



European Union Intellectual Property Office

Grand Board of Appeal

Alicante, Spain

RE: Referral of questions on a point of law by the Executive Director of the European Union Intellectual Property Office of 22 February 2024

DATE: June 1, 2024

Amicus Brief (Third Party Observations) – International Trademark Association

The International Trademark Association (**INTA**) has prepared this brief in relation to the referral of questions on a point of law by the Executive Director of the European Union Intellectual Property Office (**EUIPO**) of 22 February 2024 (**Referral**) on a withdrawal of a refused EUTM application followed by a conversion request.

Article 37(6) of Commission Delegated Regulation (EU) 2018/625 of 5 March 2018 supplementing Regulation (EU) 2017/1001 of the European Parliament and of the Council on the European Union Trade Mark (**EUTM**), and repealing Delegated Regulation (EU) 2017/1430 (**EUTMDR**) allows for intervention of interested groups or bodies in appeal proceedings before the EUIPO referred to the Grand Board of Appeal of the EUIPO (**Grand Board**).

A. About INTA

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, Beijing, Singapore, and Washington, D.C., and a representative in New Delhi.

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 trademark and 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 also is active in other international arenas, including the Asia Pacific

Economic Cooperation Forum (APEC), the Association of Southeast Asia Nations (ASEAN), the European Union, and the World Trade Organization (WTO).

B. INTA's interest in the case

INTA believes that the case is significant to the development of trademark law and the EUIPO practice and presents itself as an *amicus curiae* ("friend of the court") in the matters raised therein, as it has done in the past (see **Annex A** listing previous "amicus interventions" by INTA before European courts and the Grand Board).

Through its International Amicus Committee, INTA provides expertise concerning trademark and other IP-related laws to courts and trademark offices around the world through the submission of *amicus curiae* briefs or similar filings. Through these kinds of filings, INTA takes advantage of procedures that allow an independent third party to a proceeding to voluntarily offer an opinion on a legal matter, such as the proper interpretation or application of the law, or an explanation for why certain policies are superior.

The purpose of INTA's intervention in such cases is to ensure that the respective office, court or tribunal is fully informed about the relevant issues that may impact the law in a given jurisdiction. Unlike the parties in proceedings, who typically focus on the specific facts of a case and argue for a particular outcome, INTA plays a neutral role, addressing only the legal issues. INTA hereby acts in the interest of the represented manufacturers, producers, suppliers of services, traders or consumers, who are affected the questions concerning conversion of marks addressed in the Referral at issue.

INTA hopes that this submission may be of assistance to the Grand Board.

C. Background and procedural overview

The present case concerns "conversion", a process allowing for an EUTM application or registration to be converted into one or more EU national or Benelux applications (hereinafter jointly referred to as "**national applications**"), should issues of registrability arise. If an EUTM is deemed non-registrable for reasons relevant to specific Member State(s) (e.g. it is descriptive in a local language) then it may only be converted into a national mark in the non-affected Member States. This process, intended to overcome the potentially unpredictable downsides of the EUTM's unitary character, preserves the priority date of the initial EUTM application.

In particular, the Referral addresses the EUTMR provision that conversion shall not take place in Member States where grounds for refusal apply in accordance with the "decision" of the Office, and deals with an issue as to whether a "decision" is deemed any decision of the Office or only a "final" decision. At issue is the interpretation of Article 139(2)(b) of the EUTMR, which bars conversion in those EU Member States where a "decision" of the EUIPO identifies grounds of refusal. According to the Referral, this raises questions about whether such EUIPO decision must have become final in order to prevent conversion. This is relevant when the EUIPO refuses an EUTM application, but that application is withdrawn during the time to file an appeal without the applicant filing an appeal.

The practice of the EUIPO since 2006 has been that the decision of the EUIPO is sufficient to exclude conversion in the Member States where the relevant ground of refusal applies according to the Office, even when such decision has not become "final" due to the withdrawal of the

application, unless an appeal is filed (and then withdrawn). According to the Trade Mark Guidelines of the EUIPO (**EUIPO Guidelines**), Part E: Register operations, Section 2, Conversion, Sub-section 4:

“Even when the ground for conversion is the withdrawal of an application, if such a withdrawal takes place during the appeal period after a decision to refuse the mark on the basis of a ground that would preclude registration in the Member State concerned and if no appeal has been filed, the request for conversion will be rejected”.

“Where the applicant withdraws the EUTM application or the owner surrenders the EUTM, or where the holder renounces the designation of the EU before the decision becomes final (i.e. during the appeal period) and subsequently requests conversion of the mark into national trade marks in some or all of the Member States for which a ground for refusal, for revocation or invalidity applies, the request for conversion will be rejected for those Member States.”

“If the applicant, owner or holder files an appeal and subsequently withdraws or limits the refused application or surrenders, partially or totally, the invalidated or revoked EUTM or designation and then requests a conversion, the withdrawal, limitation or surrender will be forwarded to the competent Board and may be put on hold pending the outcome of the appeal proceedings (24/03/2011, C-552/09 P, TiMiKinderjoghurt, EU:C:2011:177, § 43; 22/10/2010, R 463/2009-4, MAGENTA (col.), § 25-27; 07/08/2013, R 2264/2012-2, SHAKEY’S). Only once the withdrawal, limitation or surrender has been processed will the conversion either be forwarded as admissible to all the Member States where conversion is requested, or refused, depending on the outcome of the assessment of the request (see also the Guidelines, Part B, Examination, Section 1, Proceedings, paragraph 5.1, Part D, Cancellation, Section 1, Cancellation proceedings, paragraph 4.3 and Part E, Register operations, Section 1, Changes in a registration, paragraph 1).” [emphasis added]

On 3 December 2018, Preventicus GmbH (**Applicant**) filed an application for an EUTM, seeking to register the word mark “NIGHTWATCH” for the goods and services in classes 9, 10 and 44.

On 17 July 2019, the examiner refused the application entirely under Article 7(1)(b) and (c), in conjunction with Article 7(2) EUTMR, on the basis that it was both descriptive and devoid of any distinctive character for the English-speaking public.

The above decision was not appealed but, on 11 September 2019 (i.e., still during the appeal period), the Applicant withdrew the application. This was confirmed by the EUIPO the following day.

On 13 September 2019, the Applicant requested the conversion of EUTM application into national trademark applications for the Benelux, France, Italy, Poland, Spain and the United Kingdom.

On 3 October 2019, the Office notified the Applicant that the conversion request was, despite the withdrawal of the EUTM application, not admissible for the United Kingdom because the EUTM application was rejected by the EUIPO on the basis of its descriptiveness and lack of distinctiveness in English in a decision on absolute grounds. The EUIPO made reference to the EUIPO Guidelines, Part E: Register operations, Section 2, Conversion. According to the EUIPO Guidelines, even when the ground for conversion is the withdrawal of an application, if such a withdrawal takes place after a decision to refuse the mark on the basis of a ground that would

preclude registration in the Member State concerned and if no appeal has been filed, the request for conversion will be rejected.

On 8 October 2019, the Applicant requested that the Office divide the conversion request and continue with the conversion for the Benelux, France, Italy, Poland and Spain; such conversion request was duly transmitted by the EUIPO to the national offices concerned.

On 28 November 2019, the Applicant submitted its observations on the deficiency, maintaining its conversion request as regards the United Kingdom, arguing that there was no final decision rejecting the EUTM application, since the application was withdrawn during the appeal period, and that the EUIPO could not make a refusal decision binding on the national offices where a refusal decision did not become effective as a result of the withdrawal of an EUTM application.

By decision of 17 April 2020, the Register of the Operations Department of the EUIPO rejected the conversion request. On 17 June 2020, the Applicant filed a notice of appeal against the contested decision, requesting that the decision be entirely set aside.

By decision of 9 September 2021, the EUIPO's Fourth Board of Appeal dismissed the appeal on the grounds that the conversion into a national trade mark application for the United Kingdom was no longer allowable since the United Kingdom had left the EU and the transitional period had ended when the decision was taken. On 19 November 2021, the Applicant brought an action before the General Court (T-742/21) requesting the annulment of the Board's decision.

On 9 February 2022, the Fourth Board of Appeal, informed the Applicant about its intention to revoke said decision, which it did by decision of 17 March 2022, R 1241/2020-4, *Nightwatch*. Following that, the General Court ordered on 1 August 2022 that there was no longer any need to adjudicate on the action. On 22 September 2022, the EUIPO's Fourth Board of Appeal issued the NIGHTWATCH decision, confirming that due to the withdrawal of the EUTM application occurring during the appeal period, the refusal decision had not become effective, and the Applicant's conversion request should have been admitted also for the United Kingdom. Article 66(1) EUTMR provides that "*Those decisions shall take effect only as from the date of expiration of the appeal period referred to in Article 68. The filing of the appeal shall have suspensive effect*". In particular, the NIGHTWATCH decision stated, among others, that:

- 39 The Office's examination procedure closes not at the time when the final decision on an appeal is taken or delivered but, as expressly provided in Article 66(1) EUTMR, only upon the expiry of the period set in Article 68 EUTMR for the filing of a notice of appeal or, if notice of appeal has been filed within this period, upon its final dismissal. Hence decisions of the Examination Division do not take effect until the expiry of the period allowed for appeals, if no notice of appeal has been filed, or until the final dismissal of an appeal by the Board of Appeal or, where applicable, until after the conclusion of an action or proceedings on appeal before the General Court or the Court of Justice of the EU (23/03/2006, R 1411/2005-1, Eurostile, § 14).
- 40 In the present case, at the point in time when the applicant's withdrawal was received by the Office, that is to say on 11 September 2019, the period for filing a notice of appeal against the refusal decision of 17 July 2019 had not yet expired. Thus, at this point in time the decision of the Office had not yet taken effect pursuant to Article 66(1) EUTMR, second sentence. Thus, it was still possible for the applicant effectively to withdraw the application (see 27/09/2006, R 331/2006-G, Optima, § 15; 23/03/2006, R 1411/2005-1, Eurostile, § 15, 16).
- 41 In addition, in the case of this withdrawal, which was effected while the period for filing an appeal was still ongoing, it was on no account necessary for the applicant, for instance, to have filed a notice of appeal beforehand. This would have resulted in a complication which is legally unnecessary and would be detrimental to the economy of the proceedings if a party to the proceedings were required to file an appeal merely for the purposes of withdrawing an application

(01/12/2004, R 348/2004-2, BELEBT GEIST UND KÖRPER, § 22; 23/03/2006, R 1411/2005-1, Eurostile, § 16).

- 42 It follows that in the present case, the applicant had terminated the examination proceedings by withdrawing its EUTM application pursuant to Article 49(1) EUTMR. As a consequence of the withdrawal of the EUTM application, the examination proceedings had become without purpose. Therefore, the refusal decision of the examiner should not have become final.
- 43 Since there is no final decision on refusal of the EUTM application, the Office should not have applied Article 139(2)(b) EUTMR. In this regard, the Board recalls that this provision, as well as Article 139(6) EUTMR, refer explicitly to 'the decision of the Office' (see paragraphs 25 and 27 above). In other words, in the absence of the decision of the Office, these provisions are not applicable. The Board cannot see any possibility to interpret these provisions as referring to a decision which, at the end, would not have become final.
- 44 The Board also considers that, as the filing of an appeal cannot be required for a withdrawal to be effective, nor can it be required for a conversion request to be acceptable on the basis of Article 139(1)(a) EUTMR (see paragraph 41 above). In fact, in assuming that the applicant intended to file an appeal against the refusal decision and then to withdraw its application only after that moment, the Board would have stated in its decision that the applicant had terminated the proceedings by withdrawing its EUTM application pursuant to Article 49(1) EUTMR and, as a consequence of the withdrawal of the EUTM application, the examination and appeal proceedings had become without purpose. In addition, the Board would have declared both proceedings closed and held that the contested decision of the examiner would not become final. However, within three months of the withdrawal, the applicant would still have had the possibility to file its conversion request pursuant to Article 139(1)(a) EUTMR.
- 45 The Board cannot really see any reason why the applicant should be required to file an appeal against the refusal decision in order to be able to file its conversion request pursuant to Article 139(1)(a) EUTMR. There is no legal basis for this interpretation. Nor can it be seen as an attempt to circumvent the limitations of Article 139(2)(b) EUTMR or an abuse of process not to file an appeal but merely a withdrawal before conversion. Requiring an appeal to be filed would only complicate matters and be legally unnecessary. It would be detrimental to the economy of proceedings if a party to the proceedings were required to file an appeal merely for the purposes of requesting conversion after withdrawing an application (see paragraph 41 above).

On 2 April 2024, the Executive Director of the EUIPO referred five questions on a point of law to the Grand Board under Article 157(4)(l) EUTMR, also setting out his views on the different possible interpretations as well as on the practical consequences in accordance with Article 37(4) EUTMR (explained in detail below). According to the Executive Director, the Fourth Board of Appeal took in the NIGHTWATCH decision an approach that differed to the long-standing practice in the EUIPO Guidelines concerning conversion of the EUTMs and, as the matter did not come before the Court of Justice of the European Union, the Executive Director considered appropriate, in the interest of legal certainty and consistency, to obtain the reasoned opinion of the Grand Board. Moreover, considering that the EUIPO's longstanding practice on such matters is, according to the Executive Director, essentially based on a Grand Board of Appeal decision of 27/09/2006 in R 331/2006-G (**OPTIMA decision**), which had found *inter alia* that an EUTM that is withdrawn during the appeal period, and for which the Office had issued a decision of refusal, will not be treated as refused in the Office database and in the Register but as withdrawn. Legal certainty requires that any change be based on a Grand Board opinion or decision which binds the first instance pursuant to Article 166(8) EUTMR and which would not be impeachable by a later Board of Appeal decision save for the Grand Board.

D. Reasons for INTA to submit this Amicus Brief

The Referral concerns conversion of EUTMs, in particular as to whether a “non-final” refusal decision of the EUIPO can exclude conversion to the Member States for which grounds of non-registrability were raised (as it has been the EUIPO’s practice since 2006), in light of the NIGHTWATCH decision diverging from the EUIPO’s practice.

The outcome of the case – should the Grand Board agree with the diverging NIGHTWATCH decision (which is what INTA proposes to do) – will lead to the change of the EUIPO Guidelines and the EUIPO’s practice, which has been in place for nearly 20 years. Moreover, it will unify the interpretation of the provisions related to conversion of the EUTMs.

Therefore, INTA considers that the questions raised in the Referral – albeit related only to a very specific issue within the EU trade mark law – are of importance to ensure the correct and uniform interpretation of the relevant provisions related to the conversion of the EUTM applications and registrations.

E. The relevant legal provisions

Article 66 EUTMR

Decisions subject to appeal

1. An appeal shall lie from decisions of any of the decision-making instances of the Office listed in points (a) to (d) of Article 159, and, where appropriate, point (f) of that Article. Those decisions shall take effect only as from the date of expiration of the appeal period referred to in Article 68. The filing of the appeal shall have suspensive effect.

2. A decision which does not terminate proceedings as regards one of the parties can only be appealed together with the final decision, unless the decision allows separate appeal.

Article 68 EUTMR

Time limit and form of appeal

1. Notice of appeal shall be filed in writing at the Office within two months of the date of notification of the decision. The notice shall be deemed to have been filed only when the fee for appeal has been paid. It shall be filed in the language of the proceedings in which the decision subject to appeal was taken. Within four months of the date of notification of the decision, a written statement setting out the grounds of appeal shall be filed.

Article 71 EUTMR

Decisions in respect of appeals

[...]

3. The decisions of the Board of Appeal shall take effect only as from the date of expiry of the period referred to in Article 72(5) or, if an action has been brought before the General Court within that period, as from the date of dismissal of such action or of any appeal filed with the Court of Justice against the decision of the General Court.

Article 72 EUTMR

Actions before the Court of Justice

1. Actions may be brought before the General Court against decisions of the Boards of Appeal in relation to appeals.

2. The action may be brought on grounds of lack of competence, infringement of an essential procedural requirement, infringement of the TFEU, infringement of this Regulation or of any rule of law relating to their application or misuse of power.

3. The General Court shall have jurisdiction to annul or to alter the contested decision.

4. The action shall be open to any party to proceedings before the Board of Appeal adversely affected by its decision.

5. The action shall be brought before the General Court within two months of the date of notification of the decision of the Board of Appeal.

6. The Office shall take the necessary measures to comply with the judgment of the General Court or, in the event of an appeal against that judgment, the Court of Justice.

Article 139 EUTMR

Request for the application of national procedure

1. The applicant for or proprietor of an EU trade mark may request the conversion of his EU trade mark application or EU trade mark into a national trade mark application:

(a) to the extent that the EU trade mark application is refused, withdrawn, or deemed to be withdrawn;

(b) to the extent that the EU trade mark ceases to have effect.

2. Conversion shall not take place:

(a) [...]

(b) for the purpose of protection in a Member State in which, in accordance with the decision of the Office or of the national court, grounds for refusal of registration or grounds for revocation or invalidity apply to the EU trade mark application or EU trade mark.

[...]

5. Where the EU trade mark application is withdrawn or the EU trade mark ceases to have effect as a result of a surrender being recorded or of failure to renew the registration, the request for conversion shall be filed within three months of the date on which the EU trade mark application has been withdrawn or on which the EU trade mark ceases to have effect.

6. Where the EU trade mark application is refused by decision of the Office or where the EU trade mark ceases to have effect as a result of a decision of the Office or of an EU trade mark court, the request for conversion shall be filed within three months of the date on which that decision acquired the authority of a final decision.

Article 140 EUTMR

Submission, publication and transmission of the request for conversion

[...]

4. If the Office or an EU trade mark court has refused the EU trade mark application or has declared the EU trade mark invalid on absolute grounds by reference to the language of a Member State, conversion shall be excluded under Article 139(2) for all the Member States in which that language

is one of the official languages. If the Office or an EU trade mark court has refused the EU trade mark application or has declared the EU trade mark invalid on absolute grounds which are found to apply throughout the Union or on account of an earlier EU trade mark or other Union industrial property right, conversion shall be excluded under Article 139(2) for all Member States.

F. Questions to the Grand Board and INTA's position

In the Referral, the Executive Director raised five questions, all related to the interpretation of the process of conversion.

INTA submits that all questions should be answered in negative. This means that the Grand Board should confirm the NIGHTWATCH decision, and respond to the first and second question that the expression "*the decision of the Office*" in Article 139(2)(b) EUTMR only refers to a final decision, meaning that it does not include EUIPO decisions refusing the EUTM application where no appeal was filed but the EUTM was withdrawn during the appeal period (or where an appeal was filed but the EUTM was withdrawn prior to the final dismissal of the appeal). Similar conclusions should be drawn with respect to the third and fourth question, which concern the "finality" of the EUIPO's Boards of Appeal decisions and the withdrawal of the EUTM prior to or after filing an action to the General Court. Finally, there is no reason why the approach should be different where the relevant decision is rendered in *ex parte* or *inter partes* proceedings (fifth question).

In the following, the possible answers to the questions posed to the Grand Board will be analyzed in more detail:

1. Does the expression 'the decision of the Office' in Article 139(2)(b) EUTMR include decisions of the Office containing grounds of refusal of an EUTM application, where no appeal is brought under Article 66 EUTMR but where the EUTM is withdrawn during the appeal period set out in Article 68(1) EUTMR?

INTA submits that the answer to this question is negative. This is in accordance with the conclusions of the NIGHTWATCH decision.

According to Article 139(2)(b) EUTMR, conversion shall not take place in those Member States in which, in accordance with "*the decision of the Office*", the grounds of refusal of the EUTM apply. Therefore, by this question, the Executive Director is essentially asking whether it is acceptable for the EUIPO not to allow conversion of an EUTM application in those Member States following a refusal decision of the Office, which was not appealed, in the cases where the EUTM application was withdrawn during the appeal period (i.e. when the decision of the Office has not yet become final). Such approach has been a practice of the EUIPO since 2006.

Before addressing the specific issue posed to the Grand Board, it is worth setting forth some points, which are useful to put the matter in the right perspective. The Executive Director submits in his Referral that the practice of the EUIPO regarding conversions – in particular that the "non-final" EUIPO decisions can exclude conversion under Article 139(2)(b) EUTMR – is based on the OPTIMA decision of the Grand Board. The Grand Board stated in the OPTIMA decision that a

decision relating to an EUTM that was withdrawn in the appeal period should "remain in the files". However, it also expressly stated in paragraph 16 that:

"The possible effects of such a decision of refusal on an applied-for mark which has later on been withdrawn are outside the scope of the present appeal."

Therefore, the Grand Board only suggested in the OPTIMA decision that there may be – or not – “possible effects” of an EUIPO refusal decision on the EUTM application which has later been withdrawn. However, the Grand Board also expressly stated that any such “possible effects”, may they exist, are outside the scope of its considerations in the OPTIMA decision.

The EUIPO interpreted the OPTIMA decision as meaning that a “non-final” decision on refusal has “possible effects” in that it excludes conversion of the EUTM withdrawn during the appeal period.

However, as will be shown in the following, this interpretation has, in INTA’s opinion, no legal basis in EU law.

According to Article 66(1) EUTMR, decisions of any of the decision-making instances of the Office (EUIPO) “shall take effect only as from the date of expiration of the appeal period”, which is set out in Article 68 EUTMR. It is therefore clear that, before the expiration of the appeal period, the EUIPO decisions do not take effect, and are not “final”.

It has been repeatedly confirmed by the EUIPO and the General Court that it is always possible to withdraw the EUTM application at any stage during the examination or appeal procedures, until the periods to appeal are over and the decision to refuse the mark becomes final and absolute (see also paragraph 14 of the OPTIMA decision and paragraphs 37 and 38 of the NIGHTWATCH decision). As a consequence of the withdrawal of the EUTM application, the examination proceedings become without purpose.

The line of arguments set out in the Referral that suggest that, following the withdrawal of the EUTM application during the appeal period, only the operative part of the decision “does not take effect”, but such decision still exists and may have “other effects” (such as excluding conversion), does not have any legal basis.

Consequently, the first question should be answered to the effect that the expression ‘the decision of the Office’ in Article 139(2)(b) EUTMR does not include decisions of the Office containing grounds of refusal of an EUTM application, where no appeal is brought under Article 66 EUTMR but where the EUTM is withdrawn during the appeal period set out in Article 68(1) EUTMR.

In the cases where there is no final and effective refusal decision of the Office because the EUTM application was withdrawn during the appeal period, the EUIPO should accept the conversion request on the basis of Article 139(1)(a) EUTMR.

This is also supported by the current practice of the EUIPO in the cases where, following a refusal decision of the Office, such decision is appealed and the EUTM application is subsequently withdrawn during the appeal procedure before the issuance of a decision on appeal (or even during the proceedings before the General Court – see question 3 below). In those cases, the EUIPO’s practice – at least in the case of absolute grounds refusals – is to accept the withdrawal and, subsequently, also the conversion request pursuant to Article 139(1)(a) EUTMR (see also paragraphs 27 and 28 of the Referral). This means that the EUIPO itself agrees that, even where there is no final decision and the application is withdrawn, conversion should be accepted (contrary

to paragraph 24 of the Referral). The only additional condition that the EUIPO requires, without any legal basis, is that the Applicant files an appeal and withdraws the application only afterwards.

However, as the Fourth Board of Appeal rightly stated in the NIGHTWATCH decision, it cannot be required for a conversion request to be acceptable that the Applicant files an appeal (and pays the appeal fee) before withdrawing an application. This would have resulted in a complication which is legally unnecessary and would be detrimental to the economy of the proceedings (see paragraph 41 of the NIGHTWATCH decision and the case law cited therein). In addition, there is no legal basis for such a request.

2. Does the answer to question 1 differ where an appeal against the grounds of refusal is brought under Article 66 EUTMR but where the EUTM is withdrawn prior to a final dismissal of that appeal?

INTA submits that the answer to this question is negative. This is in accordance with the conclusions of the NIGHTWATCH decision.

The EUIPO has repeatedly confirmed that it is immaterial whether an appeal has (already) been filed against the preceding decision refusing an application, provided the withdrawal is effected within an ongoing period for filing an action (see paragraph 38 of the NIGHTWATCH decision and the case law cited therein).

Further, as already stated under the first question above, the filing of an appeal cannot be required for a withdrawal of an EUTM application to be effective, as this would be detrimental to the economy of the proceedings. In the same fashion, the filing of an appeal cannot be required for a conversion request to be acceptable on the basis of Article 139(1)(a) EUTMR. INTA fully agrees with the analysis of the Fourth Board of Appeal in paragraphs 41 and 44 of the NIGHTWATCH decision.

The procedural distinction between the withdrawal of the EUTM application before an appeal has been filed or afterwards (but before a final decision on appeal), as explained in paragraphs 27 to 30 of the Referral, does not justify, in INTA's opinion, a different approach. According to paragraph 29 of the Referral, "[w]here there is an appeal, it will be the competent Board of Appeal that decides on the withdrawal and issues a decision." However, where an EUTM application was withdrawn during the appeal procedure, the Board would have stated in its decision that the applicant had terminated the proceedings by withdrawing its EUTM application pursuant to Article 49(1) EUTMR and, as a consequence of the withdrawal of the EUTM application, both the examination and appeal proceedings had become without purpose. In addition, the Board would have declared both proceedings closed and held that the contested decision of the examiner would not become final. There would be no decision on substance. This means that the Board itself would not have made any distinction between the examination and the appeal proceedings and would have treated them in the same way.

Consequently, the second question should be answered in negative, meaning that the expression 'the decision of the Office' in Article 139(2)(b) EUTMR does not include decisions of the Office

containing grounds of refusal of an EUTM application, where the appeal is brought under Article 66 EUTMR but where the EUTM is withdrawn prior to a final dismissal of that appeal.

3. Should Article 71(3) EUTMR be interpreted to mean that Article 139(2)(b) EUTMR includes decisions of the Boards of Appeal containing grounds of refusal of an EUTM application where no action is brought under Article 72 EUTMR but where the EUTM is withdrawn during the period set out in Article 72(5) EUTMR?

INTA submits that the answer to this question is negative.

By this question, the Executive Director is essentially asking whether it is acceptable for the EUIPO not to allow conversion of an EUTM application following a refusal decision of the EUIPO's Board of Appeal, where the EUTM application was withdrawn during the period to bring action to the General Court, and no such action was brought (i.e. when the decision of the Board of Appeal has not yet become final). This question is fundamentally a variation of the first question (see above), with the only difference being a higher instance of the appeal procedure (decision of the Board of Appeal in the third question, as opposed to a decision of the EUIPO's first instance in the first question).

According to Article 71(3) EUTMR, decisions of the Board of Appeal “*shall take effect only as from the date of expiry of the period referred to in Article 72(5) or, if an action has been brought before the General Court within that period, as from the date of dismissal of such action or of any appeal filed with the Court of Justice against the decision of the General Court*”.

It is therefore clear that, before the expiration of the period to bring an action to the General Court, the decisions of the EUIPO Boards of Appeal do not take effect and are not “final”. Since the decision is not final, the withdrawal of the EUTM application is always possible. We fully refer to our arguments set out under the first question above.

Consequently, the third question should be answered as Article 71(3) EUTMR does not mean that Article 139(2)(b) EUTMR includes decisions of the Boards of Appeal containing grounds of refusal of an EUTM application where no action is brought under Article 72 EUTMR but where the EUTM is withdrawn during the period set out in Article 72(5) EUTMR.

In the cases where there is no final and effective refusal decision of the EUIPO's Board of Appeal because the EUTM application was withdrawn during period to bring an action before the General Court, the EUIPO should accept the conversion request on the basis of Article 139(1)(a) EUTMR.

4. Does the answer to question 3 differ where an action against the grounds of refusal is lodged under Article 72 EUTMR but where the EUTM is withdrawn prior to a final dismissal of that action?

INTA submits that the answer to this question is negative.

Similarly, as a filing of an appeal against the EUIPO's first instance refusal decision cannot be required for a conversion request to be acceptable on the basis of Article 139(1)(a) EUTMR (see response to the first question above), the same rationale should apply in the cases where there is a refusal decision of the EUIPO's Board of Appeal. It is immaterial whether an action has (already) been brought before the General Court against the EUIPO's Board of Appeal decision refusing an

application, provided that the withdrawal of such application is effected within an ongoing period for bringing such an action. Requesting, without any legal basis, that the Applicant brings an action to the General Court in order to be able to file a conversion request pursuant to Article 139(1)(a) EUTMR would be detrimental to the economy of the proceedings.

Consequently, the fourth question should be answered in negative, meaning that Article 71(3) EUTMR does not mean that Article 139(2)(b) EUTMR includes decisions of the Boards of Appeal containing grounds of refusal of an EUTM application where an action is lodged under Article 72 EUTMR but where the EUTM is withdrawn prior to a final dismissal of that action.

5. Does the answer to questions 1 to 4 differ where the relevant decision is rendered in *ex parte* or *inter partes* proceedings? If so, to what extent?

INTA submits that the answer to this question is negative.

Article 139(2)(b) does not make any reference to the “kind” of proceedings, and rightly so. Therefore, there is no reason why the practice of the EUIPO in conversions shall differ depending on whether the decision is rendered in *ex parte* or *inter partes* proceedings.

According to paragraph 35 of the Referral, the implications of the NIGHTWATCH decision practice can differ for various stakeholders depending on the proceedings – *“Successful opponents can be put in a very difficult position if Article 139(2)(b) EUTMR is interpreted as applying only to decisions that have become final.”*

Further, the Referral argues that, if conversion was allowed following a withdrawal of the EUTM application before filing the appeal, *“the applicant would get a ‘second chance’ by converting its EUTM into a national mark even in places where the Office decision had considered the mark to be problematic”* (see paragraph 24(i) of the Referral). *“The objective of Article 139(2)(b) EUTMR would be frustrated if an Office decision was ignored because of a withdrawal rather than being properly addressed by means of appeal”* (see paragraph 24(h) of the Referral).

However, the Referral omits to address the fact that the current EUIPO practice is already giving the Applicant a “second chance”. The Applicants can currently convert their previously refused EUTMs into national marks even in the Member States where grounds of refusal apply – all they have to do is to first file an appeal (and pay the appeal fee) and only subsequently withdraw the EUTM application. It is hard to see how the objective of Article 139(2)(b) EUTMR is no longer “frustrated” if the Applicant files the appeal, but still withdraws the EUTM application before the decision becomes final.

Furthermore, the Executive Director expressed in paragraph 24(k) of the Referral concerns of *“questionable consequences of interpreting Article 139(2)(b) EUTMR as applying only to decisions that become final”* in *inter partes* proceedings. In his opinion, if conversion is allowed following a withdrawal of an EUTM application during the appeal period, the owner of the earlier mark (who had already succeeded in an opposition before the EUIPO) would need to instigate opposition proceedings yet again at the national offices concerned, which would *“result in uncertainty as well as additional costs, time and resources for trade mark owners.”*

While it may be the case that the opponent would need to initiate opposition proceedings also on a national level, such proceedings are already outside the scope of the autonomous EU trade mark system. On other occasions, the EUIPO distances itself from the national trade mark systems and

the consequences that the EU trade mark system may have on them. Indeed, nothing prevents the Applicant to repeatedly file the same trade mark application before a particular national office, which then would have to be repeatedly opposed by the opponent. It is for the national offices to consider how to deal with those situations.

Finally, the NIGHTWATCH decision was taken in the context of *ex parte* absolute grounds proceedings. It does not analyze or expressly justify its conclusions in the context of *inter partes* proceedings, whether brought on the basis of relative or absolute grounds. Moreover, while the Referral takes into consideration the *inter partes* opposition proceedings, it does not at all address *inter partes* invalidity proceedings that can be brought based on absolute grounds, or bad faith revocation proceedings.

INTA suggests that the same conclusions explained under the first question above should also apply to all the post-registration actions.

Consequently, the fifth question should be answered in negative, meaning that the answers to questions 1 to 4 do not differ where the relevant decision is rendered in *ex parte* or *inter partes* proceedings.

G. Conclusion

In light of the above, and in order to ensure the correct and uniform interpretation of the relevant provisions related to the conversion of the EUTM applications and registrations, INTA submits that the Grand Board should answer all questions raised in the Referral in negative, in line with the conclusions of the NIGHTWATCH decisions.

As explained above, in INTA's opinion, the Applicants should be allowed to convert their previously refused EUTMs into national marks even in the Member States where grounds of refusal apply without first needing to appeal the refusal decision (and pay the appeal fee). There is no sound legal basis to distinguish a situation where the Applicant withdraws the EUTM application during the appeal period (before the decision becomes final) from the situation where the Applicant first files the appeal, and then withdraws the EUTM application prior to the final decision on the appeal is issued. INTA believes that conversion of EUTMs into national marks should be equally allowed in both cases, including in the Member States where grounds of refusal apply. Moreover, the above conclusions should likewise apply to all pre-registration and post-registration actions. Finally, there is no reason why the approach should be different where the relevant decision is rendered in *ex parte* or *inter partes* proceedings (fifth question).

Annex A

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

- Statement in Interventions of September 11, 2023, in cases No. T-105/23 and No. T-106/23, *Iceland Foods Ltd. v EUIPO*
- Statement in Intervention of June 7, 2023, in case C-337/22P, *EUIPO v Nowhere*
- Letter of Submission of September 29, 2022, in case C-361/22, *Industria de Diseno Textil, S.A. (Inditex) v. Buongiorno Myalert, S.A.*
- Letter of Submission of September 1, 2022, in case C-334/22, *Audi AG v. GQ*
- Letter of submission of January 10, 2022, in the case C-175/21, *Harman International Industries*
- Letter of submission of December 2, 2021 in the case C-472/21, *Monz Handelsgesellschaft International mbH & Co. KG vs. Büchel GmbH & Co. Fahrzeugtechnik KG*
- Letter of submission of August 16, 2021, in case C-112/21, *X BV v Classic Coach Company and Others*
- Third Party Observations on July 2, 2021 in the cases R 1613/2019-G, *Iceland Foods Limited v. Icelandic Trademark Holding ehf* and R 1238/2019-G *Iceland Foods Limited v. Islandsstofa (Promote Iceland), The Icelandic Ministry for Foreign Affairs and SA - Business Iceland*
- Letter of submission of June 28, 2021, in case C-62/21, *Leinfelder Uhren München*
- Third Party Observations on April 1, 2021 in case R 964/2020-G, *EUROMADI IBERICA, S.A./ Zorka Gerdzhikova*
- Third Party Observations on March 3, 2021 in the cases R 1719/2019-G and R 1922/2019-G, *The Estate of the Late Sonia Brownell Orwell ./. EUIPO*
- Third Party Observations on February 24, 2021 in case R 2248/2019-G, *The Estate of the Late Sonia Brownell Orwell ./. EUIPO*
- Letter of submission of December 23, 2020, in case C-421/20, *Acacia*
- Third Party Observations on December 1, 2020 in case R 1304/2020-G, *Der Grüne Punkt Duales System Deutschland GmbH ./. Halston Properties, s.r.o. GmbH*
- Letter of submission of September 28, 2020, in joined Cases C-253/20 and C-254/20, *Novartis AG v. Impexco NV and Novartis AG v. PI Pharma NV*
- Letter of submission of August 27, 2020, in joined cases C-147/20 and C-224/20, *Novartis Pharma GmbH v. Abacus Medicine A/S and Merck Sharp & Dohme B.V. et al. v. Abacus Medicine A/S et al.*
- Statement in Intervention of January 6, 2016, in case T-142/15, *DHL Express (France) v EUIPO*
- Statement in Intervention of April 25, 2014, in case C-445/13P, *Voss of Norway v OHIM24*
- Written Observations of March 16, 2010, in case C-495/09, *Nokia*
- Letter of submission of August 23, 2012, in case C-252/12, *Specsavers International Healthcare Limited & others vs Asda*
- Letter of submission of September 5, 2007, in case C-252/07, *Intel Corporation*
- Letter of submission of June 12, 2007, in case C-102/07, *Adidas and adidas Benelux*
- Letter of submission of April 25, 2006, in case C-17/06, *Céline*
- Submission as intervener to the English Court of Appeals on October 16, 2006, in case *Special Effects v L’Oreal SA (HC 05C012224, Court of Appeal 2006 0744)*
- Letter of submission of June 17, 2005, in case C-108/05, *Bovemij Verzekeringen*
- Letter of submission to of December 5, 2003, in case T-133/03, *Schering-Plough v Commission and EMEA*
- Letter of submission of April 4, 2003, in case EFTA Court E-3/02, *Paranova A/S v. Merck & Co., Inc, Merck, Sharp & Dohme B. V. and MSD (Norge) A/S*
- Letter of submission of March 20, 2003, in case C-418/02, *Prakiker Bau- und*

Heimwerkermärkte

- Letter of submission of November 1, 2001, in case C-283/01, *Shield Mark*
- Letter of submission of July 6, 2001, in case C-104/01, *Libertel*
- Letter of submission of October 10, 2000, in case C-143/00, *Boehringer Ingelheim and Others*