

loci protectionis sufficiently provides a remedy. And, indeed, the rule laid down in Article 8(2) of Rome II does not conflict with Article 102(2) of CTMR, since the former Article confirms, more precisely, what is already contained in the latter. While Article 102(2) refers to the law of the Member State where infringing act takes place including the private international law of this State, Article 8(2) of Rome II refers only to the general law of the Member State where incidence of infringement takes place. This reference in Rome II implicitly extends to private international law of the Member State concerned, for it is a national law which determines a country's private international law. However, a critical, legal analyst cannot take it for granted that the rules laid down in the above Articles do not lead to any irreconcilable legal implications.

The fact that the law of the Member State is applicable to a CTM if the act infringing the CTM concerned is carried out in this Member State, means that the law of this particular Member State becomes *lex loci protectionis*. Thus, all CTM courts in the EU will be forced to apply this *lex loci protectionis*. This cannot pose any legal problem if the infringement takes place only in one country. However, neither CTMR nor Rome II has provided a proper solution in case several infringing acts are traced in different Member States. In the latter scenario, a CTM court will find itself obliged to apply laws of different Member States to a single infringement suit.

IV. Recognition and enforcement of Judgments

There is no provision in CTMR dealing with the recognition and enforcement of judgments issued by the courts with competence to deal with disputes arising out of exploitation of a CTM. However, the Brussels Regulation is applicable based on the general reference in Article 94 of CTMR. Article 33(1) of the Brussels Regulation directs the EU Member States to acknowledge and enforce judgments issued in any Member State.⁷⁶⁴

In some instances, however, a judgment for the enforcement of a CTM issued by a court in one Member state may not be recognised in other Member States. This would be the case, for example, if by recognising such a judgment the institutions concerned would be in breach of the *ordre public*, which must be observed in the Member State concerned.⁷⁶⁵ More the same, an *ex-parte* judgment issued against a defendant who can justify his non-appearance, before

764 Cf. WURTENBERGER, G., "Enforcement of Community Trade Mark Rights", 4 I.P.Q. 402, 412 (2002).

765 Cf. Article 34 of the Brussels Regulation.

the court, to take part in the proceedings which culminated in the judgment sought to be enforced may be disregarded by the authorities in the country where enforcement is sought. As a valid ground for opposing enforcement of a foreign, *ex-parte* judgment, the judgment debtor may adduce evidence revealing the fact that he was not served with the plaint in sufficient time, hence was not able to arrange for his defence. However, the court of the Member State in which enforcement of the judgment is sought will have to inquire into the veracity of the defendant's averment, since if it is obvious that the defendant had an opportunity to challenge the judgment⁷⁶⁶ but did not do so in time, the opposition against recognition and enforcement cannot be successful.⁷⁶⁷ The opposition against recognition and enforcement would be successful if the judgment debtor is smart enough to prove that the foreign judgment conflicts with a judgment issued, between the same parties and the same cause of action, by a court in the territory where enforcement is sought.⁷⁶⁸

The judgment debtor would, nevertheless, achieve the same results as above, if he can substantiate the fact that the foreign judgment conflicts with another judgment between the same parties issued by a court in another Member State or another third country. However, rejection of enforcement of the latter judgment irreconcilable with the former depends on whether the former judgment has already been enforced in the Member State where such enforcement was requested. If the former judgment has not yet been enforced, the law of the Member State where enforcement is (or would be) preferred has to be examined to find out whether the enforcement of the former judgment is (or would be) permissible.⁷⁶⁹

It should, however, be noted that the findings contained in a foreign judgment, which is a subject of recognition and enforcement proceedings in another EU Member States, are sanctity. Thus, the judgment debtor cannot challenge the substance of a foreign judgment,⁷⁷⁰ nor can he ask the court in the Member State where enforcement is sought to vary the facts on which the court of the Member State of origin based its jurisdiction⁷⁷¹ since the court in the country of

766 Three common ways to challenge a judgment may be identified: (1) review (i.e. a court considering its own judgment/decision), (2) revision (a superior court in the hierarchy considering the appropriateness of a judgment by the lower court without issuing a judgment but directing the lower court to deal with a judgment in a certain specified way), and (3) appeal (a superior court considers an application to challenge a decision of the lower court and issues a judgment on merits of the appeal).

767 Cf. Article 34(2) of the Brussels Regulation.

768 Article 34(3) of the Brussels Regulation.

769 Article 34(4) of the Brussels Regulation.

770 Article 36 of the Brussels Regulation.

771 Article 35(2) of the Brussels Regulation.

enforcement has no power to review the jurisdiction of the court issuing a foreign judgment, with the consequence that the *ordre public*, as a ground to exclude recognition and enforcement of judgment, may not be relied upon to challenge the jurisdiction of the court of the Member State of origin.⁷⁷²

E. Concluding remarks

The discussion in this chapter reveals that the establishment of the European Community trade mark system required a somewhat complicated legal formula in order to achieve a viable interplay between this newly established unitary right and the different national trade mark rights created and protected in the Member States. While the devised formula enables trade mark proprietors in the EU to own both national and CTM registrations in respect of one and same sign, it also gives them a liberty to switch from the national-based protection regime to the CTM regime and vice versa if they wish to have national registration being integrated in CTM registration or vice versa, provided both national and CTM registrations concern the same mark owned by the same person and registered for identical or similar goods. In view of this aspect of the formula, it is certain that seniority right and the right of a trade mark conversion will continue to be of paramount importance as long as the national trade marks and CTMs still co-exist.

While the devised formula deserves compliments for its tactical approach to the complicated question of enforcement of CTM rights, the formula renders the enforcement mechanism less predictable since various national laws must be interpreted by national authorities, each in its own jurisdiction, in relation to CTM infringement. Thanks to the Rome II Regulation which, to a certain extent, clears the ambiguity by pointing directly to the law of the country where respective rights are protected and where infringement takes place as the law applicable to enforcement of industrial property. The CTM enforcement mechanism may be even better if the EU could introduce a regulation on intellectual property enforcement in addition to the EU's enforcement directive which is already at work to harmonise national measures regarding enforcement of industrial property rights.

772 Article 35(3) of the Brussels Regulation.