

as a result notably of unjust enrichment, or negligence, or bad faith on the part of the proprietor of a CTM”.<sup>629</sup> Similarly, a CTM revocation does not render void contracts whose conclusion predates the decision revoking the CTM, provided that the decision to revoke was reached well after the relevant contractual obligations have been discharged.<sup>630</sup>

The consequences of revocation and invalidity explained above may be distinguished in a peculiar sense: “the rights of the proprietor shall be declared to be revoked if the trademark or its proprietor *no longer* complies with the provisions laid down in the basic Regulation and in the Implementing Regulation. The trademark shall be declared invalid if the trademark or its proprietor did not comply with the said provisions as from the date of filing of the application”.<sup>631</sup> As a point of convergence, both proceedings for CTM revocation and those for declaration of invalidity are put into legal machinery in a similar manner: the CTM may be revoked or declared invalid by the CTM court pursuant to a counterclaim pleaded by the defendant in infringement proceedings. The CTM may as well be revoked or declared invalid by OHIM (acting through a Cancellation Division).<sup>632</sup>

## ***H. International Registration Procedure under the CTMR***

Trademarks “registered under international arrangements, which have effect in a Member State” or, which have effect in the EU, are mentioned in the CTMR as relative grounds for CTM refusal<sup>633</sup> and as a basis for opposition<sup>634</sup> and revocation<sup>635</sup> of a CTM.

629 GASTINEL, E., & MILFORD, M., “The Legal Aspects of the Community Trade Mark” 160 (Kluwer Law International, The Hague 2001).

630 Nevertheless, “repayment of amounts paid under such contracts may, in certain circumstances, be claimed on grounds of equity” (*cf.* GASTINEL, E., & MILFORD, M., “The Legal Aspects of the Community Trade Mark” 160 (Kluwer Law International, The Hague 2001)).

631 KOOIJ, P.A.C.E. van der, “The Community Trade Mark Regulation: An Article by Article Guide” 100 (Sweet & Maxwell, London 2000).

632 KITCHIN, D., et al, “Kerly’s Law of Trade Marks and Trade names” (4th ed.) 136 (Sweet & Maxwell, London 2005).

633 *Cf.* Article 8(2) (a) (iii) & (iv) of the CTMR.

634 Article 41(1) (a) of the CTMR.

635 Article 51 of the CTMR.

Since the European Community is a signatory to the Protocol,<sup>636</sup> international trademark registrations<sup>637</sup> are, in the CTM context, governed by the Madrid Protocol.<sup>638</sup> Trademark rights under the CTMR or applications for CTM processed by OHIM may be extended to other geographical territories outside the European Community.<sup>639</sup> Similarly, protection under the CTMR may be extended to trademarks that were initially registered outside the jurisdictional territory of OHIM. These possibilities are discussed *infra*.<sup>640</sup>

### *I. EC as a designated territory*

A process of designating the EC under the international trademark registration scheme established under the Madrid Protocol is initiated by the right holder (R) himself. Where the basis for R's application is a trademark registered in the country signatory to the Madrid Protocol, that basis is technically referred to as a basic registration; and where R bases his application for international registration on a pending trademark application at the trademark office in his country, his basis is technically known as a basic application. The trademark office in R's country is referred to as the office of origin. The office of origin works in cooperation with the WIPO office responsible for international registration

636 See the Proposal for a Council Decision approving the EC accession to Protocol Relating to the Madrid Agreement Concerning International Registration of Marks, adopted on June 27, 1989.

637 The term "international registration" should not be confused with the term "global trademark" as some listeners would tend to think. While the former refers to the system of trademark registration established under the Madrid Protocol, there is hitherto no international trademark regime that would confer global and unitary rights in respect of a single trademark symbol, which the latter connotes.

638 The Madrid Protocol, (relating to the Madrid Agreement concerning the International Registration of Marks concluded in 1891), which came into force on 1 April 1996.

639 Cf. Article 145 of the CTMR.

640 The discussion is, however, not intended to be exhaustive as far as the international registration system is concerned. Since, only the interface between the Madrid Protocol and the CTM system is briefly addressed, technical issues, such as the consequences of cancellation of the national trademark on whose basis the international registration was secured, are not within the ambit of the discussion under this part. For an extensive discussion on the international registration with effect in the EU, please refer to the following literature: BASTIAN, E.-M., KNAAK, R. & SCHRICKER, G. (eds.), "Gemeinschaftsmarke und Recht der EU-Mitgliedstaaten", 48-52 (Verlag C. H. Beck, München 2006); EISENFÜHR, G. & SCHENNEN, D., "Gemeinschaftsmarkenverordnung" (3rd ed.) 1285-1340 (Carl Heymanns Verlag, Köln 2010); and ANNAND, R. & NORMAN, H., "Blackstone's Guide to the Community Trade Mark" 275-278 (Blackstone Press, London 1998).

which is referred to as the international bureau. Thus, to realise his endeavour of designating the EU, R is required to ask the international bureau, (by either sending the application, containing the names of the countries where R wants his trademark to be protected, directly to the international bureau or channelling such an application through the national trademark office), to facilitate registration of the trademark in the countries that R has designated in the application. In case R designates the EU, he will get an automatic trademark protection covering the 27 Member States. In other words, such a designation has the effect of an application for a CTM.<sup>641</sup>

One of the consequences of treating international registration designating the EU as an application for CTM is not only that OHIM takes charge of the procedural aspects of such processing, but also such an application is subjected to the very provisions of the CTMR regarding the formal and substantive requirements for trademark refusal.<sup>642</sup> As far as an examination as to absolute grounds for refusal to which an international registration is subjected are concerned, OHIM may, depending on the outcome of the examination, react as hereunder:

- If, in OHIM's view, the basic application or the basic trademark registration (whichever in the case) does not meet the registration requirements under the CTMR, OHIM will issue ex officio notice of provisional refusal of the international registration.<sup>643</sup>
- In the event that the examination of absolute grounds reveals that the subject matter of international application contains an element which is not distinctive, the inclusion of which would make the scope of protection of the international registration doubtful, OHIM's ex officio notice may require the applicant to disclaim such an element as required under the provisions of Article 37 of the CTMR.
- Sometimes, the ex officio notice of provisional refusal of granting protection to the mark concerned is followed by a final refusal of international protection if the applicant does not take reasonable steps to furnish OHIM with a statement disclaiming a non-distinctive element in his trademark.<sup>644</sup>

641 Cf. Article 3(4) and 3ter (2) of the Madrid Protocol.

642 Cf. Article 154 of the CTMR.

643 Cf. Article 5(1) & (2) and Rule 17(1) of the Madrid Protocol and the Common Regulation to the International Bureau. See also Rule 113 of the CTMIR.

644 Pursuant to Rule 115(1) of the CTMIR, ex officio notice of provisional refusal is issued in the event the international application is opposed.

International application must comply with the language requirement to the same extent a normal CTM application does.<sup>645</sup> Failure to satisfy the language requirement triggers OHIM provisionally to refuse the international registration. The applicant must overcome all the impediments contained in the notice of provisional refusal; otherwise OHIM enters a final decision refusing the grant of international registration.<sup>646</sup> One of these impediments may be a notice of opposition levelled against the international application.<sup>647</sup>

As it is for opposition, the interested parties have a right under Article 158 of the CTMR to commence proceedings before OHIM with intention to invalidate the effect of international registration in the European Community. The procedure leading to this invalidation is equivalent to that of CTM revocation or invalidation.<sup>648</sup>

Regardless of whether protection of international registration is refused by OHIM or the effect of international registration ceases, still the applicant has two alternative remedies: he may either convert the international registration into the national trademark application in accordance with the provisions of Articles 112 and 114 of the CTMR;<sup>649</sup> or designate the EC Member State which is party to the Madrid Protocol or the Madrid Agreement.<sup>650</sup> A national trademark application or an application designating a member state pursuant to a conversion of an international registration designating the Community retains a priority date of the international registration.<sup>651</sup>

## *II. CTM registration or application as a basis for international registration*

The CTMR provides for a procedure pursuant to which an application for CTM registration or a CTM registration itself may result in an internationally protected trademark. Article 146(1) of the CTMR is clear to this effect: “international applications pursuant to Article 3 of the Madrid Protocol based on an application for a Community trade mark or on a Community trade mark shall be filed at the Office”. The applicant for international registration need not wait until the CTM

645 The OHIM’s language regime is regulated under Article 119 of the CTMR and Rule 126 of the CTMIR.

646 Cf. Rule 112(4) of the CTMIR.

647 Cf. Article 156 of the CTMR.

648 Cf. Articles 51 to 53 of the CTMR. See also Section 7 *supra*, which addresses cancellation of CTM.

649 See Chapter five *infra*, where the doctrine of CTM conversion is addressed.

650 See Rules 122 and 123 of the CTMIR.

651 Cf. Articles 3(4) and 3ter(2) of the Madrid Protocol.