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**Trademark protection system
from the perspective of international law and the law of the European
Community**

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Introduction

The history of man is a history of his needs being satisfied. The task is endless since satisfaction of some of them gives rise to the next ones, reaching farther. Such situation is forcing perfection of the ways of gaining control over the external world. And so, the man has been forced to design an "invention" being a condition for unlimited access to material goods, and then to develop the way of marking it which would indicate that a given commodity originates with a specific producer. Already in the nineteenth century, the practice of international trade engendered the need for the protection of the same trademark to be quickly obtained in many countries.

Currently, we can say that the protection of trademarks may be of international nature (based on international agreements), Community (based on *acquis communautaire*) and national (based on national law).

The subject of this study is examination of currently (i.e. in July 2011) applicable regulations concerning trademarks on the level of international law and the law of the European Union. The study consists of three chapters. In chapter one, an attempt at defining a trademark and possibilities of presenting the mark have been discussed.

Chapter two describes the sources of trademark protection in international law. The Paris Convention for the Protection of Industrial Property of March 20, 1883¹ is the oldest and still the most important instrument of international law in the area of industrial property. However, the authors of the Paris Convention did not mean it as the only instrument of international law relating to the issue in question. In the original text, the authors of the Convention provided for a possibility of entering into international agreements between parties to the Convention and established the relation of those agreements to the provisions of the Convention. A further part of this chapter contains an analysis of special agreements in the area of the trademark law, important from the viewpoint of the issues discussed.

Chapter three of this study describes the trademark regulations in the Community law. As regards the original law, one should point out article 36 of the Treaty on the Functioning of the European Union² which includes "*the protection of industrial and commercial property*" as a basis for an exception to the principle of the free movement

¹ The Paris Convention for the Protection of Industrial Property, signed in Paris, France, on March 20, 1883, Journal of Laws of 1975, No. 9, item 51; http://www.wipo.int/treaties/en/ip/paris/trtdocs_wo020.html; hereinafter: *The Paris Convention*;

² OJ EU. 2010 C No. 83, p. 7.; hereinafter: TFEU

of goods. The term "*industrial and commercial property*" applies to all industrial or intellectual property rights, including trademarks.

In respect of the derivative law, this study contains a discussion on both legal solutions applied in the directive enacted by the European Parliament and the Council on October 22, 2008 to approximate the laws of the Member States relating to trademarks³, and the Regulation No. 207/2009 on the Community trademark⁴ adopted by the Council.

This study discusses a lot of regulations. Some of them have been discussed in detail, while the other have only been mentioned. The complexity and multidimensional nature of the issues involving trademarks are the reasons why, in order that a product could have the best protection possible and the whole undertaking could produce positive and anticipated results, many aspects should be taken into consideration since the protection of trademarks may not be limited to a certain pattern.

³ Directive 2008/95/EC of the European Parliament and the Council of October 22 2008 to approximate the laws of the Member States, OJ EU L 2008 No. 299, p. 25; earlier Directive No. 104/89; hereinafter: Directive 2008/95/EC

⁴ Council Regulation No. 207/2009 of February 26, 2009 on the Community Trademark, OJ EU L 2009 No. 78, p. 1; earlier Regulation No. 40/94; hereinafter: Regulation No. 207/2009.

I. Definition of a trademark

A trademark is a distinctive sign or indicator used by an individual, business organization, or other legal entity to identify that the products or services to consumers with which the trademark appears originate from a unique source, and to distinguish its products or services from those of other entities⁵.

A trademark is typically a name, word, phrase, logo, symbol, design, image, or a combination of these elements. There is also a range of non-conventional trademarks comprising marks which do not fall into these standard categories, such as those based on colour, smell, or sound⁶.

The owner of a registered trademark may commence legal proceedings for trademark infringement to prevent unauthorized use of that trademark. However, registration is not required. The owner of a common law trademark may also file suit, but an unregistered mark may be protectable only within the geographical area within which it has been used or in geographical areas into which it may be reasonably expected to expand⁷.

Terms such as *"mark"*, *"brand"* and *"logo"* are sometimes used interchangeably with *"trademark"*. *"Trademark"*, however, also includes any device, brand, label, name, signature, word, letter, numerical, shape of goods, packaging, colour or combination of colours, smell, sound, movement or any combination thereof which is capable of distinguishing goods and services of one business from those of others. It must be capable of graphical representation and must be applied to goods or services for which it is registered.

Specialized types of trademark include certification marks, collective trademarks and defensive trademarks. A trademark which is popularly used to describe a product or service (rather than to distinguish the product or services from those of third parties) is sometimes known as a genericized trademark. If such a mark becomes synonymous with that product or service to the extent that the trademark owner can no longer enforce its proprietary rights, the mark becomes generic.

⁵ Terminology: the styling of trademark as a single word is predominantly used in the United States and Philippines only, while the two-word styling trade mark is used in many other countries around the world, including the European Union and Commonwealth and ex-Commonwealth jurisdictions (although Canada officially uses trade-mark pursuant to the Trade-mark Act, trade mark and trademark are also commonly used).

⁶ P. Podrecki „Środki ochrony praw własności intelektualnej”, Warszawa 2010, s. 94.

⁷ E. Nowińska, U. Promińska, M. du Vall, „Prawo własności przemysłowej. Przepisy i omówienie”, Warszawa 2003, s. 183.

A trademark may be designated by the following symbols:

- TM for an unregistered trade mark, that is, a mark used to promote or brand goods,
- SM for an unregistered service mark, that is, a mark used to promote or brand services,
- ® for a registered trademark.

The marks used in business activities can be divided according to many criteria. Depending on the entity using a mark, we can distinguish:

- trade marks (used by manufacturers);
- service marks (used by entities rendering services);
- trade names (used by sellers)

If we establish the scope of trademark protection as a criterion for the division, it can be assumed that there are three basic groups of marks functioning in the economy:

- ordinary;
- well-known (including famous) and
- protected under registration procedure⁸.

The essential function of a trademark is to exclusively identify the commercial source or origin of products or services, such that a trademark, properly called, indicates source or serves as a badge of origin. In other words, trademarks serve to identify a particular business as the source of goods or services. The use of a trademark in this way is known as trademark use. Certain exclusive rights attach to a registered mark, which can be enforced by way of an action for trademark infringement, while unregistered trademark rights may be enforced pursuant to the common law tort of passing off⁹.

It should be noted that trademark rights generally arise out of the use or to maintain exclusive rights over that sign in relation to certain products or services, assuming there are no other trademark objections.

⁸ W. Kotarba „Ochrona znaku towarowego w przedsiębiorstwie”,
http://www.zti.com.pl/instytut/pp/referaty/ref7_full.html.

⁹ T. Szymanek, Prawo własności przemysłowej, podręcznik akademicki, Warszawa 2008, str. 153.

II. Trademarks regulations in international law

International regulations on the protection of industrial property are contained in the Paris Convention. That document regulates on international level legal relations regarding objects of industrial property, i.e. inventions, utility designs, trade names, geographic origin marks, repression of unfair competition, as well as trademarks.

Pursuant to article 19 of the Paris Convention, the following are, inter alia, special agreements in the area of trademarks: the Madrid Agreement Concerning the International Registration of Marks of April 14, 1891¹⁰, as revised by the protocol at Stockholm on 14 July 1967¹¹ and the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of June 15, 1957¹². However, the Agreement on Trade-Related Aspects of Intellectual Property of April 15, 1994¹³ is not such special agreement. A distinctive feature of TRIPS is its equal status with the Paris Convention. As it appears from the content of that agreement and current practice, the provisions thereof are at present of increasingly great importance in the area of trademark protection.

1. The Paris Convention

1.1. General issues

The Paris Convention established a Union for the protection of industrial property. The Convention is still in force as of 2011. The Paris Convention is administered by the World Intellectual Property Organization (WIPO), based in Geneva, Switzerland.

According to articles 2 and 3 of this treaty, juristic and natural persons who are either national of or domiciled in a state party to the Convention shall, as regards the protection of industrial property, enjoy in all the other countries of the Union, the advantages that their respective laws grant to nationals.

¹⁰ The Madrid Agreement Concerning the International Registration of Marks of April 14, 1891; hereinafter referred to as: The Madrid Agreement.

¹¹ Protocol of 14 July 1967 relating to the Madrid Agreement; hereinafter referred to as: the Protocol relating to the Madrid Agreement.

¹² The Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of June 15, 1957; hereinafter referred to as: The Nice Agreement.

¹³ The Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS) is an international agreement administered by the World Trade Organization that sets down minimum standards for many forms of intellectual property regulation as applied to nationals of other WTO Members; hereinafter referred to as: TRIPS.

In other words, when an applicant files an application for a patent or a trademark in a foreign country member of the Union, the application receives the same treatment as if it came from a national of this foreign country. Furthermore, if the intellectual property right is granted (e.g. if the applicant becomes owner of a patent or of a registered trademark), the owner benefits from the same protection and the same legal remedy against any infringement as if the owner was a national owner of this right.

Moreover, the Paris Convention exhaustively defines the **status of collective trademarks**. The subject of rights to a collective trademark may be an association whose existence is not contrary to the law of the country of origin¹⁴. For an association to be recognized as the said beneficiary, it should not be important that it is not established in the country where protection is sought or is not constituted according to the law of the latter country¹⁵.

The Paris Convention does not contain full regulation of **transferability of the right to a trademark**. It allows for accessoriness of alienation in relation to the transfer of the business entitled to a mark. However, in this case it restricts dependence of effectiveness of the transfer of rights to a mark only on the need for a transferee to be granted exclusive rights to manufacture or sell products bearing the transferred mark in a given country where a production company or commercial establishment (or a portion thereof) is located together with which the right to a mark is being assigned. Such solution should be a sufficient protection against the risk of misleading customers about the origin, nature or essential qualities of the goods to which the mark is applied by using the mark subject to alienation. However, it may not be classified as a criterion for assessment of validity of the transfer of any mark the use of which could be viewed as being misleading¹⁶.

The provision quoted corresponds to the view about the absence of accessoriness of the right to a trademark in relation to a business. This means that disposition of the right to a mark is independent of the fortunes of a given business. On this account, the restriction that results from the principle of accessoriness is currently of no importance.

Moreover, a signatory State is not obligated to introduce the obligation to use a trademark into its internal law¹⁷. However, if it imposes such an obligation requirements of article 5 C section 1 of the Paris Convention should be met at the same time. A Member State is obligated to make the possibility of cancelling the registration or diminishing the protection granted to the mark by reason of the failure to use it

¹⁴ See article 7bis section 1 of the Paris Convention.

¹⁵ See article 7bis section 3 of the Paris Convention.

¹⁶ See article 6quarter of the Paris Convention.

¹⁷ See article 5 C sections 1 and 2 of the Paris Convention.

conditional upon the expiry of a reasonable period as well as to concede to the person concerned the possibility of conducting defence by justifying his inaction. It is allowable to meet the obligation to use a registered trademark by the use thereof in a different form. Such form of the mark may differ from the form registered in elements only which do not alter the distinctive character of the mark.¹⁸

The question of compulsory use of a mark is also raised by the provision of the Convention which stipulates that recognition of the right to protection may not be conditional upon¹⁹ any mention or indication being placed on the goods.

The Convention now has 173 contracting member countries, which makes it one of the most widely adopted treaties worldwide. Notably, Taiwan and Kuwait are not parties to the Convention. However, according to Article 27 of its Patent Act, Taiwan recognizes priority claims from contracting members. The Paris Convention entered into force in Thailand on August 2, 2008, bringing the total number of Nation States party to the Convention to 173.

1.2. Fundamental principles of the Convention

A fundamental principle of the Paris Convention is the principle of national standard also known as the principle of national treatment or assimilation²⁰. It means that the Countries who have ratified the Paris Convention are obligated, as regards the protection of industrial property, to grant to natural and juristic persons of another State party to the Paris Convention the same protection as they grant to their own entities.

The essential regulation is the introduction of **the principle of minimum protection** providing that Member States of the Paris Union are obligated to grant the minimum level of protection arising out of the Convention, otherwise eligible entities may directly invoke their rights under the Convention.

In accordance with the literature of the subject, entities entitled to effectively invoke provisions of the Convention establishing the minimum protection in a country are not nationals of a given country but entities of other member countries of the Paris Union²¹. Adoption of such a construction leads to the phenomenon of reverse discrimination, i.e. discrimination of own citizens and legal entities who may not directly invoke the aforementioned regulations. However, member countries of the Paris Union have made legislative efforts intended to remove discriminatory provisions.

¹⁸ See article 5 C sections 1 and 2 of the Paris Convention.

¹⁹ See article 5 D of the Paris Convention.

²⁰ See article 2 of the Paris Convention.

²¹ R. Skubisz, *Znaki towarowe w prawie międzynarodowym i prawie Unii Europejskiej*, SPP, 2010, Nr 1, str. 118.

Furthermore, it is worth noting that at the level of the European Union, ECJ modifies the principle of direct application of the provisions of the Convention indicating that the provisions of the Convention may not be directly applied by a Member State. However, this does not concern the situation when the community law *expressis verbis* points to a specific provision of the Convention²². Cases of literal reference have considerable significance in practice.

The Paris Convention adheres to the **territoriality principle of protection** to the full extent. The reason is that the laws of the country of the required protection stipulate conditions for providing protection for a given trademark, define content and extent of rights infringement as well as means of protection. The result of the territoriality principle is independence of obtaining and continuing to hold industrial property rights for the same intangible good in individual member countries of the Union²³. Therefore, invalidation or extinction of a right in one member country does not *per se* produce such an effect in other countries.

Among the more specific principles of the Paris Convention, one should point to the principle of **Convention priority right** consisting in granting the person who files an application for the registration of a trademark the right to cite the date of earlier filing of the same trademark in a signatory country of the Paris Convention, if any subsequent filing in one of the countries party to this Convention follows within 6 months of the date of the filing of that mark²⁴.

A trademark which has been duly registered in a signatory country may enjoy the **privilege of *telle-quelle* mark**. It is about the possibility of filing and protecting such mark, in the same form, in other signatory countries²⁵. Registration is a prerequisite condition for protection of the mark on *telle-quelle* basis. However, when seeking registration of the *telle-quelle* mark, the absence thereof is not an obstacle to the exercise of priority right to the mark in the country of origin if finally it is registered there if only after filing in another country.

The principle of protecting the proprietor of a trademark in a signatory country of the Paris Convention is of essential importance in practice in case of an attempt by his agent or representative to appropriate it in another country of the Paris Union. A condition for such protection is legitimization of a given person as the proprietor of the

²² ECJ judgment of 25.10.2007 in case C-238/06 P Develley, Collection of Judicial Decisions 2007, p. I-9375, points 40-43.

²³ See article 6 sections 1-3 of the Paris Convention.

²⁴ See article 6quinquies of the Paris Convention.

²⁵ See article 6quinquies of the Paris Convention.

right to the mark in one of the signatory countries. Such person is granted the right to a number of actions against his agent or representative who without his consent files in other signatory countries for protection of this mark or has already been granted such right.

2. Madrid Agreement

2.1. General issues

The Madrid Agreement Concerning the International Registration of Marks is one of the oldest multilateral agreements in the area of industrial property. The Madrid Agreement was aimed at alleviating difficulties that occurred in the course of registration of trademarks in many countries, simplifying the procedure and reducing the costs related to this procedure.

However, it was not the intention of the authors to create a uniform system of trademark protection at international level. Therefore, entry of a trademark in an international register is actually only a filing of that mark for protection. In order to acquire the right effective in countries covered by the application, it is necessary that a suitable confirmation should be given by relevant authorities of that country. As a result of recognition of effects of an international mark in signatory countries, the entitled person acquires a number of national protective rights.

2.2. Chief principles of the Madrid Agreement

Within the context of the Agreement, several principles can be singled out, including:

- **the principle of basic registration**, i.e. protection of a mark in states party to the Agreement on the basis of a single filing but based on national registration. The prerequisite for such protection is prior registration of that mark in one of state parties (country of origin) and only then filing thereof with the International Office through the agency of the office of the country of origin. The condition for protection in other states is to name them in the application filed with the international register²⁶;
- **the principle of national protection**, which means that international registration of a trademark provides the same protection as would result from the national registration thereof²⁷. Therefore, an international mark is subject to

²⁶ E. Waliszko, R. Golat „Znaki towarowe”, Bydgoszcz - Warszawa 2006, str. 37.

²⁷ See article 4 of the Madrid Agreement.

protection in individual states to which its international registration extends in the manner corresponding to the protection of a national mark;

- **principle of coexistence of an international mark with an early national mark²⁸**, which means that the registration of an international mark may substitute its early national registrations in favour of the same entitled person (or his successor in title) in the states other than the state of origin of this mark. However, it does not have to have such effect, if a given state consents to maintain in its territory a double registration of the mark – national and international. Such marks, even if they belonged to the same entity and were identical and registered for the same goods or services, are differently protected, benefit from different priority dates, and the rights attached to registration are subject to separate renewals;
- **the principle of temporary dependence** which assumes transitional accessoriness of protection of a mark in individual states from the basic registration thereof. The period of this dependence is 5 years from the date of international registration. If during this period the international mark loses, in part or in full, protection in the country of its origin, then, accordingly, the protection thereof as an international mark will become ineffective in part or in full²⁹.
- **the principle of uniform period of protection of an international mark** which is 20 years. Extension of the international protection of a mark will suffice to extend protection thereof in individual states. Extension is granted for the period of 20 successive years. It may not involve any changes concerning marking and goods. Also renunciation of protection of an international mark, if it is to involve several states, shall be filed on a one-off basis and have a uniform effect in the states where the mark is protected³⁰.

The Madrid Agreement regulates many specific issues concerning the proceedings to obtain the international registration of a trademark. The Madrid Agreement determines the content of an application for registration, fees for protection of an international mark,

²⁸ See article 4bis of the Madrid Agreement.

²⁹ See article 6 section 3 of the Madrid Agreement; The Madrid Agreement takes the view that it is acceptable to transfer the right to an international mark in respect to some goods or services for which the mark has been registered or only in relation to some states where it is protected. In case the right to an international mark is transferred in respect to some goods or services, each of the states parties has the right to refuse to acknowledge such transfer, if goods or services involved in the transferred part of that right are of the same type as goods or services involved in the part of the right to the mark retained by the transferor.

³⁰ A statement on such renunciation shall be filed with an office of the state of a renouncing person which passes it on to the Bureau and this in turn notifies relevant states of such statement. Offices of signatory states are obligated to notify the Bureau of any other situations involving the international mark protected in their territories.

substantive and legal conditions for recognition of protection by state parties whom the Bureau notifies of the international registration of a mark and comments on the reasons for refusal.

3. Protocol relating to the Madrid Agreement

The Madrid Agreement was not entered into by countries of great importance in the world economy (e.g. the United States of America, Japan, Scandinavian countries). The main reason was the lack of coherence between regulations of the Agreement and regulations of internal law. Such state of affairs argued for a reform of the system of international registration of trademarks. Nevertheless, a numerous group of states appraised the Agreement positively. After longish negotiations, a compromise solution was decided on. The Madrid Agreement was upheld and a new regulation was prepared – Protocol relating to the Madrid Agreement.

The Protocol relating to the Agreement introduced the following changes:

- an applicant could file his mark for the international registration basing on the application filed with the office of origin while the Agreement required that the registration of the mark be obtained in the office of origin;
- each of the contracting parties where an applicant seeks protection may within the period of 18 months (instead of one year), and within a longer period in case of opposition, declare that the protection cannot be recognized for the mark in its territory;
- the office of each contracting party could in its own discretion determine and collect fees higher than those determined in the Agreement;
- the international registration which has been struck off at the request of the office of the state of origin, e.g. when the basic application has been rejected or the basic registration has been invalidated within the period of five years of the date of international registration, may be transformed into a national (or regional) application which benefits from the date of this international registration as well as the date of Convention priority – if such exists (the Agreement does not provide for this possibility)³¹.

³¹ D. Witkowska „Wybrane zagadnienia związane z międzynarodową rejestracją znaków towarowych z wyznaczeniem Polski” [w]: „Wynalazczość i ochrona własności intelektualnej. Wybrane aspekty ochrony własności przemysłowej. Zbiór referatów z seminarium rzeczników patentowych szkół wyższych”, Cedzyna 2003 r., s. 164

In practice, the systems of international mark registration on the basis of the Madrid Agreement and the Protocol thereto are not construed as conflicting with each other. Because they are very similar in respect of substantive regulation. Relevant proceedings are under way before the same Bureau and lead to the entry of marks in the same register, with the same method of publication thereof and almost identical fees. Moreover, the straight majority of the states who signed the Agreement also became parties to the Protocol.

4. The Agreement on Trade-Related Aspects of Intellectual Property Rights

The TRIPS agreement introduced intellectual property law into the international trading system for the first time and remains the most comprehensive international agreement on intellectual property to date³². In 2001, developing countries, concerned that developed countries were insisting on an overly narrow reading of TRIPS, initiated a round of talks that resulted in the Doha Declaration. The Doha declaration is a WTO statement that clarifies the scope of TRIPS, stating for example that TRIPS can and should be interpreted in light of the goal *"to promote access to medicines for all"*.

TRIPS contains requirements that nations' laws must meet for copyright rights, including the rights of performers, producers of sound recordings and broadcasting organizations; geographical indications, including appellations of origin; industrial designs; integrated circuit layout-designs; patents; monopolies for the developers of new plant varieties; trademarks; trade dress; and undisclosed or confidential information³³.

TRIPS also specifies enforcement procedures, remedies, and dispute resolution procedures. Protection and enforcement of all intellectual property rights shall meet the objectives to contribute to the promotion of technological innovation and to the transfer and dissemination of technology, to the mutual advantage of producers and users of technological knowledge and in a manner conducive to social and economic welfare, and to a balance of rights and obligations.

5. Other special agreements

In 1991, the **trademark law treaty (TLT)**³⁴ was hammered out. It was to harmonize the trademark law from both formal as well as substantive and legal perspective. However, there was a lack of interest in entering into the TLT on the part of a greater number of states. The ensuing difficulties as well as the need for unification of regulations on

³² It was negotiated at the end of the Uruguay Round of the General Agreement on Tariffs and Trade (GATT) in 1994.

³³ P. Kostański, *Die Schutzwirkung des Patenst nach polnischem Recht*, Kraków 2009, s. 26.

³⁴ The Geneva Treaty on the trademark law (TLT) of 1991

matters to which the TLT relates induced WIPO to start work on a new international agreement in this area.

Within the framework of WIPO, the following instruments of international law have been concluded:

- **The Singapore Treaty**³⁵ - in principle the subject and scope thereof coincide with the regulations of the TLT, adopt substantial number of its provisions although giving them a more general and compromise character. Executory rules are also attached to the Treaty together with application forms in individual filing and registration matters. Because unlike TLT, the Singapore Treaty regulates also organizational matters. The Singapore Treaty refers to the Paris Convention in rare cases only³⁶.
- **The Nice Agreement** – establishes rules of uniform classification of goods and services for the purposes of trademark registration. It is all the more important because it applies in case of seeking protection for a mark under both national and international as well as Community procedure. It obligates signatory states to apply the classification contained in the Agreement as the only or additional classification. The classification is to facilitate the appraisal of legitimacy of both the application for the right to a trademark and subsequent disputes over the priority right to the mark. However, it ultimately serves as an instrument of order only;
- **Vienna Agreement**³⁷ - unifies the rules concerning classification of figurative elements of trademarks. In spite of its great practical meaning, only a few states have signed the document. It is nevertheless applied also by relevant offices of the states who have not entered into it as well as by the International Bureau in Geneva and the Office for Harmonization in the Internal Market in Alicante.

Moreover, an exceptional place in the international trademark law is taken by **the Nairobi Treaty**. It applies to a single mark which is of essential importance from the viewpoint of trademarks protection and that is the Olympic symbol. The Treaty obligates the signatory states to ensure protection of the Olympic symbolism against appropriation thereof by means of trademarks as well as other marks.

³⁵ The Singapore Treaty on the trademark law and rules relating to the Singapore Treaty on the trademark law adopted in Singapore on 27 March 2006; hereinafter referred to as: the Singapore Treaty

³⁶ See article 3 section 4 point IV of the Singapore Treaty

³⁷ The Vienna Agreement done in Vienna on June 12, 1973, amended on 1 October 1985, establishing international classification of figurative elements of marks; hereinafter referred to as the Vienna Agreement.

III. Trademarks regulations in the Community law

Notwithstanding the compromise between the freedom of movement of goods and the territorial nature of national rights to trademarks, the aspiration to promote economic integration within the European Community could not be fully achieved. The obstacles were both the identity of national legal systems in this area and considerable diversity of these regulations. For this reason, instruments of derivative law have been adopted in the area of trademarks³⁸.

Apart from fundamental acts of the Community law, i.e. Directive 2008/95/EC and Regulation No. 207/2009, additionally legal acts are in force adopted - on the basis of a directive – by the European Commission, including: the Regulation No. 2868/95 implementing regulation No. 40/94 and the Regulation No. 2869/95 on the fees payable to the Office for Harmonization in the Internal Market³⁹.

Furthermore, the TFEU introduces a new legal basis legitimizing direct intervention of the Union in the area of trademarks. Pursuant to article 118 of the TFEU, the European Parliament and the Council may establish measures for the creation of European intellectual property rights to provide uniform protection of intellectual property rights throughout the Union and for setting up of centralized Union-wide authorization, coordination and supervision arrangements.

The industrial and intellectual property is also covered by the provisions concerning the free competition (article 101 and 102 of the TFEU, earlier articles 81 and 82 of the TEC) to the extent that it could lead to the establishment of cartels or misuse of dominant position.

3.1. Directive 2008/95/EC

According to the Directive, the purpose of protection granted to trademarks is to guarantee the trademark as an indication of origin. The Directive is aimed at maximum approximation of national laws of the Member States in respect of obtaining and continuing to hold the right to a trademark. It also calls for the inclusion in those laws a model catalogue of marks meeting the criteria for a trademark. However, all this has to be done on the premise that a trademark is to serve the function of distinguishing goods

³⁸ K. Szczepanowska-Kozłowska, Wyczerpanie praw własności przemysłowej, Patent i prawo ochronne na znak towarowy, Warszawa 2003, s. 28.

³⁹ OJ EU L 1995 No. 303, p. 1 and 33

by their origin. Because fulfilment of this function is not only the basis for affording a trademark exclusive protection but also determines the scope of such protection⁴⁰.

Directive 2008/95/EC offers a possibility of maintaining in force national laws of the Member States in procedural matters. In particular, it applies to registration procedure as well as the procedure for declaring invalidity or recognizing the right acquired by registration of a trademark as having expired.

The Directive finds application to both registered and filed trademarks. It refers to individual as well as collective and guarantee (also certification) marks. It equally concerns the national and international marks recognized in a given Member State.

According to Directive 2008/95/CE, the condition for recognition of a given sign as a trademark is the possibility of representing it graphically. Therefore, as an example, a trademark may be: a word (including personal name), design, letter, numeral, the shape of goods or their packaging. However, the absolute prerequisite for such sign to be recognized as a trademark is at the same time that it is capable of distinguishing the goods or services of one undertaking from those of other undertakings⁴¹.

The Directive also specifies the circumstances which may cause absolute refusal of registration or declaration of invalidity of a mark already registered as a trademark, which allow the Member States to set up additional barriers to the registration and grounds for declaring it invalid involving the conflict with an earlier mark.

Directive 2008/95 defines the content of the right to a trademark. Only a person entitled under the trademark registration may take such action as placing the mark on goods or on their outer packaging, offering goods provided with this mark, putting them on the market or possessing them for the purposes mentioned or offering or rendering services provided with this mark, importing and exporting goods provided with this mark and using marks in business documents and publicity⁴².

The Directive provides for a limitation of the right to registration. A third party is allowed to use in the course of trade its own name or address and general indications as well as the mark itself the use of which is necessary to indicate intended purpose of the goods, in particular as being accessories or spare parts. The reason for the above limitation is that the aforementioned marks should be used in accordance with honest practices in industrial and commercial matters.

⁴⁰ See articles 7 and 10 of the Preamble to Directive 2008/95/EC.

⁴¹ R. Skubisz „Własność przemysłowa. Orzecznictwo Trybunału Sprawiedliwości Wspólnot Europejskich i Sądu Pierwszej Instancji”, Kraków 2004, str. 35.

⁴² See article 5 section 3 of Directive 2008/95.

The right acquired by registration of a trademark is subject to exhaustion in respect of goods which have been put on the market under this mark by the proprietor or an authorized person in the territory of the European Union (and possibly in the territory of the EEA). However, the right acquired by registration is not subject to exhaustion when there are legitimate reasons for the proprietor to oppose further commercialization of the goods, especially where the condition of the goods is changed or impaired after they have been put on the market.

3.2 Regulation No. 207/2009

The purpose of the Regulation No. 207/2009 is a harmonious economic integration within the single internal market. This task may be carried out only by removing barriers to free movement of goods and services. Such a barrier is non-existence of possibilities to obtain uniform protection of a trademark in the territory of the European Union based on uniform registration procedure. Removal of this barrier requires that a uniform Community law be adopted⁴³.

Regulation 207/2009 is based on relatively liberal assumptions as to the conditions for protection of a trademark as a Community mark. First of all, the function of trademark protection is to guarantee the trademark as an indication of origin. The protection applies not only in the case of identity between the mark and the sign and the goods (or services) but extends also to similar marks in relation to similar goods while the similarity should be seen from the angle of likelihood of confusing the origin. At the same time, the appraisal is dependent on various elements, in particular on the recognition of the mark on the market and the degree of similarity between the marks and goods identified by them.

The right acquired by registration of a Community trademark should be classified as the right independent of the undertaking with the goods (or services) of which this mark is associated. Such right should be capable of being transferred and prevent the public being misled as a result of the transfer⁴⁴. Moreover, it is possible to dispose of the right in other forms, in particular by charging it as security in favour of a third party as well as making it the subject matter of licences⁴⁵.

⁴³ See points 2-4 of the preamble to Regulation No. 207/2009.

⁴⁴ See http://lex.pl/czasopisma/gp/prawo_zt.html.

⁴⁵ See point 10 of the preamble to Regulation No. 207/2009.

The Community trademark law is based on the basic principles:

- A) **the principle of autonomy** according to which the effect of a Community trademark is established solely pursuant to the regulation relating to such mark (article 14 section 1 first sentence of Regulation No. 207/2009). Therefore, in principle the national legal systems may not be referred to. Exceptions to this principle are only provided for in these matters where the Regulation *expressis verbis* refers to national laws.;
- B) **the principle of uniformity** which expresses the idea that the right to a Community trademark uniformly covers the entire territory of the European Union. It applies to establishment of the right, renewal of its protection, transfer thereof, recognition thereof as extinguished or declaration of invalidity of the right acquired by registration as well as exhaustion thereof. Exceptions to the principle of uniformity form three different categories:
- the use of a Community trademark may be prohibited in the territory of only one of the Member States on account of a conflict with an earlier right;
 - the loss of a possibility to claim protection of that mark may also involve the territory of one State and
 - a judgment imposing an obligation to refrain from using that mark under the cause of action based on infringement of the right acquired by registration of the trademark may solely involve one State⁴⁶.
- C) **the principle of coexistence** of the Community and national law. It means that the Community legal system relating to trademarks exists apart from the national law, it does not replace the national system and does not exclude the application thereof⁴⁷.

In addition to the aforementioned principles, we can still distinguish the regulations relating to equivalence (equal status)⁴⁸ and system functionality, including the principles of priority and seniority.

⁴⁶ See article 110 of Regulation No. 207/2009.

⁴⁷ In accordance with the Regulation No. 207/2009, there is a freedom of choosing the way of protection. Dual protection of the same mark is also possible both on the basis of the Regulation No. 207/2009 and national legislation. It is also allowable to apply protection based on regulations relating to industrial designs, copyright and norms on fighting unfair competition; see article 8 section 2 a, article 53 section 1 a and article 109.

⁴⁸ The principle of equivalence provides for the equal status of the right acquired by registration of a Community mark to the right to a national mark. It especially means that the right to a Community mark is an obstacle to registration or

Moreover, Regulation No. 207/2009 regulates practical issues and functions of the competent body in respect of procedural matters relating to the registration of a trademark. The office responsible for registration of the Community trademarks is the Office for Harmonization in the Internal Market (OHIM) in Alicante. Simultaneously, a three-instance proceedings were provided for allowing for an appeal against the decision of the Office.

3.3 Registration of a Community mark versus registration of a national mark

As the exclusive rights, the rights of intellectual, industrial and commercial property still depend on various national laws. The Member States have never seriously considered the possibility of a complete and absolute unification of legislation in this area. They decided on a compromise consisting in establishing laws at the level of the Community to which undertakings may resort as a supplement or alternative to national laws.

Regulation No. 207/2009 repeatedly refers to the national legislation. First of all, it does so in procedural matters (e.g. articles 95, 98, 101-103 and 106). Sometimes, it also excludes the application of such regulations, if, *inter alia*, they provide for different or further-reaching solutions (e.g. article 114 section 2). Procedural matters, although they concern the Community mark, are subject to the legal regime of the Member States. It is so not only in relations between opposing rights to the Community mark and the national mark but also in procedural matters concerning the Community mark itself.

Furthermore, many provisions of Regulation No. 207/2009 regulate substantive and legal relations between the right to a Community mark and the right to a national mark (or other earlier national rights). The Regulation expresses the principle of maintaining national trademarks and non-existence of grounds for obtaining or continuing to hold the right to a Community mark contrary to any earlier rights⁴⁹.

a basis for declaring it invalid in national proceedings, if it benefits from earlier priority. In proceedings before OHIM concerning opposition or declaration of invalidity or in proceedings before national courts based on a counter action, competent to examine cases relating to a Community mark, the national laws with an earlier priority constitute relative obstacles to registration or a basis for declaring it invalid. This concerns not only registered trademarks, national or international, but also unregistered marks which are recognized as earlier rights; see article 8 section 2 a and points ii-iii and section 4 of the Regulation No. 207/2009.

⁴⁹ See points 6-7 of the preamble to Regulation No. 207/2009.

Summary

The issue of trademark protection in the market economy plays a very important role. New marks appear on the market almost daily, becoming a valuable component of the company's assets and an essential element of the promotion of manufactured goods or services. Therefore, it is so important to ensure that marks are provided with appropriate legal protection, which helps to prevent violations by third parties, and also allows to derive material benefits from the use of these marks.

The most effective method of protecting a trademark is the registration which provides the possibility of the function of a mark being properly used and also allows to minimize the risk of business activity. The registration of a trademark may be subject to various procedures, both national, regional and international. The choice of suitable system of trademark protection is sometimes a complicated process and does not depend only on the manner of mark presentation in a graphic form but first of all on the time of registration and the area which the protection is to cover.

The right of trademark protection granted by a given office is of a territorial nature which means that it is effective solely within the limits of the territory where that office is functioning. However, there is a possibility of extending the territorial range of a trademark to other States, making use of one of the systems discussed, i.e.:

- (i) national system - an application of the mark in the office competent for the protection of industrial property in the country;
- (ii) regional system - to make application for a trade in the relevant regional office. The mark will then be protected in the territory of all member states of the system. This procedure is appropriate for a Community trade marks. The entity making a filing with the Office for Harmonization in the Internal Market (OHIM) in Alicante, may obtain protection for his mark throughout the European Union. Other regional offices are the Benelux Trade Marks Office (BTO), African Regional Industrial Property Organization (ARIPO);
- (iii) international system (the Madrid system) - a notification sign at the Office of the World Intellectual Property Organization (WIPO) in Geneva through the Patent Office. Registration is possible in selected countries that are party to the Madrid Agreement Concerning the International Registration of Marks or the Protocol to that Agreement.

