Kluwer Trademark Blog

Will proof of use slow down Czech and Slovak opposition proceedings?

Michal Havlik (SAK ALO) · Monday, January 25th, 2016

The European trademark package published in the EU Official Journal on 24 December 2015 brings numerous amendments of the EU Trademark Regulation and EU Trademark Directive. From the point of view of Czech and Slovak Industrial Property Offices, the reform package will result in a major procedural novelty consisting in the applicant's right to require proof of use in national opposition procedure (Article 44 of the Directive).

At the moment, an opponent who files opposition against a published Czech or Slovak national trademark application needs not to worry that the applicant could request the opponent to prove use of the invoked earlier marks even if they were registered for more than five years. The only option of the applicant is to initiate separate cancellation proceedings on grounds of non-use before the national office or EUIPO if the invoked earlier right is an EU trademark. This is different to, for example, Hungary where proof of use requirement in opposition already exists or to Poland, where it will be introduced shortly from 15 April 2016.

On the other hand, Czech and Slovak opposition procedures are relatively specific in setting strict time limits for submission of argumentation and evidence resulting in that any arguments or evidence submitted after the opposition time limit are disregarded by the national office. This puts a significant burden on trademark owners and practitioners in particular when preparing last minute oppositions and gathering evidence of reputation or enhanced distinctiveness of earlier marks. After the opposition is filed, the office invites the applicant to respond and renders a first instance decision in about 12-18 months.

The existing Czech and Slovak opposition procedure framework does not facilitate amicable resolution of trademark conflicts. It does not allow opponents to file a formal opposition and seek amicable resolution, similarly as opposition proceedings before OHIM, without incurring full costs on substantiating the opposition and gathering evidence. On the contrary, the Czech and Slovak opposition procedures impose full financial and administrative burden on the opponent at the very beginning, which subsequently reduces the opponent's willingness to make compromises. As a result, the Czech and Slovak Offices are unnecessarily burdened by a number of straightforward opposition cases that could have been settled without formal opposition decision by withdrawal or limitation if the parties were given the right incentive and timing.

Article 43 of the Directive introduces a cooling-off period at the joint request of the parties. Article 44 sets the applicant's right to request proof of use of the invoked earlier marks which are older

than five years from registration. The mere implemention of the cooling-off period and the applicant's request for proof of use without making any other changes to Czech and Slovak opposition procedures is likely to lead to longer opposition proceedings and higher costs, particularly for opponents, who have to gather and submit evidence of use.

These required legislative changes represent an opportunity for Czech and Slovak Offices to go beyond these two minimal requirements of Articles 43 and 44 when amending their opposition procedures. Such reforms should include a formal opposition notice, which postpones the need to substantiate opposition in detail and gather and submit evidence to a point in time when it is clear that the parties cannot find an amicable solution. This simple procedural reform could significantly reduce the administrative and financial burden of trademark owners as well as the workload of Czech and Slovak offices. The offices would be relieved of a portion of straightforward trademark conflicts which proceed to decision only because the parties, particularly applicants, have little incentive to withdraw or limit conflicting marks.

The Czech Republic and Slovakia now have three years until January 2019 for the legislative amendments. If they are limited to plain implementation of Articles 43 and 44 of the Directive without remodelling the opposition procedure, this will likely delay opposition procedures without reducing number of cases. This opportunity is worth using to modernize the opposition procedure so that the proof of use requirement and cooling-off period are organically blended into an opposition procedure that motivates parties to resolve trademark conflicts amicably.

This entry was posted on Monday, January 25th, 2016 at 3:53 pm and is filed under The EU is an economic and political association of certain European countries as a unit with internal free trade and common external tariffs.“>European Union, A trade mark is considered to be used when it is used in the course of trade to indicate the origin of goods and services. There are various criteria determining whether use will be considered genuine use or not.“>Genuine use, Opposition
You can follow any responses to this entry through the Comments (RSS) feed. You can leave a response, or trackback from your own site.