Spain: new PTO cancellation proceedings and more news about trademark proceedings
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The night setting on contentious administrative appeals in Spain

On 14 January 2023, some rather fundamental changes are going to be implemented regarding trademark proceedings in Spain. These affect, firstly, trademark cancellation proceedings, and secondly, judicial appeals from rulings by the Spanish PTO.

Spain is finally joining the rest of the EU Member States in allowing cancellation of a mark to be pursued at the Spanish PTO. The revised EU Trademark Directive (EU)
2015/2436 obliges Member States to provide office proceedings for cancellation of trademarks and at least all the larger trademark jurisdictions have long since introduced those, while Spain took advantage of the 7-year period granted by the Directive. So now the time has come. So far (and until 14 January 2023), all cancellation proceedings – both revocation (in particular on grounds of non-use) and invalidity – must be pursued through civil courts. This complicates the handling and significantly increases costs. The change is therefore welcome – even though one might expect a bit of a learning curve at the Spanish PTO, which has not had to deal with questions of genuine use or bad faith etc. in the past.

On the side – the PTO cancellation proceedings also apply to trade names. This is of course not covered by the EU Trademark Directive and is an interesting difference from many other EU jurisdictions where the PTO has no involvement with trade names – except to the extent that they can be held against the registration of trademarks.

The second major change concerns the procedure for judicial complaints against the administrative decisions taken by the Spanish PTO. This is overhauled with the recent approval of the Organic Law 7/2022, of 27 July 2022, which amends the procedural regulations relating to industrial property. To date, the competence to decide on appeals against decisions issued by the Spanish PTO lies in the hands of the administrative courts, and such complaints are called “contentious administrative”. Going forward, all complaints against PTO decisions (not only cancellation but also examination or opposition decisions) have to go to civil courts, more specifically the Civil Sections of Audiencias Provinciales, misleadingly translated as “Provincial Courts”, which are actually second-instance courts, with the possibility of a cassation appeal at the Spanish Supreme Court.

The new law provides that appeals against PTO decisions are to be heard through the declaratory procedure known as “oral trial” (juicio verbal), which is usually a much faster and simpler procedure than the ordinary procedure for infringement litigation. The procedural rules relating to these appeals are quite similar to those known for the contentious-administrative appeals, including the possibility to request an oral hearing. However, it is likely that with the attribution of the new powers to the civil courts as of January, requests for oral hearings will be more frequent. This may open new creative ways for arguing cases and introducing novel ideas or having more complex discussions.