

# German Federal Patent Court confirms broad protection of company and trade names against trade marks in Germany

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In Germany, an opposition against a German trade mark can be based not only on a trade mark but also on a company name or trade name. In brief, under German law, a company name is the official name or designation of a trader or an undertaking including a catch word, for example “Mc Donald’s Deutschland LLC” (full company name) and “Mc Donald’s” (catch word). A trade name is the commercial name (e. g. shop signs for stationary shops) that identifies a particular business activity, which may differ from or coincide with the company name and/or the company’s main business, for example the “Mc Café” coffee bars being run by Mc Donald’s. Both foreign company and trade names can enjoy the same scope of protection as domestic company and trade names, if they are sufficiently used in Germany, see Art. 8 of the Paris Convention.

The German Federal Patent Court (Bundespatentgericht) decided on 16 January 2018 on such an opposition (28 W (pat) 7/16) and emphasized that the owner of a company name can take broad action against use of a colliding trade mark by a third party (for the opposition to be successful, the opponent had to show that he was entitled to prevent the applicant from using the contested trade mark, assuming a possible or hypothetical use of that trade mark, pursuant to section 42 (2) no. 4 of the German Trade Mark Act). The applicant filed a German trade mark

for goods of class 7, 8 and 11, amongst others machine tools, packing machines and construction machines, as depicted below:



The opponent lodged an opposition based on its German company name “eberth”. The Opposition Division rejected the opposition because the opponent had failed to demonstrate the existence of such a right. The Federal Patent Court, on appeal, granted the opposition against “packing machines”. The Court found that the opponent is the owner of a senior company name “eberth” in Germany, related to the trade of manufacture and distribution of stationary transport- and packaging machines. It proved crucial for the opponent that he submitted invoices during the appeal proceedings, showing signs with the designation “eberth” in the letter head. He had failed to do so during the first instance proceedings.

The Court held that not only the owner of a senior trade mark but also the owner of a senior company name can take action against the (possible) use of a trade mark by a third party, even if the infringing sign is being used exclusively as a trade mark but not as a company name. The situation can be more complicated vice versa, if the owner of a senior trade mark takes action against use of a sign as a company or trade name, as Recital 19 of the Trade Marks Directive 2015/2436 provides that the trade mark owner can only take action against use of the sign as a company or trade name **as long as the use has been made for the purposes of distinguishing goods or services** (for EU trade marks see the equivalent provision in Recital 13 EUTMR).

In summary, an opposition or a court action based on a domestic or foreign company name or trade name is a powerful tool in Germany and can be more effective than an attack based on a senior trade mark. In particular

- (i) the opponent or plaintiff only needs to show a certain extent of use of its company or trade name in Germany to gain protection, which does not need to meet the strict criteria for genuine use of a trade mark let alone the recognition levels for an unregistered trade mark under German law;
- (ii) the protection of a company or trade name does not depend on formal requirements such as commercial register entries;

- (iii) both the full company name and the catch word of an undertaking can be protected at the same time, which broadens the scope of protection;
- (iv) the courts tend to assess the similarity of goods and services between a company or trade name and a trade mark more broadly and flexibly than in pure trade mark cases;
- (v) the owner of a senior company or trade name can take action against use of a sign as a company or trade name more effectively, compared to an attack based on a senior trade mark.