Logaras & Associates

Intellectual Property New trademark law

Newsletter
March 2020

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I. Introduction

New trademark law 4679/2020 transposing Directive (EU) 2015/2436 (hereinafter the "Directive") and harmonizing national and EU trademark system under Regulation (EU) 2017/1001 (hereinafter the "Regulation"), was enacted in Greece on March 20, 2020. The new legal framework aims, inter alia, at fostering competition between trademark owners, by introducing the non-genuine use opposition in all procedures, including infringement proceedings before civil courts. Most importantly, Law 4679/2020 introduces a radical new system of hybrid jurisdiction between administrative authorities/courts and civil courts. These are the most significant provisions of the new law, together with some initial comments:

II. Registration procedure

Graphical representation (article 2). In line with EU trademarks, the requirement of graphical representation for the applicability of a trademark is waived, to allow the registration of non-traditional trademarks, such as audiovisual or hologram trademarks or even more exotic forms, such as olfactory, texture or taste trademarks. Nonetheless, the bar for clear and precise representation of the trademark in the TM register remains high.

Relative grounds of refusal (article 5). At last, the examination of relative grounds of refusal becomes exclusively an inter partes procedure: earlier trademarks or third-party rights may be invoked only by the respective owners and not by the Trademark Office. The owners of prior trademarks shall be notified by the Office in due time, to oppose the registration of a candidate trademark, if they wish so.

Specification of goods and services (article 23 par. 4). The use of general terms, including the general indications of the class headings of the Nice Classification, shall be interpreted as including all the goods or services clearly covered by the literal meaning of the indication or term (in line with article 39 of the Directive and article 33 of the Regulation)1. It should be noted that, according to the explanatory statement of the law, this provision will apply not only for new national TM applications, i.e. applications after the enactment of the new law, but also for existing trademark registrations, to the extent that the general indications of the class headings of the Nice Classification were used.

Comment: It is currently unclear whether proprietors of existing national trademarks (filed prior to the IP-Translator case), registered in connection with an entire class heading, will be granted a grace period to make a declaration and clarify from an alphabetical list, which goods and services they had intended to seek to protect with their trademark specification i.e. beyond those covered by the pure literal meaning of the class heading, as it was the case with EU trademarks and the six month grace period granted to their proprietors after Regulation (EU) 2015/2424 came into force on 23 March 2016.

Mediation (article 31). For the first time, the parties may opt for mediation in proceedings before the Trademarks Administrative Committee. It should be reminded, that as of March 15, 2020, lawsuits before civil courts regarding infringement of trademarks are **mandatorily** subject to an initial mediation session between the parties.

Renewal (article 36). Prior to lapse: renewal of a trademark registration can take place up to six (6) months prior to the lapse of its ten-year term, instead of one year under the previous regime. After lapse: most importantly, however, the new law provides that, third-party rights acquired during the six-month grace period granted to proprietors to renew their trademarks after they have lapsed (against an increased renewal fee), **shall not be overturned**.

II. Infringement proceedings

¹ Currently, the Greek Trademark Office, in compliance with the IP – Translator case (Chartered Institute of Patent Attorneys v Registrar of Trademarks, Case C-307/10), requests from applicants using the entire class headings of the Nice Classification, to clarify whether their application intends to cover all goods/services under said class or just the goods / services covered under the literal meaning of the heading.

Compensation (article 38 par. 5 & 8). Trademark owners will now be entitled to compensation (including moral damages) only for acts of infringement due to willful misconduct or gross negligence, while under the previous regime any degree of negligence was sufficient.

Comment: Although in most cases the willful misconduct or gross negligence will be evident, the new provision offers a defence option to infringers, which may be problematic, especially taking into account that in case of copyright or patent infringement the relevant national laws do not differentiate between degrees of negligence. This last moment amendment was not included in the initial draft bill which was published for public consultation in the beginning of 2019. To be noted that the explanatory statement of the draft bill, also did not differentiate between degrees of negligence as condition for the payment of compensation.

Countersuit seeking revocation or cancellation of trademark (article 38 par. 12). A fundamental change introduced by the new law, is the option of defendants in infringement proceedings of national trademarks to file a countersuit (i.e. in the framework or proceedings already opened by a lawsuit filed by the proprietor of the trademark) seeking revocation or cancellation of the trademark upon which the lawsuit is filed2. Even more, Civil Courts, have the exclusive jurisdiction to hear the revocation or cancellation action between the litigant parties, after the lawsuit is served on the defendant. In case a revocation or cancellation action is already pending before the Trademark Administrative Committee (i.e. prior to the service of the lawsuit), the Civil Courts may stay proceedings and order preliminary measures.

Jurisdiction of national Courts (article 47). A hybrid system of parallel jurisdiction between administrative authorities/courts and civil courts is introduced. Article 47 of the new law sets forth in detail the jurisdiction of administrative, civil and criminal courts in TM related matters.

Non-genuine use as defence in infringement proceedings (article 40). Instead of filing a countersuit, the new law grants the defendant the option to file a request against

² This possibility existed already under the Regulation for EU trademarks which resulted in a paradox outcome: Greek Civil Courts were competent to cancel EU but not national TMs.

the proprietor / plaintiff to furnish proof that, during the five-year period preceding the date of bringing the action, the trademark has been put to genuine use in connection with the goods or services in respect of which it is registered. In order to provide sufficient time to the proprietor to submit the proof of genuine use and to the defendant to respond, the new law introduces changes in the deadlines of the standard procedure before the Greek Civil Courts. Same option is given to defendant in preliminary injunctions, although the tight deadlines in those proceedings remain the same (article 41).

Monetary penalty (article 38 par. 3). The threshold of threatened monetary penalty in case of violation of a Court decision ordering the desist from further infringements is raised from 10,000 to 100,000 EUR, in accordance with the general provisions of Code of Civil Procedure (art. 947 CCP).

Comment: This may provide a solution in the cases of recidivist infringers, where the previous threshold (10,000 EUR) was too low to prevent them from new infringements and on the same time too high for certain Courts in enforcement proceedings to order that the monetary penalty should apply (and multiplied) for each counterfeit product seized in the possession of the recidivist infringer.

Right of information (article 39). The right of information regarding the origin and distribution networks of the goods or services which infringe TM rights (article 8 of Directive 2004/48/EU) may now be exercised on the basis of a stand-alone lawsuit and not necessarily in the context of infringement proceedings.

IV. Other noteworthy provisions

Balance of rights between owners of registered trademarks. The new law balances the rights between owners of registered trademarks by a) introducing the intervening right of the proprietor of a later registered trademark as defence in infringement proceedings (article 48 of the new law and 18 of the Directive) and b) precluding a declaration of invalidity of a registered trademark in case of lack of distinctive character or of reputation of an earlier trade mark (article 53 of the new law and 8 of the Directive).

Certification - Collective trademarks. Lastly, the new law introduces provisions on i) the (new) certification mark (articles 27 - 28 of the Directive) and ii) the collective trademarks, integrating the latter in new legal framework.

Law 4679/2020 came into force on March 20, 2020, with the exception of certain provisions regarding the registration procedure, which have a retroactive effect as of January 19, 2019, date on which the deadline to transpose the Directive in Greece lapsed.

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