

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.

Regulation, in addition to the CTMR, have to be applied to CTM infringement suits, the enforcement system lacks sufficient certainty, clarity and predictability.

1. Application of Brussels Regulation

Article 94(1) of the CTMR identifies Regulation (EC) No 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (henceforth the Brussels Regulation) as a key piece of legislation applicable to issues regarding CTM enforcement.

Before the Brussels Regulation came into force, the Convention on Jurisdiction and Enforcement of Judgments in Civil and Commercial Matters, signed at Brussels on 27 September 1968 (as amended severally) (henceforth, the Brussels Convention) applied to CTM enforcement disputes. This was made possible by Article 90 of the Council Regulation No 40/94 of 20 December 1993 on the Community trade mark (before its replacement by Article 94 of Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark). The consolidated version of the Brussels Convention, published in OJ EC C 27/1998, p. 1, was replaced (except between the EU Member States and Denmark) by the Brussels Regulation. According to paragraph 22 of the preamble to the Brussels Regulation, the Brussels Convention applies to the relationship between the EU Member States and Denmark.

The legislative purpose of Article 94(1) of the CTMR is to ensure that the provisions relating to CTM enforcement contained in the CTMR do not conflict with those contained in the Brussels Regulation. The Article stipulates as follows:

Unless otherwise specified in this Regulation, Regulation (EC) No 44/2001 shall apply to the proceedings relating to Community trade marks and applications for Community trade marks, as well as to proceedings relating to simultaneous and successive actions on the basis of Community trade marks and national trade marks.

Article 94(1) of the CTMR is, therefore, a default rule. Where the CTMR is silent on certain aspects of CTM enforcement, the provisions of the Brussels Regulation have to be applied. To put it tritely, the application of the Brussels Regulation is subject to what is stipulated elsewhere in the CTMR. Thus, the rules enacted at Brussels⁷¹¹ are excluded in cases covered by the CTMR's own system.⁷¹²

711 As contained in the Brussels Regulation (EC) No 44/2001 of 22 December 2000.

712 Cf. FAWCETT, J. J. & TORREMANS, P., "Intellectual Property and Private International Law" 320 (Oxford University Press, Oxford 1998).

It is important to note that the Brussels Regulation deals with enforcement issues touching on any commercial and civil matters. Since the CTMR enshrines specific provisions regulating CTM enforcement, the legal maxim *lex specialis derogat legi generali* may be based upon to qualify application of the Brussels Regulation to CTM enforcement. Article 94(2) (a) of the CTMR, for instance, expressly excludes Articles 2, 4 and 5(1), (3) – (5) of the Brussels Regulation from being applied to the CTM disputes.

II. Community trade mark courts

Article 95 of the CTMR establishes Community trade mark courts. Pursuant to the provisions of the immediately preceding Article, Member States are directed to designate a limited number of national courts and tribunals of first and second instances to serve as Community trade mark courts. It is considered that designation of limited number of CTM courts may “encourage uniform application of the CTM Regulation and, hence, further promote the uniformity of the CTM system”.⁷¹³

States which were already EC Members in 1994 when the system established under the CTMR became operational, were thus required to designate the CTM courts in their territories by 14 March 1997 (i.e. within three years after the CTM system came into force).⁷¹⁴ Since new EU Member States must accept the *acquis communautaire* of the EU law as it stood on the accession day, it cannot be doubted that these States are as well obliged to nominate few courts within the national court system to serve as CTM courts.

Germany complied with the provisions of Article 95(1) of the CTMR by designating 18 Regional Courts (*Landgericht*) to serve as CTM courts of first instance and 18 Higher Regional Courts (*Oberlandesgericht*) to operate as CTM courts of second instance. This designation does not interfere with the powers of the German Federal Patent Court, which enjoys an exclusivity of a mandate to deal with appeals emanating from decisions of the German Patent and Trade Mark Office, for the court deals with the CTM only when it comes to “opposition against registration of a national trademark ... based on a Community trade mark with an older priority”.⁷¹⁵ On its part, the United Kingdom

713 Cf. FAMMLER, M. & AIDE, C., “Enforcement of CTM in the EU: the real test of their commercial value”, 86 J. Pat. & Trademark Off. Soc’y 135, 140 (2004).

714 Article 95(2) of the CTMR.

715 Cf. RADEN, L. van, “Community Trademark Courts – German Experience”, 34(3) IIC 270 *et seq.* (2003).