Italy

Contributing firm
Rapisardi Intellectual Property



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Legal framework

National

The Italian regulations governing the protection of industrial property rights were consolidated in the Industrial Property Code (Law Decree 30/2005), which also brought together and revised the regulations on trademarks already contained in the Trademark Law (Royal Decree 929/1942 and amendments).

The Industrial Property Code was reformed by Legislative Decree 131/2010, enacted on September 2 2010, by Laws 106/201 and 27/2012.

International

Italy is party to a number of international treaties regarding trademark law, such as:

- the Paris Convention for the Protection of Industrial Property (1883);
- the Madrid Agreement and Protocol on the International Registration of Marks (1989);
- the Nice Agreement on the International Classification of goods and services; and
- the Agreement on Trade-Related Aspects of Intellectual Property Rights.

As Italy is a member state of the European Union, the EU Community Trademark Regulation (207/2009) applies.

Unregistered marks

Protection

The Industrial Property Code foresees the existence of untitled IP rights, including unregistered trademarks. Italian case law follows the key principles governing registered trademarks for the assessment of cases involving unregistered trademarks. Registered and unregistered trademarks are thus protected

in a similar way as far as their use is concerned. However, unregistered trademarks:

- do not benefit from the presumption of validity enjoyed by registered trademarks; and
- cannot take advantage of some of the forms of protection provided for by criminal law.

Unregistered trademarks that are well known in Italy may also enjoy the protection provided under Article 6*bis* of the Paris Convention; such protection may also extend to dissimilar goods and services.

Lastly, an unregistered mark that is known only locally may still continue to be used locally in spite of the subsequent registration by a third party of an identical or similar mark. However, this prior local use does not affect the validity of the later registration by the third party.

Use requirements

There is no specific definition of how much use is required to establish unregistered rights. However, use of the sign must be effective and continuous.

Registered marks

According to Article 19 of the Industrial Property Code, any natural or legal entity may file applications for trademarks that are already used and/or are intended to be used either directly by the applicant or by third parties with the applicant's consent.

A representative of the rights holder requires a power of attorney before filing; however, this power of attorney need not be notarised or legalised.

Scope of protection

In general, any sign that can be reproduced graphically (words – including personal names – designs, letters, numerals, sounds, the shape of the goods or of their packaging, colour combinations or tonalities) can be registered as trademarks, provided that they are capable of distinguishing goods and services, and are neither generic nor merely descriptive.

The Industrial Property Code provides that the following cannot be protected as trademarks:

- signs that do not satisfy the basic requirements of graphic representation and distinctiveness;
- signs that are contrary to law, public policy or accepted principles of morality;
- signs that are deceptive as to their geographical origin, their characteristics and the quality of the goods or services;
- signs that are descriptive, that have become customary in the current language or in the established practice of the trade, that are commonly used or that are functional;
- signs or indications that may serve to designate the kind, quality, quantity, intended purpose, value, geographical origin or time of production of goods or rendering of services, or other characteristics of the goods or services;
- signs that were filed in bad faith; and
- signs that conflict with prior rights to the point of giving rise to confusion among the public.

Procedures

Examination

All trademark applications, together with the relevant documentation, must be filed with the Italian Patent and Trademark Office (IPTO) or with the various chambers of commerce. In 2006 an e-filing system was implemented.

Once the application is filed, the IPTO will examine it for compliance with the formal requirements and on absolute grounds.

After examination of the application, if no opposition is filed and the *ex officio* examination raises no objections, the trademark will be registered.

Alternatively, if the IPTO rejects the application, the proceedings will be halted and the applicant will be notified accordingly. The applicant has at least two months from such notification to submit arguments in support of the application. After examining these arguments, the IPTO will decide whether to reject the application, either in whole or in part.

Opposition

The Industrial Property Code expressly provides for a trademark opposition system; this system officially came into force in 2010 with the implementation of Decree 33/2010, but the opposition procedure finally became available only in July 2011.

“An unregistered mark that is known only locally may still continue to be used locally in spite of the subsequent registration by a third party of an identical or similar mark. However, this prior local use does not affect the validity of the later registration by the third party”

The procedure applies to applications for registration filed in Italy as of May 1 2011 and international trademarks published as of the first issue of the July 2011 World Intellectual Property Organisation (WIPO) *Gazette of International Marks*.

Procedure

Opposition to Italian trademarks may be filed within three months of the publication of the application for registration in the *Official Bulletin of Trademarks*, as of July 2011. For international trademarks extended to Italy, the term is three months as of the first day of the month following that in which the international mark was published in the WIPO *Gazette of International Marks*.

The notice of opposition is to be filed in with the IPTO in writing, using a standard form. Once completed, four copies of the form must be sent to the IPTO by hand, registered letter or authenticated email.

A fee of €250 must be paid before filing the opposition.

Legitimate opponents include:

- owners of earlier trademarks registered in the state or having effect within the state;
- applicants that have filed applications within the state for registration of trademarks on earlier dates, or having effect within the state on earlier dates by virtue of priority rights or valid seniority claims;
- holders of exclusive licences for use of the trademark; and
- persons, entities and associations under Article 8 (ie, the rights holders of persons' portraits, names, well-known signs).

Prior rights such as unregistered trademarks, company names or domain names cannot be enforced in opposition proceedings; however, they may be claimed in an invalidation action before the courts. Claims of extended protection for well-known or famous marks can also be enforced through invalidation proceedings.

If the notice of opposition is found admissible, the IPTO will notify the opposition to the applicant within two months of expiry of the opposition term.

A two-month period is provided to allow the parties to reach a settlement agreement, which may be extended, by common request of the parties, by up to one year from the first communication from the IPTO.

If an agreement is not reached, supporting documents (registration certificates, translations and the like) may be filed by the opponent after the expiration of the cooling-off period and the applicant may present its reply in writing within a term set by the IPTO.

In accordance with Article 178(4), at the request of the applicant, opponents holding previous trademarks registered for at least five years are obliged to provide, within 60 days, evidence of the effective use of such trademarks or face rejection of the opposition.

The IPTO shall communicate the observations and documents filed by one party to the other, granting a term within which to submit comments in reply.

At the end of the adversarial part of the proceedings, the IPTO will either admit the opposition (refusing the trademark application in full or in part) or reject the opposition.

The IPTO must issue its decision within 24 months, except for suspension periods. It may award costs to the winning party, up to a maximum of €300 in professional fees and €250 in official fees.

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Article 182 states that “the measure used by the IPTO to declare the opposition inadmissible or to reject the opposition is notified to the parties, who have 60 days as of the date of notification to file an appeal with the Board of Appeal”. In turn, decisions of the Board of Appeal may be appealed to the Supreme Court.

Registration

If a trademark application is deemed to comply with the registration requirements and no oppositions are raised, the IPTO will grant registration.

A trademark is valid for 10 years from the filing date and may be renewed for subsequent 10-year periods thereafter. If renewal is not requested within the specified period, the trademark can still be renewed up to six months later, upon payment of a fine.

Removal from register

Surrender: A rights holder has the right to relinquish the trademark registration at any time.

Revocation: If the mark is not effectively used for five consecutive years, the registration may be cancelled unless legitimate reasons for non-use exist.

Invalidation: Once the registration has been granted, claims seeking the invalidation of a trademark must be filed and will be dealt with by the specialised court divisions. Registration does not preclude the possibility of taking judicial action over the validity or ownership of the trademark.

Timeframe

It usually takes one year to obtain a trademark registration, although protection runs from the filing date, and few months for the grant of the certificate of renewal of a former registration; the effects of the renewal start from the filing date of the relevant application.

No clear timeframe estimate can be provided for opposition proceedings.

The recordal of a merger, assignment or transfer of a mark takes few months, with the underlying effects running from the filing date of the relevant application.

Searches

The IPTO offers a limited number of searches (anteriority, identity, per class and for all classes) that are useful when applying for a trademark registration. There is no cost involved, but all searches must be carried out by the applicants themselves on the IPTO’s database.

The database does not contain information on graphic elements. Therefore, applicants have to carry out any search other than a word search on private databases.

Enforcement

Several important changes in recent years have modified the enforcement of IP rights in Italy. In 2003 specialised IP courts for civil proceedings were created, and in 2005 the Industrial Property Code was enacted. The code abrogated and reorganised all previous IP legislation, including the former Trademark Law. The code was recently modified by Decree 131/2010, which updated the tests included in the code and harmonised national regulations with EU and international rules. The specialised IP courts have been restructured by Decree Law 1/2012, becoming companies courts. There will be 20 companies courts (compared to 12 IP courts)

and their jurisdiction will be wider. Recently the jurisdiction of companies courts was modified by Law 9/2014. In accordance with these provisions, for IP disputes in which at least one of the defendants is foreign nine sections are competent (the courts of Bari, Cagliari, Catania, Genoa, Milan, Naples, Rome, Turin and Venice) instead of all 20 companies courts.

Civil proceedings

According to the Italian civil legal system, it is possible to file a trademark invalidity and infringement action even if the registration is still pending. Nevertheless, according to Article 120 of the Industrial Property Code, a judgment shall be issued only after the IPTO has decided on the application, which must be examined with priority over other applications. In such case the judge, on consideration of the circumstances, may repeatedly stay the proceedings.

Generally, the IP courts may grant the following remedies:

- declaration of invalidity of the trademark;
- provisional or permanent relief (eg, seizure, description or injunction);
- removal and destruction of infringing materials;
- prohibition of further use establishing a penalty for any further violation or non-observance;
- disclosure of documents and information in connection with the origin of the infringed products or about any third party involved in the infringement;
- payment of damages;
- publication of the judgment; or
- reimbursement of legal costs.

The Italian system makes no provision for punitive damages.

Under Article 125 of the Industrial Property Code, compensation for damages shall be quantified in conformity with the general principles of Italian civil law. In particular, damages owed to the aggrieved party shall be assessed by the judge, taking into account all relevant factors, as well as the negative financial consequences, including the loss of profits by the owner of the injured right and the infringer's unlawful profits.

In some cases the judge shall also consider other, non-financial elements, particularly moral damages. The court may also use equitable criteria on the basis of the actions in the case and the presumptions inferred therefrom.

In any case, the rights holder may ask for the restitution of any unfair profit gained by the infringer, either as an alternative to loss of profits or to the extent that the unfair profit exceeds such reparation. This latter option was introduced by Legislative Decree 140/2006.

Criminal proceedings

IP crimes are defined in various provisions of the Criminal Code, including:

- Article 473, which concerns counterfeiting and infringement of a registered trademark and provides for a period of imprisonment of between six months and three years and a fine of between €2,500 and €25,000;
- Article 474, which provides for imprisonment of between one and four years and a fine of between €3,500 and €35,000 for the import of products bearing counterfeit trademarks into Italy, and imprisonment of up to two years and a fine of up to €20,000 for introducing such marks onto the market;
- Article 517, which provides for imprisonment for up to two years and a fine of €20,000 for the sale of industrial products with misleading information; and
- Article 517*ter*, which introduced a new prohibition on the fabrication or industrial use of objects or goods produced by usurping or infringing an industrial property right. This provision preserves the application of Articles 473 and 474. The second paragraph prohibits the introduction into Italy, the holding or placing for sale with a direct offer to consumers, or otherwise placing into circulation, of these goods for the purpose of profit. The penalty is the same as that envisaged by Article 517 – namely, imprisonment for up to two years and a fine of €20,000.

Border measures

In 2004 Customs developed and made available a state-of-the-art multimedia system called FALSTAFF that aims to involve enterprises and owners of industrial property rights in the fight

against counterfeiting.

Through FALSTAFF, owners of industrial property rights can easily access an online database and directly file requests for customs protection.

The FALSTAFF system is considerably more efficient than the previous system. Because the system is online and continually updated by mark owners, customs operators can easily consult all the information required to identify counterfeit goods.

Ownership changes and rights transfers

Assignment

There is no requirement to legalise documents in Italy. The rights holder may transfer the trademark for all or some of the goods or services for which it is registered. The transfer of a registered trademark is, upon request, recorded on the Trademark Register maintained by the IPTO. Italian law does not require any special document for the assignment to be valid; the assignment would, theoretically, not even need to be in writing. However, a written document is necessary to proceed with recordal on the Trademark Register.

For recordal purposes, it is possible to file either a simple declaration, executed by the parties, stating that the trademark registration has been transferred or a deed of assignment, duly notarised. In both cases, fiscal registration is needed.

Documents from other jurisdictions proving changes of ownership must be legalised and sworn Italian translations must be submitted.

According to Article 15 of Law 183/2011 a simplified procedure has been implemented. In this regard, in case of a merger or change of name/address of the holder, it no longer necessary to produce the deed of merger or an extract from the chamber of commerce; it is sufficient to mention the merger or change of name/address, and such changes will be verified by the chamber of commerce.

Licensing

Trademarks can be licensed for all or some of the goods and services. Licence agreements can be exclusive or non-exclusive. There are no formalities with respect to licences. A licence can be recorded on the Trademark Register, but this is not compulsory. Use of a trademark by a licensee is deemed to constitute use by the owner for the purpose of use requirement.

Related rights

There are certain areas of overlap between trademarks and other IP rights. For example, copyright may be used to protect trademarks in advertising slogans that have artistic merit. A logo may be protected as a trademark, copyright or design. The shape of the product or its packaging may be protected as a three-dimensional (3D) trademark or a design.

Even under the new code, it is not possible to register or adopt as a trademark:

- a shape that results from the nature of the goods themselves (a 'necessary shape');
- the shape of goods that is necessary to obtain a technical result (a 'functional shape'), which could be patented as an invention or utility model; or
- a shape that gives substantial value to the goods (an 'ornamental shape'), whose aesthetic features determine the consumer's decision to buy the product. The sign would thus no longer perform the typically distinguishing function of a trademark; rather, it would have an independent aesthetic value that would be decisive in attracting consumers and sufficient to lend the product a considerable competitive advantage.

In the case of design products, the law provides for cumulative protection as a registered design and as a 3D mark. Italian case law underlines that the two protective instruments – designs and trademarks – perform different functions and offer different scopes of protection (such protection being more extensive in the case of trademarks).

Furthermore, device marks that have a creative and artistic character are protected under copyright law.

Online issues

The new Industrial Property Code expressly prohibits the use of a sign that is identical or similar to a third party's trademark as a domain name if, due to the identity or similarity between the activities of the holders of such signs and between the products and services for which

the trademark has been adopted, this may:

- give rise to a likelihood of confusion on the part of the public, which may consist of a likelihood of association between the two signs in the minds of consumers;
- allow the domain name user to take unfair advantage of the distinctive character or the reputation of the trademark; or
- be detrimental to the trademark.

The judicial authority is therefore entitled provisionally to order, in addition to the injunction enjoining the use of an unlawfully registered domain name, the provisional transfer of that name by making it conditional on the filing of an adequate bond by the beneficiary of the measure, if deemed appropriate.

The party that has allegedly been damaged by the use of a domain name by a third party is free to choose whether to bring a legal action before a judicial authority or to initiate a dispute resolution procedure before a designated service provider. 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	No	3D; colours; smells; sounds

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: three 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 years' non-use from registration date.	Yes	Yes

Enforcement		
Specialist IP/trademark court?	**Punitive damages available?**	**Interim injunctions available? Time limit?**
Yes	No	Yes

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: itDRP.

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Sonia Fodale started practising in 1995 and joined Rapisardi Intellectual Property in 2002 as an in-house trademark consultant. She graduated in law from the *Università Cattolica del Sacro Cuore* of Milan and is a qualified trademark attorney in Italy, as well as a professional representative before the Office for Harmonisation in the Internal Market.

Ms Fodale has considerable experience in the field of intellectual property, especially trademarks; her work focuses particularly on official actions, opposition proceedings, warning letters and cancellation actions, as well as extrajudicial work and legal consultancy.

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Chiara Morbidi entered professional practice in 2007 and has worked at Rapisardi Intellectual Property since 2010. She holds a specialist degree in Italian-French law from the University of Florence and masters in Italian-French law and European litigation. Ms Morbidi was admitted to the Milan Bar in 2011.

Ms Morbidi has considerable experience in the field of intellectual property and is principally concerned with judicial and extrajudicial work, contract drafting and negotiation, dispute resolution, anti-counterfeiting measures and legal advice, in connection with trademarks, patents, copyright and domain names, with particular reference to international and EU law. She handles legal proceedings in Italy and supervises litigation processes abroad.