Finland

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Legal framework

The key national laws governing trademarks in Finland are:

- the Trademarks Act (7/1964, as amended by Law 107/2013);
- the Trademarks Decree (296/1964, as amended by Decree 579/2013);
- the Act on Collective Marks (795/1980, as amended by Law 108/2013); and
- the Domain Name Act (228/2003, as amended by Law 116/2013).

The above-listed national statutes also implement the relevant EU directives. EU regulations apply directly.

Finland has signed the following treaties and conventions relating to trademarks:

- the Madrid Protocol relating to the Madrid Agreement on the International Registration of Marks (1989);
- the Nice Agreement on the International Classification of Goods and Services;
- the Paris Convention for the Protection of Industrial Property (1883); and
- the Agreement on Trade-related Aspects of Intellectual Property Rights, attached to the Agreement Establishing the World Trade Organisation (1995).

Unregistered marks

Protection

Trademark protection is granted, irrespective of registration, to a sign that has been established in Finland. Thus, unregistered marks may come to enjoy the same protection as registered marks if they have been established through use.

A mark is considered to be 'established' if it has become generally known in the relevant commercial or consumer sectors in Finland as a specific symbol of the proprietor's goods. The criteria for protection vary depending on:

- the nature of the goods;
- the length and scale of use;
- the target group; and
- the scale of the marketing investments.

The relevant target group can consist of a very large group or a certain small group, depending on the nature of the goods.

Furthermore, the relevant group is required to associate the unregistered mark with the entity from which the goods or services originate. The target group needs to have a sufficient degree of awareness of the mark. This is assessed individually for each case, and the requisite level of use is heavily dependent on the target group for the relevant goods or services. However, as a general principle the use must be nationwide and extensive.

Only in rare circumstances may extensive foreign marketing lead to a mark being considered established in Finland.

No establishment can occur *prima facie* where the mark lacks inherent distinctiveness. Conversely, establishing an unregistered mark through use may have practical value, since it will then also have achieved sufficient distinctiveness and thus be registrable at the Finnish Patent and Registration Office (PRH). Due to the obvious disadvantages inherent to unregistered trademark rights, it is generally advisable to seek registration of a mark, rather than rely on establishment.

Registered marks

Formal requirements for registration

Under Finnish legislation, any private person, company, association or public organisation may apply for, and hold, a trademark registration. However, foreign applicants must use a representative if they have neither a domicile nor a registered office in Finland. If a representative is used for filing a trademark application, a duly signed power of attorney is required.

Under Section 1 of the Trademarks Act, any sign that can be represented graphically and by means of which goods marketed in trade can be distinguished from those of others may be registered as a mark. A mark may thus consist of words, figures, letters, numerals or the shape of goods or their packaging. Unconventional marks, such as sound or colour marks, are also registrable, provided that they are distinctive and can be represented graphically.

Under Section 13 of the Trademarks Act, a mark must be capable of distinguishing the owner's goods from those of others. A mark that denotes, either alone or with few alterations or additions, the kind, quality, quantity, use, price or place or time of manufacture of the goods will not be regarded as distinctive as such. Nor will a mark be regarded as distinctive if it consists solely of a form that is characteristic of the goods or necessary to achieve a technical result, or which substantially increases the value of the goods.

Marks with a reputation

Under the Trademarks Act, marks with a reputation enjoy a broader scope of protection than ordinary marks. The use, in the course of trade and without due cause, of a sign that is confusingly similar to a sign that has a reputation in Finland will be considered an unfair exploitation of, or an action detrimental to, the distinctive character or fame of the earlier trade symbol.

Marks with a reputation can be entered in a separate list at the PRH. The entry requires extensive evidence of the mark's reputation; the evidence needs to be resubmitted whenever the entry is renewed.

Grounds for refusal

If the PRH considers a mark to be descriptive or non-distinctive, the application will be rejected on absolute grounds. The same applies if the mark is of a type that may not be registered. If the applicant submits sufficient evidence of distinctiveness acquired through use, marks that are inherently descriptive or otherwise non-distinctive become registrable.

The application can also be refused on relative grounds if the mark is found to be similar to prior rights such as trademark registrations, registered trade names or copyright. A refusal on relative grounds can be overcome if the proprietor of the prior

rights gives explicit consent to the junior mark's registration.

Procedures

Examination

Trademark applications shall be submitted to the PRH, which maintains the Finnish Trademark Register. The first phase – examination for formal deficiencies – typically occurs within one month of submission. After the formal phase, a full review of both absolute and relative grounds for refusal is conducted.

The PRH issues no formal notifications, whether on receipt of the application or during the examination phase, except where it finds the application lacking. Where deficiencies are found, the PRH issues an official action instructing the applicant to correct or amend the application. The applicant may apply for an extension, which is automatically granted on first request. Further extensions may be granted if adequate grounds and/or evidence of actual need can be provided.

Protection of a trademark registration commences on the filing date if the application later matures to registration.

Registration

Once the PRH deems the application registrable, the mark will be registered and published in the *Trademark Journal*. If the PRH issues no official actions, the average time from submission of the application to registration is five months. The PRH will issue a registration certificate.

The registered mark remains in force for 10 years from the date of registration, after which it can be renewed for additional 10-year periods. Section 22 of the Trademarks Act provides a six-month grace period, starting from the date of expiration, during which the mark may be renewed for an additional fee. The renewal decision is usually granted within one to two months of the application for renewal.

Opposition

Under the Trademarks Act, any interested third party may file a formal opposition against a registered mark within two months of the date of publication. If the opposition is not directly deemed unfounded, the PRH will inform the mark owner of the opposition within a few weeks and set a date for the owner to present a written response. An opposition typically takes one to two years. Should the opponent succeed, the PRH will revoke the registered mark. If either party is dissatisfied with the opposition decision, an appeal to the Market Court can be filed.

Removal from register

The removal of a registered mark from the register can be made through surrender, revocation or invalidation. Requests for surrender are made directly to the PRH, while revocation and invalidation actions must be submitted to the Market Court. A surrender request can be made by the mark owner only, while revocation and invalidation actions can be made by any interested party. Surrender actions usually take around one month; revocation and invalidation actions take between 12 and 18 months, depending on the merits of the case.

The holder of a registered mark may, at any time, request the surrender of its registration wholly or partially. If a pledge has been registered over the mark in question, written consent from the pledgor is also required.

If a registered mark remains unused for a period of five years, any interested party can request the revocation of the registration due to non-use from the Market Court, which will then declare the registration invalid if no grounds for non-use are submitted by the mark owner.

An invalidation action for non-use can be overcome if use of the mark is restarted before the legal proceedings are initiated. However, any use occurring within three months of the date of the claim will not count as actual use if the preparation to use the mark commences after the owner becomes aware that a request for revocation will be made. In order to prevent the revocation of a mark, use by the mark owner or with its consent is deemed acceptable.

Furthermore, a registration may be declared invalid if the mark:

- should never have been accepted due to relative or absolute grounds; or
- has lost its distinctiveness or has become misleading or contrary to law, order or morality.

Searches

The PRH conducts both identical and similarity searches on registrability. The search reports do not bind the PRH in its future decisions concerning the same mark. The search reports

are delivered reasonably swiftly and are inexpensive to order. For instance, the more comprehensive searches (including both similar and identical prior rights) cost approximately €168 per class for word marks and €41 for each subsequent class (excluding taxes). For figurative marks, the prices are higher.

Enforcement

Jurisdiction

Since September 2013 the Market Court has had exclusive jurisdiction over civil and administrative IP rights proceedings. Decisions by the Market Court in administrative matters can be appealed to the Supreme Administrative Court; decisions in civil matters can be appealed to the Supreme Court – on condition that these courts grant leave to appeal. Criminal matters have been left outside the competence of the Market Court, with the Helsinki District Court still the competent court in such matters.

The Supreme Court and the Supreme Administrative Court usually grant leave only if the question at hand requires a precedent, which has been rare in trademark matters. It is therefore likely that the Market Court will be the only court to try trademark-related matters in Finland.

Proceedings are largely identical for registered and unregistered marks. In practice, trademark infringement cases are usually initiated as civil actions under the Market Court Procedure Act (100/2013), but in serious cases it is also possible to institute criminal proceedings under the Penal Code (39/1889). The Unfair Business Practices Act (1061/1978) gives additional protection for unregistered or registered rights.

Remedies

The court may prohibit a party infringing a trademark from continuing or repeating the infringement. If the infringement is deliberate or due to negligence, the aggrieved party is entitled to compensation from the defendant for the damage suffered. If the negligence was only slight, the court may assess the compensation to be awarded at its discretion. However, if no negligence took place, the infringing party must pay reasonable compensation for the use of the trademark.

Under Section 39 of the Trademarks Act, anyone who deliberately infringes the right to a trade symbol protected by this act shall, unless the act is punishable as an industrial property rights offence, be sentenced to a fine for a violation of trademark rights. In the case of a registered mark, no criminal penalty may be imposed unless the infringement occurred after the date of registration. However, other sanctions are applicable – for example, compensation and damages can be awarded for infringement occurring between application and registration.

Under Section 40 of the Trademarks Act, a claim for reasonable compensation and damages can cover only a period of five years before filing of the legal proceedings.

At the request of a person whose trademark rights have been infringed, the court may order that, where practicable, an infringing mark attached without authorisation on goods or their packaging, leaflets, commercial documents or the like be erased or altered in such a way as ensures that it can no longer be misused. If this cannot be achieved in any other way, the court will order that the infringing materials be destroyed or modified in a specified manner. Upon request, the court may also order that the material be surrendered to the claimant against payment.

Regardless of whether the infringement is deliberate, the public prosecutor or the court may order that the offending materials be confiscated and that adequate security be provided for any financial damage suffered by the defendant as a result.

Under Section 41(a) of the Trademarks Act, the court may order the defendant to compensate the claimant's costs of publishing the final and unappealable judgment finding the infringement of trademark rights.

Furthermore, at the request of the rights holder, the court may order the service provider for a transmitter, server or other corresponding equipment to suspend the allegedly infringing use of a mark if the suspension cannot be seen as unjust considering the rights of the alleged infringer, service provider and rights holder.

Injunctions

The swiftest (and most common) remedy against unauthorised trademark use is an injunction, which may initially be granted *ex parte*. The court may grant an injunction either before or during the main proceedings, to remain in force until the main action has been finally settled. Before an injunction can

be enforced, the claimant is usually ordered to provide adequate security for any financial damage suffered by the defendant as a result.

Customs procedures

The EU Customs Regulation (1383/2003), which governs the enforcement of trademark rights against counterfeit and pirated goods, is applicable in Finland. The Finnish customs authorities are generally experienced and have active border policies to combat counterfeiting activities.

Timeframe

The Market Court's new procedures seek to shorten the duration of trademark proceedings considerably; this was one of the main goals of centralising all IP matters with a single court. The estimated timeframe for Market Court proceedings is 12 to 18 months.

Permission to appeal Market Court decisions to the Supreme Court in infringement and invalidation matters can be sought within 60 days of the Market Court decision. Where the Market Court acts as the appeal instance – typically, in cases concerning a mark registration or an opposition – the petition to appeal must be filed before the Supreme Administrative Court within 30 days of the Market Court decision. If leave to appeal is granted, the appeal process can be expected to take approximately 18 months with both aforementioned courts.

Ownership changes and rights transfers

Trademark owners may assign their registrations wholly or partially. The assignment of a registered mark is, upon request, recorded in the Trademark Register maintained by the PRH. The assignment deed must be signed by the assignor, but no legalisation or notarisation is required.

Mark owners may grant a licence to use a mark to a third party without relinquishing their trademark rights. The licence may be exclusive or non-exclusive, and can be limited substantially or geographically. Licences may be entered in the Trademark Register on request. The recordal can be refused if use of the mark by the licensee is clearly liable to mislead the public. A trademark licence not entered in the register shall not affect a third party that has obtained rights to the mark in good faith. Unless otherwise agreed, the licensee may not transfer its rights to a third party.

Related rights

Under Finnish law, trademark protection does not exclude the application of other IP rights relating to the mark or symbol registered as a trademark. Therefore, the objects of trademark protection can also be protected by, for example, design rights and copyright, provided that the criteria for protection under each individual IP right are satisfied.

Online issues

The principles that govern the protection of registered and unregistered marks also apply in cyberspace. Consequently, any potentially infringing activity is assessed within the same framework, insofar as is possible. However, there is little established case law on trademark use online, such as in search engine advertisements or hyperlinks.

The Domain Name Act (228/2003) entered into force on September 1 2003. Under that statute, any business or private entrepreneur may apply for practically any domain name, since the competent authority – the Finnish Communications Regulatory Authority (FICORA) – does not screen trademark or trade name databases in advance. The applicant must be Finnish or have an establishment in Finland.

Should a registered domain name infringe another party's trademark, FICORA may either suspend the domain name for up one year, or cancel the registration and transfer it to the claimant. An administrative decision of FICORA may be appealed before the Market Court. It is also possible to initiate civil proceedings before the Market Court in conjunction with this administrative procedure in order to prohibit use of the domain name. WTR

Examination/registration		
Representative requires a power of attorney when filing? Legalised/notarised?	**Examination for relative grounds for refusal based on earlier rights?**	**Non-traditional marks registrable?**
Yes/No	Yes	Colours; sounds; 3D marks.

Unregistered rights	
Protection for unregistered rights?	**Specific/increased protection for well-known marks?**
Yes	Yes

Opposition
Can a registration be removed for non-use? Term and start date?
Yes: two months.

Removal from register		
Can a registration be removed for non-use? Term and start date?	**Are proceedings available to remove a mark that has become generic?**	**Are proceedings available to remove a mark that was incorrectly registered?**
Yes: five consecutive years' non-use from registration.	Yes	Yes

Enforcement		
Specialist IP/trademark court?	**Punitive damages available?**	**Interim injunctions available? Time limit?**
Yes	No	Yes: can remain in force for extended periods (until final decision is reached).

Ownership changes
Mandatory registration for assignment/licensing documents?
No

Online issues	
National anti-cybersquatting provisions?	**National alternative dispute resolution policy (DRP) for local ccTLD available?**
Yes	Yes

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Lasse Laaksonen specialises in contentious and non-contentious IP and technology law. He has wide-ranging experience in strategic contractual issues, litigation and transaction arrangements such as outsourcing, procurement and licensing. He also advises on issues related to the law of associations.

In 2004 Mr Laaksonen worked as a visiting attorney in London for a major international law firm; he also complemented his graduate studies in the United Kingdom.

Mr Laaksonen has contributed to many prominent publications, particularly in the field of intellectual property, and acts as a country correspondent for both the *European Intellectual Property Review* and *Entertainment Law Review*.



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Marianne Hollands is an attorney at law and assists clients in both contentious and non-contentious IP matters. She has specialised in trademark and domain name issues, as well as in marketing law-related matters. She has over five years' experience of managing IP portfolios for both domestic and foreign clients.

Before joining Attorneys at law Borenius Ltd as a lawyer, Ms Hollands worked as an IP rights lawyer for a Finnish patent agency. She has also worked as a trainee at other Finnish law firms and at the Finnish Ministry of Employment and the Economy.



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Ben Rapinoja is a renowned litigator in patent, trademark and IP matters in Finland, and an expert in the field of IP and technology law. He advises on contractual and licensing arrangements, trademark and domain name disputes, corporate transactions, as well as on legal issues related to the pharmaceutical industry and medical technology. He also has broad experience in commercial disputes and arbitration proceedings involving domestic and international information and communication technology and high-tech companies.

He became a partner in 2006 and the head of the firm's IP and technology group in 2012, thus overseeing IP and technology litigation, IP prosecution, and the media and technology practices.