

C. Enlargement of the European Union and Community trade marks

Any accession to the European Union by new Member States impacts on the CTM.⁶⁹⁹ Arrangements have to be made to ensure that the unitary character of a CTM and the rights protected in the new Member States before accession date are not affected. To facilitate integration of national trademark systems of new Member States into the CTM system, two solutions were conceived, namely, automatic extension of earlier CTMs and the “possibility for the holders of earlier national rights in the new Member States to prohibit the use of such extended Community rights in case of conflict”.⁷⁰⁰

I. Automatic extension of Community trade marks

A registered CTM, or an application for a CTM registration made, before the date of accession of a new Member State, extends automatically to the territory of this new Member State. This is what Article 165(1) of the CTMR stipulates.

1. Absolute grounds for trademark refusal

Accession of new Member States to the EU results in “potential conflicting additional new prior” or earlier trademark rights.⁷⁰¹ It might happen that, in the light of a language in use in the acceding State, a registered CTM becomes descriptive of the goods or services it markets. Under the general rules,⁷⁰² this CTM must be cancelled. However, a special provision was enacted in the CTMR to the effect that, no registration of a CTM applied for before the date of accession may be refused on the basis of absolute grounds for trade mark refusal, which becomes relevant upon accession of this new Member State.⁷⁰³ This does not, nevertheless, “mean that Community trade mark of this nature, once

699 Cf. GASTINEL, E. & MILFORD, M., “The Legal Aspects of the Community Trade Mark” 143 (Kluwer Law International, The Hague 2001).

700 Cf. Communication No 05/03 of the President of the Office (i.e. OHIM) of 16 October 2003, available at <<http://oami.europa.eu/en/office/aspects/communications/05-03.htm>> (status: 30 July 2012).

701 Cf. GEVERS, F. & PIRE, J. L., “European Union, Enlargement to ten new Member States and the impact on the Community trade mark” in: POULTER, A., BROWNLOW, P., & GYNGELL, J. (eds.), “the Community Trade Mark: Regulations, Practice and Procedure” (2nd ed., Release #4) XIII.7 (INTA, New York 2005).

702 Cf. Article 7(1) of the CTMR.

703 Cf. Article 165(2) of the CTMR.

registered will necessarily create a monopoly in a descriptive word in the new Member States where the absolute ground for refusal existed before enlargement”.⁷⁰⁴ Thus, depending on the meaning that the word mark conveys to the mind of the consuming public in the acceding State, a CTM may be outlawed in this State, without affecting the validity of a CTM and the use of that CTM in other Member States.

2. Opposition against registration of Community trade marks

A CTM applied for during a period of six months prior to the date of accession may be opposed by a proprietor of an earlier national trademark protected in the acceding State. This may happen only if the earlier national trademark was acquired in good faith and has a filing date or priority date (if claimed), which is earlier than that of the CTM application.⁷⁰⁵ This kind of opposition need not conform to the provisions of Article 41 of the CTMR requiring an opposition to be lodged within three months after publication of the CTM application.

3. Cancellation of Community trade marks

If an application for CTM registration is not opposed as above, no cancellation proceedings may be instituted against it on the basis of absolute and relative grounds for invalidity available in the new Member State. Similarly, a counter claim for the invalidity of a CTM cannot be approved if the ground for the counter claim becomes relevant due to some facts discovered in the acceding Member State.⁷⁰⁶ To put it simply, “extended CTMs can only be cancelled on the basis of a ground that was valid at the time before enlargement (meaning that they cannot be cancelled on the basis of grounds that become applicable merely because of accession)”.⁷⁰⁷

704 Cf. FOLLIARD-MONGUIRAL, A. & ROGERS, D., “the Community trade mark and designs system and the enlargement of the European Union”, 26(2) E.I.P.R. 48, 49 (2004).

705 Cf. Article 165(3) of the CTMR.

706 Cf. Article 165(4) of the CTMR.

707 Cf. Communication No 05/03 of the President of the Office (i.e. OHIM) of 16 October 2003, available at <<http://oami.europa.eu/en/office/aspects/communications/05-03.htm>> (status: 30 July 2012).

II. Preservation of earlier rights under national law

Pursuant to Article 165(5) of the CTMR, a proprietor of an earlier national trademark whose registration was secured in good faith and prior to the accession date may prohibit the use of a CTM in the territory of the acceding state. The right to prohibit the use of a CTM on the basis of an earlier national right confirms what is already contained in Articles 110 and 111 of the CTMR. Article 110 reiterates that by acceding to the CTMR, a new Member State does not jeopardise the right existing under its laws pursuant to which claims for infringement of earlier rights recognised under the CTMR⁷⁰⁸ may be enforced against the use of a later CTM. For its part, Article 111 envisages a scenario in which a national registration affirms validity of earlier rights even where such rights apply only to a particular locality. Where this is a case, the owner of national earlier rights has a right to oppose the use of a CTM in the territory of the acceding state in which his rights enjoy protection. Even where the owner of earlier rights confined to a particular locality can no longer oppose the use of a later CTM because five years within which, pursuant to Article 111(2), he is entitled so to oppose have elapsed,⁷⁰⁹ the CTM proprietor will be allowed to use his CTM in the territory concerned without affecting the rights of the proprietor of the earlier national rights. The territory where the earlier national rights are protected will become a no-man's land, since the CTM proprietor will be able to use his CTM in the territory without prohibiting the use, by the owner, of the earlier national rights identical or similar to a CTM.

D. Enforcement of Community trade mark rights

The interrelationship between the CTM system and the national trademark systems of the Member States may, as well, be explained in light of the CTM enforcement regime provided for under the CTMR. The CTMR establishes a legal system devoted solely to the enforcement of CTM rights.⁷¹⁰ The system, however, depends so much on the various legal systems of the Member States for its effectiveness. It identifies among national institutions of the Member States courts, which are competent to deal with the CTM enforcement issues. Since various laws such as the national law of the Member States or the Brussels

708 Cf. Articles 8 and 52(3) of the CTMR.

709 Cf. Article 111(2) of the CTMR.

710 Cf. Title X of the CTMR.