

The Long and Winding Road: Understanding Argentina's Latest Changes in Trademarks

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In 2018 Argentina unexpectedly amended the Trademark Law for the first time since 1981. The changes are promising as the Argentine government aimed to expedite proceedings and empower the Patent and Trademark Office (the "PTO"). However, it has been a bumpy ride so far, so this is what you need to know about the changes and its impact on trademark holders.

How we got here?

The amendment to the Trademark Law took place in January 2018 when the Argentine government issued a decree that modified several laws with the purpose of simplifying administrative proceedings and reducing red tape. The decree became effective immediately, but many of the provisions included in it required additional regulation.

In May 2018, the Argentine Congress passed a law replacing the decree but it maintained the same wording.

Later, in September 2018, the PTO regulated the new procedure for trademark oppositions.

Finally, in March 2019, the government issued the regulatory decree covering most

of the provisions of the amended Trademark Law. Some are still pending, such as the procedure to decide cancellation of trademarks based on absolute grounds and on non-use, but regulation is expected to be issued by early June 2019.

What's new?

The main changes introduced to the Trademark Law are the following:

- The PTO will now decide oppositions in an administrative procedure with an appeal stage at the Federal Court of Appeals (the former system required a full lawsuit on the merits at the Federal Courts);
- The new opposition procedure shifts the burden to the opponent (in the previous system, the mere filing of the opposition blocked the prosecution of a trademark application and the applicant had to file a lawsuit seeking that the opposition be declared groundless by the courts);
- The PTO will also rule on cancellation of trademarks based on absolute grounds and on non-use (lapsing). Cancellation of trademarks registered in bad faith, as well as infringement cases, will remain in the exclusive jurisdiction of Federal Courts;
- Partial non-use cancellation is allowed. Registrations will only remain valid if the mark is used in connection with the goods and services it protects or with related goods and services, even if they belong to a different class (the previous provisions allowed a trademark owner to claim use with respect to any unrelated product or service to avoid lapsing);
- A mid-term declaration of use will have to be filed between year five and year six of the registration. Failure to submit the declaration will lead to the rebuttable presumption that the mark has not been used, but this will not result in the automatic loss of trademark rights. The trademark owner may still prove use of the trademark, if challenged, during the new administrative proceeding. In addition, the PTO will not process renewal applications until declarations are submitted (Argentina introduced the use requirement to renew trademarks in 1981, but there was no obligation to submit a mid-term declaration of use);
- The PTO may consider granting a grace period for the purposes of renewal;
- In line with existing case-law, the secondary meaning doctrine has been expressly acknowledged as the regulatory decree excludes from the list of non-registrable signs shape and color marks that have acquired distinctiveness through use.

What's next?

In general, the changes introduced have been welcomed by the international and local trademark community. However, the path chosen by the Argentine government to amend the Trademark Law, and then by the PTO to regulate and implement the changes, has not been as smooth as expected.

Local IP associations have been (and still are) working with the PTO to clarify the scope of some provisions and expedite the implementation of the new rules.

The million dollar question is how the PTO will cope with the new workflow and workload derived from the new regulations and, specifically, from the new trademark opposition procedure.

One year on, the simplification of the trademark procedure and a faster service to trademark holders are still a promise.