</p>	<p>Mediation</p> <p>A separate provision should be included in the CTMR to promote mediation <u>at an early stage of proceedings</u>, such as during the cooling-off period, i.e. before proceedings start formally (and not only as now in the appeal proceedings).</p> <p>Mediators should not be limited to examiners and other members of OHIM. <u>External mediators specialised in IP</u> should also be explicitly allowed, (as long as they fulfil some minimum requirements concerning quality and training), such as the members of INTA’s Trademark Mediators Network, or members of the WIPO’s Arbitration and Mediation Centre.</p>
<p>Article 1 – point 98</p> <p>Article 123c – para 2, Reg(EC) 207/2009</p> <p>2. The Agency shall define, elaborate and coordinate common projects of Union interest with regard to the areas referred to in paragraph 1. The project definition shall contain the specific obligations and responsibilities of each participating industrial property office of the Member States and the Benelux Office for Intellectual Property.</p>	<p>Amendment 47 (Rapporteur, JURI)</p> <p>2. The Agency shall define, elaborate and coordinate common projects of Union interest with regard to the areas referred to in paragraph 1. The project definition shall set out the specific obligations and responsibilities of each participating industrial property office of the Member States and the Benelux Office for Intellectual Property. Throughout all phases of the common projects, the Agency shall consult with representatives from users.</p>	<p>Consultation of trade mark users representatives</p> <p>INTA supports this very welcome amendment 47. We have always advocated that users, especially in cooperation matters, should be officially consulted, like any other relevant stakeholders.</p>

<p>Article 1- point 98 Article 123c – para 3, Reg 207/2009.</p> <p>3. The industrial property offices of the Member States and the Benelux Office for Intellectual Property shall participate effectively in the common projects referred to in paragraph 2 with a view to ensuring their development, functioning, interoperability, and keeping up to date.</p>	<p>Amendment 48 (Rapporteur, JURI)</p> <p>3. The industrial property offices of the Member States and the Benelux Office for Intellectual Property shall participate effectively in the common projects referred to in paragraph 2 with a view to ensuring their development, functioning, interoperability, and keeping up to date.</p> <p><i>Participation in such common projects shall not imply any obligation on the part of Member States to implement the resulting outcome in their respective territories.</i></p>	<p>Cooperation</p> <p>INTA is concerned by amendment 48. We fully support the European Commission’s approach which is faithful to our understanding of the long-term objectives of the Cooperation Fund and Convergence Programme projects but understand that some flexibility may be necessary under certain circumstances. We thus would recommend the below clarifications:</p> <ul style="list-style-type: none"> · We recognize that some Member States may have already adopted tools which are of an equivalent or better level than the tools suggested in the common project(s). In that case, we recommend that Member States shall have an obligation (of means) to participate, contribute to common projects but would not have an obligation (of result) to implement such common projects, <u>as long as these Member States provide clear and objective reasons for not doing so.</u> · We also recognize that some EU national offices have varying financial and human resources at their disposal to implement these projects. In that case, we recommend that Member States shall have an obligation (of means) to participate, contribute to common projects as well as an obligation (of result) to implement such common projects. However, <u>some flexibility regarding the obligation to implement the common project could be provided,</u> such as a delay in time.
<p>Article 1 – point 98 Article 123c – para 4, Reg(EC) 207/2009</p> <p>4. The Agency shall provide financial support to the common projects of Union interest referred to in paragraph 2 <i>to the extent this is necessary</i> to ensure the effective</p>	<p>Amendment 49 (Rapporteur, JURI)</p> <p>4. The Agency shall provide financial support to the common projects of Union interest referred to in paragraph 2 to ensure the effective participation of the industrial property offices of the Member</p>	<p>Cooperation funding</p> <p>INTA strongly opposes amendment 49.</p> <p>The suggested 20% is a dramatic increase from the 10% proposed by the Commission. The stated justification does not satisfactorily explain why 20% has been</p>

<p>participation of the industrial property offices of the Member States and the Benelux Office for Intellectual Property in the projects within the meaning of paragraph 3. <u>That financial support may take the form of grants.</u> The total amount of funding shall not exceed 10% of the yearly income of the Agency. The beneficiaries of grants shall be the industrial property offices of the Member States and the Benelux Office for Intellectual Property. Grants may be awarded without calls for proposals in accordance with the financial rules applicable to the Agency and with the principles of grant procedures contained in the Financial Regulation (EU) No 966/2012 of the European Parliament and of the Council and in <i>the</i> Commission <i>delegated</i> Regulation (EU) No 1268/2012.</p>	<p>States and the Benelux Office for Intellectual Property in the projects within the meaning of paragraph 3. That <u>financial support may take the form of grants.</u> The total amount of funding shall not exceed 20% of the yearly income of the Agency. The beneficiaries of grants shall be the industrial property offices of the Member States and the Benelux Office for Intellectual Property. Grants may be awarded without calls for proposals in accordance with the financial rules applicable to the Agency and with the principles of grant procedures contained in the Financial Regulation (EU) No 966/2012 of the European Parliament and of the Council and in Commission <i>Delegated</i> Regulation (EU) No 1268/2012.</p>	<p>suggested. As stated in the Impact Assessment, 10% of OHIM’s yearly income is equivalent to the 50% of OHIM’s EU trade marks renewal fees, which was part of the Conclusions of OHIM’s Administrative Board and Budget Committee in September 2008.</p> <p>INTA supports the funding of cooperation projects via a system of grants, provided that the funds are directly tied to specific trade mark related projects. This would ensure that the funds, derived by fees paid by trademark owners, will be used for defined projects coordinated by OHIM that are closely related to the protection and promotion of trademarks and designs. However, the legislative language should be sufficiently flexible to permit periodic review of this diversion so that alterations can be made to this arrangement should the financial situation of the Office change.</p> <p>We also note that Article 123(4) and amendment 49 state that “<u>financial support may take the form of grants.</u>” (see underlined sentence). As the Impact Assessment identifies grants as the most appropriate means of carrying out such financing (as opposed to distribution keys or public procurement), INTA recommends replacing “may” with “<u>shall</u>”.</p>
<p>Article 1 – point 99 Article 127 – para 3, Reg(EC) 207/2009 3. The Management Board shall hold an ordinary meeting once a year. In addition, it shall meet on the initiative of its chairperson or at the request of the Commission or of one-third of the Member States.</p>	<p>Amendment 51 (Rapporteur, JURI) 3. The Management Board shall hold an ordinary meeting two times per year. In addition, it shall meet on the initiative of its chairperson or at the request of the Commission, of the European Parliament or of one-third of the Member States. <i>Justification</i> <i>It would seem reasonable that all three institutions have the right to convene the management board. Also the Management Board should continue to</i></p>	<p>Management Board INTA supports this proposal based on the Rapporteur’s justification that the corresponding Administrative Board meet twice per year. INTA participates as an Observer at the Administrative Board meetings and would also appreciate the opportunity to have these meetings twice per year instead of once.</p>

	<i>meet two times per year as is currently the practice for the corresponding administrative board. This change is further suggested as the executive board is proposed to be deleted.</i>	
<p>Article 1 – point 99 Regulation (EC) No 207/2009 Title XII – Section 2a Articles 127a and 127b (provisions not reproduced here- Concerns the establishment and functioning of the Executive Board)</p>	<p>Amendment 53 (Rapporteur, JURI) Deleted.</p> <p><i>Justification</i> <i>The joint statement (point 10) states that a two-level governance structure should be introduced "when it promises more efficiency". There does not seem to be any convincing evidence that such an Executive Board would provide additional efficiency in this agency, rather it would risk adding a new bureaucratic layer and leading to less transparency for non-members of the Executive Board as well as users.</i></p>	<p>Executive Board INTA supports amendment 53 deleting the Commission's proposal to create an Executive Board within the Management Board and the justification provided, as we had expressed concern that such a body may result in too much political control over OHIM and create conflicts of interests.</p>
	<p>Amendment 60 (Rapporteur, JURI) Article 1 – point 108 Article 139 – paragraph 4 a (new) of Reg (EC) 207/2009</p> <p>4a. The Agency shall provide for a reserve fund covering one year of its operational expenditure to ensure the continuity of its operations.</p>	<p>Reserve fund of the Agency INTA supports amendment 60. Creating a reserve fund to cope with unexpected drops in income or unforeseeable expenditures seems wise, as a mean to ensure the stability and effectiveness of the Agency.</p>
<p>Article 1 – point 110 Art 144 – para 2, Reg (EC)207/2009 2. The amounts of the fees referred to in paragraph 1 shall be fixed at such level as to ensure that the revenue in respect thereof is</p>	<p>Amendment 61 (Rapporteur, JURI) 2. The amounts of the fees referred to in paragraph 1 shall be fixed at the levels set out in Annex -I so as to ensure that the revenue in respect thereof is in</p>	<p>Surplus INTA supports amendment 61 and the deletion of the reference to a transfer of the surplus to the EU budget.</p> <p>INTA is adamantly opposed to any such transfer, which</p>

<p>in principle sufficient for the budget of the Agency to be balanced while avoiding the accumulation of significant surpluses.</p> <p><i>Without prejudice to Article 139(4), the Commission shall review the level of fees should a significant surplus become recurrent. If this review does not lead to a reduction or modification in the level of fees which has the effect of preventing the further accumulation of a significant surplus, the surplus accumulated after the review shall be transferred to the budget of the Union.</i></p>	<p>principle sufficient for the budget of the Agency to be balanced while avoiding the accumulation of significant surpluses.</p> <p><i>Justification</i></p> <p><i>The fees structure is an important element of the EU trade mark system and should therefore be directly regulated in the Regulation and not left to delegated acts. This implies that the Commission would be unable to review and modify the level of fees by itself. It should also be noted that no money should flow back from the Agency either to the EU-budget or the general budgets of Member States, or their national offices, with the exception of grants related to the cooperation and convergence projects.</i></p>	<p>poses the risk that trade mark owners would pay high fees to subsidize other activities of the European Union. We have long held that user-generated fees must be used specifically for trade mark-related purposes and not diverted to fund expenditures unrelated to the European Union trade mark system.</p> <p>INTA particularly supports the justification that stresses:</p> <p><i>“It should also be noted that no money should flow back from the Agency either to the EU-budget or the general budgets of Member States, or their national offices, with the exception of grants related to the cooperation and convergence projects”.</i></p> <p>INTA recommends adding this text to the amendment itself.</p>
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B- TMD

Text proposed by the Commission	Amendments tabled	INTA recommendations
<p>Recital 13 (13) To this end, it is necessary to list examples of signs which may constitute a trade mark, provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings. In order to fulfil the objectives of the registration system for trade marks, which are to ensure legal certainty and sound administration, it is also essential to require that the sign <i>is</i> capable of being represented in a manner which allows for a precise determination of the subject of protection. A sign should therefore be permitted to be represented in any appropriate form, and thus not necessarily by graphic means, as long as the representation offers satisfactory guarantees to that effect.</p>	<p>Amendment 3 (Rapporteur, JURI) (13) To this end, it is necessary to list examples of signs which may constitute a trade mark, provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings. In order to fulfil the objectives of the registration system for trade marks, which are to ensure legal certainty and sound administration, it is also essential to require that the sign <i>be</i> capable of being represented in the register in a manner which allows for a precise determination of the subject of protection. A sign should therefore be permitted to be represented in any appropriate form, and thus not necessarily by graphic means, as long as the representation uses generally available technology and offers satisfactory guarantees to that effect.</p>	<p>Graphical Representation INTA supports the evolution of the trade mark system via the recognition and protection of non-traditional trade marks.</p> <p>INTA agrees with amendment 3 but suggests replacing “generally” with “freely”, as the available technology may present proprietary issues.</p> <p>Suggested amendment: <i>(9) In order to allow for more flexibility while 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 a European Union trade mark. A sign should be permitted to be represented in the Register of European Union trade marks in any appropriate form, and thus not necessarily by graphic means, as long as the representation uses generally freely available technology and enables the competent authorities and the public to determine with precision and clarity the precise subject matter of protection.</i></p>
<p>Recital 19 <i>(19) In order to ensure legal certainty and clarity, it is necessary to clarify that not only in the case of similarity but also in case of an identical sign being used for identical goods or services, protection should be granted to a trade mark only if and to the extent that the main function of the trade mark, which is to guarantee the commercial origin of the goods or</i></p>	<p>Amendment 4 (Rapporteur, JURI) Deleted.</p>	<p>Double identity INTA strongly supports amendment 4 which deletes the reference to the origin function of a trade mark in connection with double identity cases. The requirement that the origin function of the trade mark be affected in case of double identity would have created significant legal uncertainty.</p>

<p>services, is adversely affected.</p>		
<p>Recital 22 (22) With the aim of strengthening trade mark protection and combatting counterfeiting more effectively, the proprietor of a registered trade mark should be entitled to prevent third parties from bringing goods into the customs territory of the Member State without being released for free circulation there, where such goods come from third countries and bear without authorization a trade mark which is essentially identical to the trade mark registered in respect of such goods.</p>	<p>Amendment 5 (Rapporteur, JURI) (22) With the aim of strengthening trade mark protection and combatting counterfeiting more effectively, the proprietor of a registered trade mark should be entitled to prevent third parties from bringing counterfeit goods into the customs territory of the Member State without being released for free circulation there, where such goods come from third countries and bear without authorisation a trade mark which is essentially identical to the trade mark registered in respect of such goods. <i>In order not to hamper legitimate flows of goods, this rule should only apply if the proprietor of a trade mark is able to show that the trade mark is validly registered also in the country of destination. This rule should be without prejudice to the Union's right to promote access to medicines for third countries.</i></p>	<p>Goods in transit INTA supports the European Commission's proposals as an appropriate way forward to deal with the global fight against trade mark counterfeiting and is concerned that the Rapporteur's proposed provisions stop short of this voluntaristic objective. INTA recommends the below amendment as a proposed means to improve on the Rapporteur's amendment. A detailed rationale is available as Annex 1 of this document.</p> <p>(22) With the aim of strengthening trade mark protection and combatting counterfeiting more effectively, the proprietor of a registered -trade mark should be entitled to prevent third parties from bringing counterfeit goods into the customs territory of the Member State without being regardless of whether they are released for free circulation there, where such goods come from a third countries country and bear without authorisation a trade mark which is essentially identical to the trade mark validly registered in respect of such goods. <i>In order not to hamper legitimate flows of goods, this rule should only apply if the proprietor of a trade mark is able to show that the trade mark is validly registered also in the country of destination. This rule should be without prejudice to the Union's right to promote access to medicines for third countries.</i> In order to eliminate any risk of hampering legitimate international trade, this rule should only apply if the proprietor of the trade mark is able to prove that a corresponding trade mark is also validly registered in either the country of origin or in the country of destination, in the name of the proprietor of the European Union trade mark or a person connected thereto.</p>
<p>Recital 23 (23) In order to more effectively prevent the entry of infringing goods, particularly in the context of sales over</p>	<p>Amendment 6 (23) In order to more effectively prevent the entry of counterfeit goods, particularly in the context of sales over</p>	<p>Consignments INTA rejects amendment 6 and supports the Commission's approach, which will more effectively prevent the entry of the trade mark-infringing goods into the European Union.</p>

<p>the Internet, the proprietor should be entitled to prohibit the importing of such goods into the Union where it is only the consignor of the goods who acts for commercial purposes.</p>	<p>the internet the proprietor should be entitled to prohibit the importing of such goods into the Union where it is only the consignor of the counterfeit goods who acts for commercial purposes.</p>	
<p>Recital 34 (34) In order to improve and facilitate access to trade mark protection and to increase legal certainty and predictability, the procedure for the registration of trade marks in the Member States should be efficient and transparent and should follow rules similar to those applicable to European trade marks. With a view to achieving a consistent and balanced trade mark system both at national and Union level, all the central industrial property offices of the Member States should therefore limit their examination ex officio of whether a trade mark application is eligible for registration to the absence of absolute grounds for refusal only. This should however not prejudice the right of those offices to provide, upon request of applicants, searches for earlier rights on a purely informative basis and without any prejudice to or binding effect on the further registration process, including subsequent opposition proceedings.</p>	<p>Amendment 7 (Rapporteur, JURI) (34) In order to improve and facilitate access to trade mark protection and to increase legal certainty and predictability, the procedure for the registration of trade marks in the Member States should be efficient and transparent and should follow rules similar to those applicable to European trade marks. With a view to achieving a consistent and balanced trade mark system at both national and Union level, all the central industrial property offices of the Member States should therefore limit their examination ex officio of whether a trade mark application is eligible for registration to the absence of absolute grounds for refusal only. This should not, however, prejudice the right of those offices to provide, ex officio or upon request, searches for earlier rights as well as notifications to proprietors of earlier rights on a purely informative basis and without any prejudice to or binding effect on the further registration process, including subsequent opposition proceedings.</p>	<p>Ex officio examination INTA supports amendment 7, which provides a good alternative to ex officio examination on relative grounds.</p> <p>Indeed, we believe that national offices could send informative notices to owners of similar trade marks already registered, like the existing system at the Agency. This could provide a balance between the interests of the parties, providing the holder with an opportunity to object and the applicant with notification of a potential problem.</p>
<p>Article 2.b (b) ‘Agency’ means the European Union Trade Marks and Designs Agency established in accordance with Article 2</p>	<p>Amendment 10 (Rapporteur, JURI) (b) ‘Agency’ means the European Union Intellectual Property Agency established in accordance with Article 2 of</p>	<p>Name and tasks of the Agency INTA would be more favorable to a name which would not risk diluting the Agency’s core functions, i.e. trade mark and design registrations, especially bearing in mind that the financing of the</p>

of Regulation (EC) No 207/2009;	Regulation (EC) No 207/2009;	<p>Agency is done by and large by trade mark users. Accordingly, INTA supports the name suggested by the Commission.</p> <p>We reiterate that the Agency must continue to prioritize its primary tasks, and that such prioritization should be made clear when listing its functions in Article 123(b) CTMR, ranking trade mark and design registration as primary tasks with the others secondary. Trade mark and design registrations are in fact the activity which largely contributes to the financing of the Agency and for which it is best known and recognized by undertakings across the EU.</p>
Article 2 – point ca	<p>Amendment 11 (Rapporteur, JURI)</p> <p>[defines “earlier trade marks” in the definition section.]</p>	<p>Definition of earlier trade marks</p> <p>INTA suggests that it would make more sense to keep the definition of “earlier trade marks” in article 5.2 which deals with relative grounds, rather than deleting that and adding it in the definition section.</p> <p>For the sake of preciseness, (ii) should refer to “<i>European Union trade marks</i>” rather than “<i>European trade marks</i>”.</p>
<p>Article 3 – paragraph 1 – point b</p> <p>(b) being represented in a manner which enables the competent authorities and the public to determine the precise subject of the protection afforded to its proprietor.</p>	<p>Amendment 15 (Rapporteur, JURI)</p> <p>(b) being represented in <i>the register in</i> a manner which enables the competent authorities and the public to determine the precise subject of the protection afforded to its proprietor.</p>	<p>Representation in the Register</p> <p>INTA supports amendment 15, which ensures that every application is made available to the public. This is in line with our comment that it will be necessary to ensure that all offices are equipped to manage different kinds of non-traditional filings and provide for search mechanisms; otherwise, disparities will remain across EU offices. This could possibly be funded through the Convergence Programme and/or Cooperation with national offices.</p>
	<p>Amendment 16 (Rapporteur, JURI)</p> <p>Article 4 – paragraph 1 – point j a (new)</p> <p><i>(ja) trade marks which contain or consist of an earlier variety denomination registered in accordance with Council Regulation (EC) No 2100/94 of</i></p>	<p>Plant variety rights</p> <p>INTA supports this amendment which makes generic plant variety denominations an absolute ground for refusal for the same product, thereby conforming to the Commission’s proposal for the CTMR.</p>

	27 July 1994 on Community plant variety rights with respect to the same type of product.	
<p>Article 4 – paragraph 2</p> <p>2. Paragraph 1 shall apply notwithstanding that the grounds of non-registrability obtain:</p> <p>(a) in other Member States than those where the application for registration was filed;</p> <p>(b) only where a trade mark in a foreign language is translated or transcribed in any script or official language of the Member States.</p>	<p>Amendment 17 (Rapporteur, JURI) Deleted.</p> <p><i>Justifications: it would be disproportionate and practically unworkable to require national offices to examine absolute grounds for refusal in all national jurisdictions and languages of the Union. It would further run contrary to the principle of territoriality of rights. For users there would be little or no added value to have the application examined for obstacles to registration in other territories than the one for which it would be valid for.</i></p>	<p>Absolute grounds for refusal</p> <p>INTA supports Amendment 17 and the justifications provided.</p>
<p>Article 5 – paragraph 3 – point a</p> <p>(a) if it is identical with, or similar to, an earlier trade mark irrespective of whether the goods or services for which it is applied or registered are identical with, similar to or not similar to those for which the earlier trade mark is registered, where the earlier trade mark has a reputation in a Member State or, in case of a European trade mark, has a reputation in the Union and the use of the later trade mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character</p>	<p>Amendment 19 (Rapporteur, JURI)</p> <p>(a) if it is identical with, or similar to, an earlier trade mark irrespective of whether the goods or services for which it is applied or registered are identical with, similar to or not similar to those for which the earlier trade mark is registered, where the earlier trade mark has a reputation in the Member State in respect of which registration is applied for or in which the trade mark is registered or, in the case of a European Union trade mark, has a reputation in the Union and the use of the later trade</p>	<p>Relative grounds for refusal: earlier trade marks with reputation</p> <p>The provision lays down a relative ground for refusal or invalidity for national marks. The language concerned addresses the question where the reputation of the earlier mark must exist. INTA appreciates the Rapporteur’s notice that there had been a discrepancy in the Commission’s proposal, between recital 10 and article 5(3)a.</p> <p>In line with the extensive protection granted to European trade marks which have a reputation in the EU, extensive protection should also be granted at national level to all registered trade marks which have a reputation <i>in the Member State concerned</i>.</p>

<p>or the repute of the earlier trade mark;</p>	<p>mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark;</p> <p><i>Justification:</i> <i>There seems to be a drafting error as the provision is not compatible with the provision in Art. 10(2)(c). The drafting would have implied that a mark with a reputation in another Member State would have been an obstacle for a mark in the Member State in respect of which registration is applied for (even if this mark did not have a reputation in that Member State). This amendment clarifies that there is only an obstacle due to reputation of national marks within the same Member State.</i></p>	<p>INTA believes that there is no need to refer expressly to the Member State "<i>in respect of which registration is applied for</i>". Indeed, for national marks, it is clear that only earlier marks registered in the Member State where the trademark application has been filed or later trademark has been registered can be invoked as relative grounds for refusal or registration. Moreover, that the reputation must exist where the mark is alleged to have been infringed should already result from the (factual) finding that a reputation that does not exist cannot be taken unfair advantage of or suffer detriment. Accordingly, <u>INTA recommends the following clarification:</u></p> <p><i>(a) if it is identical with, or similar to, an earlier trade mark irrespective of whether the goods or services for which it is applied or registered are identical with, similar to or not similar to those for which the earlier trade mark is registered, where the earlier trade mark has a reputation in the Member State in respect of which registration is applied for or in which the trade mark it is registered or, in the case of a European Union trade mark, has a reputation in the Union and the use of the later trade mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark;</i></p>
<p>Article 5 – paragraph 5 5. The Member States <i>may</i> permit that in appropriate circumstances registration need not be refused or the trade mark need not be declared invalid where the proprietor of the earlier trade mark or other earlier right consents to the registration of the later trade mark.</p>	<p>Amendment 20 (Rapporteur, JURI) 5. The Member States <i>shall</i> permit that in appropriate circumstances registration need not be refused or the trade mark need not be declared invalid where the proprietor of the earlier trade mark or other earlier right consents to the registration of the later trade mark.</p>	<p>Consent by the proprietor or earlier rights INTA supports Amendment 20.</p> <p>Consent by the proprietor of the earlier trade mark to the registration of a later trade mark is an important tool and should be encouraged.</p>
<p>Article 10 – paragraph 2 – point a (a) the sign is identical with the trade mark and is used in relation to goods or services which are identical with those for which the trade mark is registered</p>	<p>Amendment 23 (Rapporteur, JURI) (a) the sign is identical with the trade mark and is used in relation to goods or services which are identical with those for which the trade mark is registered;</p>	<p>Double identity INTA strongly supports amendment 23 which deletes the reference to the origin function of a trade mark in connection with double identity cases. The requirement that the origin function of the trade mark be affected in case of double identity</p>

<p>and where such use affects or is liable to affect the function of the trade mark to guarantee to consumers the origin of the goods or services ;</p>		<p>would have created significant legal uncertainty.</p>
	<p>Amendment 24 4. The proprietor of a registered trade mark shall also be entitled to prevent the importing of goods where only the consignor of the goods acts for commercial purposes and where such goods, including packaging, bear without authorisation a trade mark which is identical to the trade mark registered in respect of such goods, or which cannot be distinguished in its essential aspects from that trade mark.</p>	<p>Consignments INTA supports the Commission’s approach, which would more effectively prevent the entry of the trade mark-infringing goods into the European Union.</p>
<p>Article 10 – paragraph 5 5. The proprietor of a registered trade mark shall also be entitled to prevent all third parties from bringing goods, in the context of commercial activity, into the customs territory of the Member State where the trade mark is registered without being released for free circulation there, where such goods, including packaging, come from third countries and bear without authorization a trade mark which is identical to the trade mark registered in respect of such goods, or which cannot be distinguished in its essential aspects from that trade mark.</p>	<p>Amendment 25 (Rapporteur, JURI) 5. The proprietor of a registered trade mark shall also be entitled to prevent all third parties from bringing goods, in the context of commercial activity, into the customs territory of the Member State where the trade mark is registered without being released for free circulation there, where such goods, including packaging, come from a third country and bear without authorisation a trade mark which is identical to the trade mark validly registered in respect of such goods, or which cannot be distinguished in its essential aspects from that trade mark, on condition that the proprietor proves that the trade mark is also validly registered in the country of destination.</p>	<p>Goods in transit INTA supports the European Commission’s proposals as an appropriate way forward to deal with the global fight against trade mark counterfeiting and is concerned that the Rapporteur’s proposed provisions stop short of this voluntaristic objective. INTA recommends the below amendment as a proposed means to improve on the Rapporteur’s amendment. A detailed rationale is available as Annex 1 of this document.</p> <p><i>5. The proprietor of a registered trade mark shall also be entitled to prevent all third parties from bringing goods, in the context of commercial activity, into the customs territory of the Member State where the trade mark is registered without being regardless of whether they are released for free circulation there, where such goods, including packaging, come from a third country and bear without authorisation a trade mark which is identical to the trade mark validly registered in respect of such goods, or which cannot be distinguished in its essential aspects from that trade mark, on condition that the proprietor proves that the a corresponding trade mark is also validly registered in the country of origin or in the country of</i></p>

		<i>destination, in the name of the proprietor of the trade mark or a person connected thereto.</i>
<p>Article 14 Limitation of the effects of a trade mark 1. The trade mark shall not entitle the proprietor to prohibit a third party from using, in the course of trade:</p> <p>(a) his own personal name or address; (b) signs or indications which are not distinctive or which concerning the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of the service, or other characteristics of goods or services; (c) the trade mark for the purpose of identifying or referring to goods or services</p> <p>as those of the proprietor of the trade mark, in particular where it the use of the trade mark is necessary to indicate the intended purpose of a product or service, in particular as accessories or spare parts; provided he uses them</p> <p><u>The first subparagraph</u> shall only apply where the use made by the third party is in accordance with honest practices in industrial or commercial matters.</p>	<p>No amendment tabled.</p>	<p>Fair use INTA regrets that the Rapporteur did not take this opportunity to correct what appears to be a semantic error.</p> <p>We recommend replacing the words “The first subparagraph” with “This” in Articles 12 CTMR and 14 TMD, to provide greater clarity. There seems to be a semantic error as “The first subparagraph” could read as if the requirement for the use to be in accordance with honest practices in trade, i.e. fair, only applied to Article 14(1)(a), i.e. the use of one's own name. It is obvious that the Commission did not want to restrict the fair use condition to Art 14(1)(a), in light of the current Article 6(1) of TMD 2008/95 and recital 25 of the Directive.</p> <p>Article 14(1) amended would read as follow:</p> <p><i>1. The trade mark shall not entitle the proprietor to prohibit a third party from using, in the course of trade:</i></p> <p><i>(a) his own personal name or address;</i> <i>(b) signs or indications which are not distinctive or which concerning the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of the service, or other characteristics of goods or services;</i> <i>(c) the trade mark for the purpose of identifying or referring to goods or services</i></p> <p><i>as those of the proprietor of the trade mark, in particular where it the use of the trade mark is necessary to indicate the intended purpose of a product or service, in particular as accessories or spare parts; provided he uses them</i></p> <p>The first subparagraph This shall only apply where the use made by the third party is in accordance with honest practices in industrial or commercial matters.</p>
Article 11 point a and point b	Amendments 26 + 27 (Rapporteur, JURI)	Preparatory acts

<p>(a) affixing in the course of trade a sign identical with or similar to the trade mark on <i>get-up, packaging</i> or other means on which the mark may be affixed;</p> <p>(b) offering or placing on the market, or stocking for those purposes, or importing or exporting <i>get-up, packaging</i> or other means on which the mark is affixed.</p>	<p>(a) affixing in the course of trade a sign identical with or similar to the trade mark on <i>packaging, labels, tags, security features, authenticity devices or any</i> other means on which the mark may be affixed.</p> <p>(b) offering or placing on the market, or stocking for those purposes, or importing or exporting, <i>packaging, labels, tags, security features, authenticity devices or any</i> other means on which the mark is affixed.</p>	<p>INTA supports this clarification, especially since the term “get up” is undefined in the Regulation and can have a number of possible definitions.</p>
	<p>Amendment 28 (Rapporteur, JURI) Article 16 – paragraph 3 a (new) <i>3a. The date of commencement of the period of five years referred to in paragraphs 1, 2 and 3 shall be entered in the register.</i></p>	<p>Date of commencement of the grace period of five years INTA strongly supports Amendment 28. INTA has always called for national trademark offices to be required to make the date of commencement of the grace period clear in their databases and registers to remove any legal uncertainty.</p>
<p>Article 22 – paragraph 3 <i>3. Without prejudice to paragraph 2, an assignment of the trade mark shall be made in writing and shall require the signature of the parties to the contract, except when it is a result of a judgment; otherwise it shall be void.</i></p> <p>Article 22- paragraph 4 4. On request of one of the parties a transfer shall be entered in the register and published.</p>	<p>Amendment 29 (Rapporteur, JURI) Deleted</p> <p>Amendment 30(- (Rapporteur, JURI) 4. On request of one of the parties a transfer shall be entered in the register and published, <i>if the requesting party has provided documentary evidence of the transfer to the office.</i></p>	<p>Transfer of trade marks INTA does not support Amendment 29 and Amendment 30, and urges that the Commission’s proposed Article 22, paragraphs 1-6 be adopted in their entirety. These provisions are nearly identical to those of the CTMR Article 17, paragraphs 1, 2, 3, 5, 6 and 7, which have functioned well since their implementation in April, 1996. We believe that for the benefit of harmonization and to promote legal certainty and clarity across registers that make up the European Trademark System, these provisions on transfers should be mirrored in the TMD. In our view, both trade mark owners and third parties would benefit from this transparency and up-to-date trade mark registers</p> <p>Members States will need to develop rules to implement the TMD in order to set out: (a) what information needs to be submitted to request that a transfer be recorded; and (b) any documentary evidence that might be necessary if the successor</p>

		<p>in title and the original proprietor do not sign the recordal request, or if the request signed only by the successor in title is not accompanied by a declaration by the original proprietor agreeing to the recording of the successor in title.</p> <p>In this regard, we strongly recommend that the Member States follow the Transfer Document and Transfer Certificate forms that were developed under the Trademark Law Treaty (TLT) to which the EU and several Member States are contracting parties. Indeed, Implementing Regulation (31) and OHIM's Guidelines (Part E, Section 4: Transfer) do follow the TLT model forms. Also, according to OHIM, the Transfer Document is a document conceived as constituting in itself the transfer (assignment). Both of these documents can constitute sufficient proof of a transfer. However, alternative means of proof, such as a copy of the agreement (deed) or other document may be submitted. Importantly, supporting documents do not need to be legalized and may be a copy.</p> <p>INTA believes that using the TLT model forms would thus promote harmonization within the EU of trade mark transfer procedures.</p>
<p>Article 22 – paragraph 5 5. As long as the transfer has not been <i>entered in the register</i>, the successor in title may not invoke the rights arising from the registration of the trade mark against third parties.</p>	<p>Amendment 31 (Rapporteur, JURI) 5. As long as the <i>application for registration of the</i> transfer has not been <i>received by the office</i>, the successor in title may not invoke the rights arising from the registration of the trade mark against third parties.</p>	<p>Right to invoke the rights arising from the registration of a trade mark INTA agrees with amendment 31, which removes some of the time-related discrepancies with which national offices deal with the record of assignments.</p>
	<p>Amendment 34 The offices shall limit their examination ex officio of whether a trade mark application is eligible for registration to the absence of the absolute grounds for refusal provided for in Article 4. This provision shall be without prejudice to</p>	<p>Ex officio examination INTA supports amendment 34, which provides a good alternative to ex officio examination of relative grounds.</p> <p>Indeed, we believe that national offices could send informative notices to owners of similar trade marks already registered, like the existing system at OHIM. This could provide a balance</p>

	<p>the possibility for offices to provide searches and notifications with regard to earlier rights on a purely informative basis and provided that such searches and notifications have no binding effect on the further registration process, including on subsequent opposition proceedings.</p>	<p>between the interests of the parties, providing the holder with an opportunity to object and the applicant with notification of a potential problem.</p>
<p>Article 45 – paragraph 2 2. The administrative procedure referred to in paragraph 1 shall provide that at least the proprietor of an earlier right referred to in Article 5(2) and (3) shall be able to file a notice of opposition.</p>	<p>Amendment 35 (Rapporteur, JURI) 2. The administrative procedure referred to in paragraph 1 shall provide that at least the proprietor of an earlier right referred to in Article 5(2) and <i>point (a) of Article 5(3)</i> shall be able to file a notice of opposition. <i>A notice of opposition may be filed on the basis of one or more earlier rights, provided they all belong to the same proprietor, and on the basis of part or the totality of the goods or services in respect of which the earlier right is registered or applied for, and may be directed against part or the totality of the goods or services in respect of which the contested mark is applied for.</i></p>	<p>Administrative procedure for oppositions INTA supports Amendment 35.</p> <p>There should be a possibility to file oppositions, post registration revocation and invalidity on the basis of more than one earlier right.</p>
	<p>Amendment 37 (Rapporteur, JURI) Article 47 – paragraph 4 a (new) <i>4a. An application for revocation or for a declaration of invalidity may be directed against part or the totality of the goods or services in respect of which the contested mark is registered.</i></p>	<p>Aministrative procedure for revocation and declaration of invalidity INTA supports amendment 37.</p>
<p>Article 48 – paragraph 1 1. In <i>administrative</i> proceedings for a</p>	<p>Amendment 39 (Rapporteur, JURI) 1. In proceedings for a declaration of</p>	<p>Application of grounds for non-use of a trade mark in proceedings</p>

<p>declaration of invalidity based on a registered trade mark with an earlier filing date or priority date, if the proprietor of the later trade mark so requests, the proprietor of the earlier trade mark shall furnish proof that, during the period of five years preceding the date of the application for a declaration of invalidity, the earlier trade mark has been put to genuine use as provided for in Article 16 in connection with the goods or services in respect of which it is registered and which he cites as justification for his application, or that there are proper reasons for non-use, provided that the period of five years within which the earlier trade mark must have been put to genuine use has expired at the date of the application for a declaration of invalidity.</p>	<p>invalidity based on a registered trade mark with an earlier filing date or priority date, if the proprietor of the later trade mark so requests, the proprietor of the earlier trade mark shall furnish proof that, during the period of five years preceding the date of the application for a declaration of invalidity, the earlier trade mark has been put to genuine use as provided for in Article 16 in connection with the goods or services in respect of which it is registered and which he cites as justification for his application, or that there are proper reasons for non-use, provided that the period of five years within which the earlier trade mark must have been put to genuine use has expired at the date of the application for a declaration of invalidity.</p>	<p>INTA rejects amendment 39, which could lead to a situation of uncertainty regarding non-use cancellation actions.</p> <p>To avoid parallel proceedings on the administrative and judicial levels, the competence of jurisdictions should be limited to counter-claims and be exclusive.</p> <p>Moreover, we believe that Article 48(1) relates to non-use and the proof that is required, rather than the body which should have jurisdiction for invalidity actions.</p> <p>We also suggest introducing safeguards over the jurisdiction, competences and communication between the court and the industry property office, as in Article 100 of the CTMR.</p>
	<p>Amendment 40 (Rapporteur, JURI) Chapter 3 – section 3 a (new) – Article 51 a (new)</p> <p><i>Parties to the proceedings or, where appointed, their representatives, shall designate an official address within on of the Member States for all official communication with the office</i></p>	<p>Official address for communication with offices</p> <p>INTA does not support Amendment 40 which we believe would be a violation of Article 4(2) of both the Trademark Law Treaty, for which the EU and several Member States are contracting parties, and the Singapore Treaty on Trademark Law, for which several Member States are contracting parties. Specifically, the amendment would restrict the flexibility stipulated in those treaties which allow national offices to require representation and an address for service in their territory.</p> <p>Article 4(2) of the TLT is as follows: <i>[Mandatory Representation; Address for Service]</i> <i>(a) Any Contracting Party may require that, for the purposes of any procedure before the Office, an applicant, holder or other interested person who has neither a domicile nor a real and effective industrial or commercial establishment on its territory be represented by a representative.</i></p>

		<p><i>(b) Any Contracting Party may, to the extent that it does not require representation in accordance with subparagraph (a), require that, for the purposes of any procedure before the Office, an applicant, holder or other interested person who has neither a domicile nor a real and effective industrial or commercial establishment on its territory have an address for service on that territory.</i></p>
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C- ANNEX 1: COUNTERFEIT GOODS IN TRANSIT PROVISIONS

Rationale:

INTA supports the Commission's proposed language in the CTMR (Recital 18 and Article 9.5) and TMD (Recital 22 and Article 10.5) relating to counterfeit goods in transit. We do not believe this will hamper legitimate trade because the provisions require that there be trade mark infringement to the level of counterfeiting which is the most serious and pervasive form of trade mark infringement.

We also believe that the provisions are compatible with international treaties: neither Article 9 of the Paris Convention nor Article 51 of TRIPS prohibit border measures against counterfeit trade mark goods in transit. Indeed, in both cases, the language used clearly indicates that border measures contemplated in those articles may be applied to goods in transit if the country chooses to do so. Moreover, both instruments set minimum requirements and do not prevent more extensive protection measures (Article 1(1) TRIPS). Arguably a *lack* of enforcement against counterfeits in transit would inevitably hamper legitimate trade by allowing counterfeits to circulate more freely in competition with or, in some cases, in confusion with legitimate products.

As regards generic medicines, the Commission's proposal is restricted to trade mark counterfeiting which means that the provisions will not apply to generic medicines unless the generic medicines, which too have trade marks, bear counterfeit marks. Indeed, if the trade mark of the generic is counterfeited, there is little chance that the product itself will be genuine. On the contrary, generic medicines which bear counterfeit trade marks are likely to be ineffective, or worse, fatal for the patients who unknowingly consume them. Accordingly, INTA believes generic medicines should be protected by the CTMR and TMD from trade mark counterfeiting.

We appreciate that the Rapporteur's amendments may have been drafted out of concern to further frame the Commission's proposals in order to ensure that only counterfeit goods in transit will be covered and that the legitimate trade of goods will not be affected.

However, we believe that they require additional modifications and consideration, as explained below:

- *Addition of "country of origin"*

The Rapporteur's amendments refer only to the "country of destination". Our recommendation to include also "country of origin" stems from our belief that referring to the country of destination only is not sufficient and allows for a serious loophole. It is all too easy for those trading in counterfeit goods to alter destination en route. With only the requirement to prove registration in the country of destination, counterfeiters will be able to evade liability by simply quoting a fictitious destination where the trade mark proprietor does not have a trade mark registration or is engaging in a cancellation dispute as described above. Making registration in the country of origin an additional possibility for rights holders makes it more difficult for the counterfeiters to avoid liability in this way. On a broader level, we understand and agree with the need to ensure that legitimate trade is not hampered. This is in line with the Preamble and Article 41 of TRIPS. The Rapporteur's amendment

attempts to ensure this by adding the requirement that the mark is also protected by a registration in the country of destination. However, there is nothing in TRIPS that requires a country to only consider the place of destination. It should be acceptable to take into account what is legitimate trade in either the place of destination or place of origin. Just as border measures affecting goods bearing counterfeit trade marks that are protected in the country of destination would not constitute a barrier to legitimate trade, then measures affecting goods bearing counterfeit marks that are protected in the country of origin should not be considered a barrier either.

Considering the leeway provided by TRIPS and the practical issues we have described above, INTA recommends that the proprietor of the European Union trade mark be entitled to prevent the transit of counterfeit trade mark goods where he is able to show that the trade mark is also validly registered in either the country of destination or the country of origin.

- *Clarification of “country”*

INTA believes this clarification is required in order to accurately reflect the various places and circumstances that are being dealt with regard to goods in transit. Hong Kong, Macau, Isle of Man, Jersey and Guernsey are jurisdictions, not countries. These jurisdictions have their respective trade mark registers separate from the country’s register. A company may sometimes not register in both for various reasons such as cost. In fact, there are probably over 200 jurisdictions within which trade marks may be registered. It is unlikely that many companies register in all of them, which makes it easy for counterfeiters to find gaps in the rights holders’ global protection. The counterfeiter can simply choose a destination where the EU trade mark proprietor does not have a registration.

Furthermore, it is common for counterfeiters to register well-known marks in jurisdictions where there is little or no examination. Consequently, the rights holder is faced with years of expense and uncertainty in cancellation actions. Such pirate registrations prevent the “real” trade mark owner from securing registration until the pirate registration is cancelled. A clever counterfeiter could therefore not only find a gap in a rights holder’s protection, but also prevent the rights holder from plugging that gap for several years.

Accordingly, INTA recommends that “country” is clarified with an explanatory note stating that “country” as used in the proposed amendments is meant to cover separate customs territories, as is the case under TRIPS, as well as any territory having a separate trade mark register.

- *Access to medicines*

As already noted, INTA supports the Commission’s approach, which does not refer to access to medicines. The issue of access to medicines is not a trade mark issue and should not be codified into EU trade mark legislation. The issue of generic medicines as it relates to access to medicines is not a trade mark issue either but relates to trade and patents. As already specified, generic medicines and other generic products also have trade marks and like any product, they are at risk of being counterfeited. INTA therefore believes that trade marks belonging to generic products should receive protection under the CTMR and TMD like any other product. Including a reference to access to

medicines into the legislation could cause confusion between the issue of access to medicines and generics with that of trade mark protection and the fight against trade mark counterfeiting.

INTA therefore recommends not referring to access to medicines in the provisions relating to “transit”.

- *Reference to “regardless of whether they are released for free circulation there” instead of the reference to “without being released for free circulation there”*
This reference would ensure that goods in transit are covered, as well as goods which may revert back into the EU market.
- *Reference to “a third country” instead of “third countries”*
This reference would clarify that there is no request that the goods need to go through several third countries to be covered by the provisions.
- *Reference to “validly” registered*
The reference to “validly registered” is to ensure that the provision is in line with footnote 14 of the TRIPS Agreement “*counterfeit trademark goods shall mean any goods, including packaging, bearing without authorization a trademark which is identical to the trademark validly registered in respect of such goods...*” It also emphasizes the fact that a CTM or national trade mark owner must not register a mark in bad faith and then seek to use it to stop legitimate transit goods, since this would expose him to a counterclaim based on invalidity of the CTM or national trade mark, and damages.
- *Registration of the mark by the same proprietor or related person*
Rights holders often register their trade marks in the names of different, but related, entities in different countries. Our modification of the amendments to include a registration in the name of a “related person connected to the trade mark proprietor” instead of only “the proprietor” reflects common practice and would avoid a loophole in the enforcement of the provision.
- *Registration of a corresponding mark*
Registration of a corresponding mark in the name of a related entity should be sufficient. The mark should be substantially identical but not necessarily identical. This is because rights holders will oftentimes adapt their trade mark according to the market, but keep the substantial elements of their mark the same.

Proposed amendments can be found on pages 5, 9, 22 and 27.