

**Court of Justice of the European Union**

**Cour de Justice de l'Union Européenne**

**L – 2925 Luxembourg**

**Re: C - 112/21, X BV v. Classic Coach Company vof, Y, Z**

August 16, 2021

**Amicus Submission – International Trademark Association**

The International Trademark Association (**INTA**) has prepared this Submission in relation to Case C - 112/21, X BV v. *Classic Coach Company vof, Y, Z*, pending before the Court of Justice of the European Union (**CJEU**), request for a preliminary ruling under article 267 of the Treaty on the Functioning of the European Union (**TFEU**) referred by the Hoge Raad der Nederlanden (the Supreme Court of the Netherlands).

The case concerns issues related to limitations of the effects of a registered trademark and in particular asks questions related to the issue of co-existence of earlier unregistered rights of local significance with later registered national trademarks.

**A. INTA's interest in the case**

1. INTA is not a party in the case and acknowledges that the CJEU does not have a procedure for accepting an *amicus curiae* intervention *stricto sensu*. INTA however believes that the case is significant to the development of design and trademark law and presents itself as a “friend of the court” in this matter and as done in the past (*cf. Annex A* listing previous amicus interventions by INTA before European courts and bodies).

2. This submission was prepared by the INTA's International Amicus Committee – Europe Amicus Subcommittee, under the direct supervision of INTA's Executive Committee of the Board of Directors, following a strictly independent procedure. In particular, and in order to maintain INTA's independence, the preparation of the enclosed submission took place confidentially. INTA did not disclose its deliberations to either of the parties and did not consult with the parties on the issues in the case.

3. INTA hopes that its comments may be of assistance to the Court.

**B. About INTA**

1. INTA is a global association of brand owners and professionals dedicated to supporting trademarks and related intellectual property (IP) to foster consumer trust, economic growth, and innovation. Members include nearly 6,500 organizations, representing more than 34,350 individuals (trademark owners, professionals, and academics) from 185 countries, who benefit from the Association's global trademark resources, policy development, education and training, and international network. Founded in 1878, INTA is headquartered in New York City, with offices in Brussels, Santiago, Shanghai, Singapore, and Washington, D.C., and a representative in New Delhi. For more information, visit [www.inta.org](http://www.inta.org).

2. An important objective of INTA is to protect the interests of the public by the proper use of trademarks. In this regard, INTA strives to advance the development of trademarks, related IP and unfair competition laws and treaties throughout the world, based on the global public interest in avoiding deception and confusion. INTA has been an official non-governmental observer to the World Intellectual Property Organization ("WIPO") since 1979 and actively participates in all trademark related WIPO proposals. INTA has influenced WIPO trademark initiatives such as the Trademark Law Treaty and is active in other international arenas, including the Asia Pacific Economic Cooperation Forum ("APEC"), the Association of Southeast Asia Nations ("ASEAN"), the European Union (EU) and the World Trade Organization ("WTO").

3. INTA provides expertise concerning trademark and other IP-related laws to courts and intellectual property offices around the world through the submission of *amicus curiae* ("friend of the court") briefs or similar filings, playing a neutral role and addressing only the legal issues. Since 1916, INTA has intervened as *amicus curiae* ("friend of the court") in the US and in other jurisdictions, including before the CJEU and the General Court of the EU. A list of some of these submissions is attached as **Annex A** to this Submission.

4. The present brief was drafted by INTA independently of the parties in the case at issue.

5. Questions referred to the CJEU:

*1. For the purposes of determining whether there is an 'earlier right' of a third party as referred to in Article 6(2) of the repealed Directive 2008/95/EC<sup>1</sup>*

*a) is it sufficient that, prior to the filing of the trade mark, that third party had made use in the course of trade of a right which is recognised by the laws of the Member State in question; or*

*b) is there a requirement that that third party, on the basis of that earlier right, under the applicable national legislation, is entitled to prohibit the use of the trade mark by the trade mark holder?*

*2. In answering Question 1, is it also relevant whether the trade mark holder has an even earlier right (recognised by the laws of the Member State in question) in relation to the sign registered as a trade mark and, if so, is it relevant whether the trade mark holder may, on the basis of that even earlier recognised right, prohibit the use by the third party of the alleged 'earlier right'?*

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<sup>1</sup> Directive of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks (OJ 2008 L 299, p. 25). This Directive has been repealed and the Directive currently in force is Directive 2015/2436 of the European Parliament and of the Council of 16 December 2015 to approximate the laws of the Member States relating to trade marks. However, on the issue at hand both Directives contain identically worded provisions.

### C. Reasons why INTA is submitting this brief

1. Article 6(2) of Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks (the Old Directive), is identical to the corresponding article 14(3) of the currently in force Directive 2015/2436 (the New Directive). The answer to the question of how the term ‘earlier right’ in this article must be interpreted is important and defines the respective limitations of protection of a registered trademark, which has not yet been clarified by the CJEU. The case concerns both registered trademark infringement and trade name infringement with different defenses put forward for each claim. INTA shall not engage with the issues of trade name infringement and respective defenses and the below therefore deals exclusively with the registered trademark infringement aspects of the case.

2. Even though there is CJEU case law, clarifying issues related to how unregistered rights under national law of an EU member state constitute an earlier right blocking the registration of a later trademark, the issue of co-existence of earlier unregistered rights of mere local significance, namely of mere local presence and use, in a geographically restricted area, with registered trademarks, still needs a clear answer to the questions raised by the referring court, namely how locally restricted unregistered rights and under which conditions they can co-exist with later registered trademarks.

### D. Background

In the case at hand Brothers 1 and 2 (M.<sup>2</sup>) owned a coach company operating under the name ‘Amersfoort’s Bloei 1968’ (**Coach Company 1**) established in Amersfoort, Netherlands, in 1968. In **1975**, Brother 1, while still part of Coach Company 1, founded the Appellant, which is also a coach company, operating under the names ‘M. Touringcars’ and ‘M. Touringcars Amsterdam’ (**trade name A**). In **1977**, Brother 1 left Coach Company 1 and continued to operate its aforementioned business under trade name A.

Coach Company 1 continued to be operated by Brother 2 and his wife and later under a new form and the name ‘Classic Coach Company’ (**CCC**) by their two sons. For a number of years, from **2006** onwards, the indication ‘J. M.’ (**trade name B**) along with the designation ‘www.almeretours.nl’ has appeared on the back of CCCs coaches.

In **2008**, Appellant registered and continues to hold the trademark M. as a national (Benelux) word trademark for services in class 39, including services provided by a coach company. Appellant claimed, inter alia, that use by the defendants of trade name B infringed the registered trademark rights of the Appellant. It sought an order that CCC and the rest of the defendants (CCC c.s.) cease and desist from infringing such mark. In their defense against the order, the defendants relied on a national (Benelux) trademark law provision stating that a registered trademark holder may not challenge the use in business of a similar sign which draws its protection from a prior right of local relevance, if such right is recognised by the legal provisions of any Benelux country, within the limits of the territory in which it is recognised. Based on their use of trade name B since 2006, the defendants claimed to be the owners of an unregistered trade name right of local significance, recognised by Benelux law, which is an earlier right than the Appellant’s 2008 trademark registration. This Benelux provision

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<sup>2</sup> Full surname redacted for privacy throughout the text.

implemented into national law the above provision of Article 6(2) of Directive 2008/95/EC (the Old Directive).

The first instance court upheld the claims of Appellant. The Court of Appeal reversed the ruling and found for the defendants. The Court of Appeal confirmed that the parties agree that the use of trade name B ('J. M.') by the defendants was indeed use of that sign as a trade name. Such use (since 2006) created a right in the name of the defendants, namely an unregistered trade name right that existed prior to the filing of the application for the Appellant's trademark registration in 2008. Such right, based on the Benelux national law provision invoked by the defendants, even though not capable of blocking the registration of the later trademark, was allowed to co-exist and be used concurrently with the later trademark registration.

The Court of Appeal holds as a fact that the trademark registration holder (Appellant) has even earlier (pre-dating 2006) trade name rights in trade name A (the names 'M. Touringcars' and 'M. Touringcars Amsterdam'), dating back as early as 1975, in respect of the same sign registered as a trade mark, than CCC c.s. This fact cannot be disputed in cassation (dealing only with legal matters) and is therefore presumed by the referring cassation court. According to the Court of Appeal, however, the Appellant is estopped from prohibiting CCC c.s.'s use of trade name B (J. M.) – the alleged 'earlier right' of CCC c.s. – , based on the Appellant's even earlier trade name rights, because the Appellant failed to object to the prolonged coexistence (over the course of many years) of both unregistered rights in the market.

The referring court presumes also that trade name A of the Appellant and trade name B of CCC c.s. are recognised rights in the Netherlands as referred to in Article 6(2) of the repealed Trade Marks Directive 2008/95/EC.

Trade name A, trade name B and the registered trademark all consist of/contain the same element which is the surname (here abbreviated to M.) of the two brothers.

Despite it not being stated in the referring court's decision, INTA shall assume for the purposes of the present brief, that the above-mentioned trade name rights of the defendants, namely indication J. M. (trade name B), are rights of mere local significance.

#### **E. INTA's analysis**

Earlier rights in articles 6(2) of the Old Directive and 14(3) of the New Directive are unregistered rights, recognised under national law of the Member States, which are created through use in commerce. They are to be distinguished from the unregistered rights provided in Article 4(4)(c) of the Trade Marks Directive 2008/95/EC and Article 5(4)(b) of the Trade Marks Directive 2015/2436, which state that any Member State may provide that a trade mark is not to be registered or, if registered, is liable to be declared invalid where, and to the extent that, the use of the trade mark may be prohibited by virtue of an earlier right.

The earlier rights of these last provisions refer to nationwide, use-based rights, which constitute a barrier to the registration of a later trademark. Contrary to the earlier rights provided in Article 4(4) of the Old Directive and 5(4)(b) of the New Directive, earlier rights provided in articles 6(2) of the Old Directive and 14(3) of the New Directive do not constitute a barrier to the registration of a later mark. The reason is that these earlier rights are of mere local significance<sup>3</sup>, namely they do not extend geographically to such a wide area as a trademark registration, which covers the whole of the territory where it is registered. Such local

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<sup>3</sup> See also the analogous provision in Regulation 2017/1001 on European Union Trade Mark, articles 8 and 138 on the former and latter earlier rights respectively.

rights, even though not capable of blocking the registration of a later trademark are however allowed to co-exist and be used concurrently with the later trademark registration. Such co-existence is provided for in the law and is therefore forced upon the registered trademark owners. The registered trademark owners are legally obliged to tolerate such use.

INTA submits that – similarly to the earlier rights provided in Article 4(4) of the Old Directive and 5(4)(b) of the New Directive – the earlier rights of articles 6(2) of the Old Directive and 14(3) of the New Directive shall only be invoked to the extent they are ‘legally’ obtained and enforceable. Namely, similar to the way a prior unregistered right of Article 4(4) of the Old Directive and 5(4)(b) of the New Directive, cannot block a later trademark registration, if the prior right was ‘illegally’ acquired (e.g. because it infringed an unregistered, preceding right of the trademark applicant), the earlier rights of articles 6(2) of the Old Directive and 14(3) of the New Directive cannot be forced by law to co-exist with the later trademark registration, to the extent the former was ‘illegally’ acquired. In that case, the trademark registration owner shall have the right to oppose the use of such local unregistered right and shall not be bound by the co-existence obligation of the law.

Furthermore, INTA submits that, should that unregistered right be an ‘illegally’ acquired one and unenforceable, infringing an even earlier right, but the owner of such even earlier right has acquiesced to its use or estoppel applies, then the rule of co-existence comes back into play.

Therefore, in a situation where trademark Z is registered after a local unregistered right Y, the holder of trademark Z shall be forced to co-exist with unregistered right Y. However, if by way of exception, unregistered right Y infringes an even earlier unregistered right X of the trademark registration owner, then it is an ‘illegally’ acquired right and the trademark registration owner is not forced to co-exist with it. If, however, the owner of the registered trademark Z and the earlier unregistered right X has acquiesced to the use of the later to it unregistered right Y or is estopped from enforcing its earlier rights X against right Y, then the rule of co-existence between unregistered right Y and trademark Z becomes relevant again. In such latter case therefore, trademark Z owner is again forced to co-exist with earlier right Y.

## **Conclusion**

INTA’ s views on the questions referred by the Dutch Supreme Court, are as follows:

**Question 1:** For the purposes of determining whether there is an ‘earlier right’ of a third party as referred to in Article 6(2) of the repealed Directive 2008/95/EC

a) it is **not** sufficient that, prior to the filing of the trade mark, that third party had made use in the course of trade of a right which is recognised by the laws of the Member State in question, as the right also has to have been acquired legally; and

b) **there is no** requirement that that third party, on the basis of that earlier right, under the applicable national legislation, is entitled to prohibit the use of the trade mark by the trade mark holder, since earlier rights of mere local significance under article 6(2) of the repealed Directive may not prohibit the use or registration of later trademarks, namely they do not constitute “earlier rights” under Article 4(4)(c) of the repealed Directive, subject to any contrary provisions of national law governing such earlier rights of mere local significance. However, there is a requirement that such earlier right of Article 6(2) of the repealed Directive is a legally acquired right by the third party.

**Question 2:** In answering Question 1, **it is** also relevant whether the trade mark holder has an even earlier right (recognised by the laws of the Member State in question) in relation to the sign registered as a trade mark and **it is** relevant whether the trade mark holder may, on the basis of that even earlier recognised right, prohibit the use by the third party of the alleged 'earlier right'.

## ANNEX A

INTA has filed the following *amicus*-type submissions in cases before European courts:

- Third Party Observations on July 2, 2021 in [Cases R 1613/2019 Iceland Foods Limited v. Icelandic Trademark Holding ehf and R 1238/2019-1 Iceland Foods Limited v. Islandsstofa \(Promote Iceland\), The Icelandic Ministry for Foreign Affairs and SA – Business Iceland](#)
- Letter of submission on June 28, 2021 in [Case C-62/21 Leinfelder Uhren GmbH & Co KG v. E. Leinfelder GmbH and others](#)
- Third Party Observations on April 1, 2021 in [Case R 964/2020-4, EUROMADI IBERICA, S.A./Zorka Gerdzhikova](#)
- Third Party Observations on 3 March 2021 in [Cases R 1719/2019-5 and R 1922/2019-5, The Estate of the Late Sonia Brownell Orwell ./ EUIPO.](#)
- Third Party Observations on 24 February 2021 in [Case R 2248/2019-5. The Estate of the Late Sonia Brownell Orwell ./ EUIPO.](#)
- Letter of submission on December 23, 2020 in [Case C-421/20 ACACIA S.R.L v. Bayerische Motoren Werke Aktiengesellschaft](#)
- Third Party Observations on December 1, 2020 to EUIPO Grand Board in [Case R 1304/2020-G, Der Grüne Punkt Duales System Deutschland GmbH ./ Halston Properties, s.r.o. GmbH](#)
- Letter of submission to Novartis AG on September 28, 2020, in Joint Cases C-254/20 Novartis AG v. Impexco NV and C-254/20 Novartis AG v. PI Pharma NV ([C-253/20](#) and [C-254/20](#))
- Letter of submission to Novartis AG on August 27, 2020, in Joint cases C-147/20, Novartis Pharma GmbH v. Abacus Medicine A/S and C-224/20, Merck Sharp & Dohme B. V. et al. v. Abacus Medicine A/S et al. ([C-147/20](#) and [C-224/20](#))
- Statement of Intervention on January 6, 2016, in the case *DHL Express (France) v EUIPO* ([T-142/15](#)).
- Statement of Intervention on April 25, 2014 in the case *Voss of Norway v OHIM* ([C-445/13 P](#)).
- Written Observations on March 16, 2010 in the case *Nokia Corporation v. Her Majesty's Commissioners of Revenue and Customs* (HMRC) ([C-495/09](#)).
- Letter of submission to Specsavers International Healthcare Limited on August 23, 2012 in the trademark case *Specsavers International Healthcare Limited & others vs Asda Stores Limited* ([C-252/12](#)).
- Letter of submission to Intel Corporation on September 5, 2007, in the trademark case *Intel Corporation v. CPM United Kingdom Ltd.* ([C-252/07](#)).
- Letter of submission to Adidas and adidas Benelux on June 12, 2007 in the trademark case *Adidas and adidas Benelux* ([C-102/07](#)).
- Letter of submission to SARL Céline on April 25, 2006 in the trademark case *SARL Céline v. SA Céline* ([C-17/06](#)).
- Submission as intervener to the English Court of Appeals on October 16, 2006 in the case *Special Effects v L'Oreal SA* (HC 05C012224, Court of Appeal 2006 0744).

- Letter of submission to Bovemij Verzekeringen N.V. on June 17, 2005 in the case *Bovemij Verzekeringen N. V. v. Benelux Merkenbureau* (ECJ - C-108/05).
- Letter of submission to Schering-Plough Ltd. on December 5, 2003 in the trademark case *Schering-Plough Ltd v. European Commission and EMEA* (CFI T-133/03).
- Letter of submission to Merck Inc. on April 4, 2003 in the trademark case *Paranova A/S v. Merck & Co., Inc, Merck, Sharp & Dohme B. V. and MSD (Norge) A/S* (EFTA Court E-3/02).
- Letter of submission to Praktiker Bau - und Heimwerkermarkte AG on March 20, 2003 in the trademark case *Praktiker Bau - und Heimwerkermarkte AG* (ECJ C- 418/02).
- Letter of submission to Shield Mark on November 1, 2001 in the trademark case *Shield Mark v. J. Kist* (ECJ C-283/01).
- Letter of submission to Libertel Groep B.V. on July 6, 2001 in the trademark case *Libertel Groep B.V. v. Benelux Merkenbureau* (ECJ - C- 104/01)
- Letter of submission to Glaxo Wellcome Limited on October 10, 2000 in the trademark case *Glaxo Wellcome Limited v. Dowelhurst Limited and Swingward Limited* (ECJ - C-143/00)