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Germany

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1. Legal framework

National

The German law on trademarks is governed by the Trademarks Act and the Trademarks Regulation. Further acts of relevance include the Registered Designs Act, the Copyright Act, the Act against Unfair Competition and the Civil Code.

European

As Germany is a member state of the European Union, the EU Community Trademark Regulation (207/2009) applies. In addition, as the Trademarks Act implements the First Trademark Directive (89/104/EEC), that directive is of direct relevance to the interpretation and application of the Trademarks Act. The European Court of Justice is the highest judicial authority with respect to the harmonized rules in the Trademarks Act.

International

Germany is a signatory to the following international treaties with relevance to trademark law:

- the Paris Convention for the Protection of Industrial Property;
- the Madrid Agreement concerning the International Registration of Marks;
- the Protocol relating to the Madrid Agreement concerning the International Registration of Marks;
- the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks;
- the Trademark Law Treaty; and
- the World Trade Organization Agreement on Trade-Related Aspects of Intellectual Property Rights.

2. Unregistered marks

Protectability

An unregistered mark can be protected if it has been used in the course of trade and has become known to the general public. For a sign to be protected as an unregistered mark, it must be capable of being protected as a trademark (ie, capable of distinguishing the goods and services

of one undertaking from those of another). In this respect, the same principles apply as to registered marks. The sign must also have gained a certain notoriety in Germany. Unregistered marks confer the same rights as registered marks (ie, the exclusive right to use the mark and to prevent others from using it). Due to changes to the Trademarks Act entering into force on October 1 2009, it is also possible to base oppositions on unregistered trademarks.

Protection is also granted to marks that are well known within the meaning of Article 6*bis* of the Paris Convention. The only requirement for protection in Germany is the notoriety of the mark, which must be established according to the provisions of the Paris Convention. Use of the mark in Germany is not a prerequisite.

Use requirements

For a sign to be protected as an unregistered mark, it must be known in Germany by reason of its use. There are no strict rules regarding the degree of notoriety required. The courts generally assume that a sign can be protected as an unregistered mark if it has gained a notoriety of about 20% to 25%, although this depends on the circumstances of the individual case. If the mark lacks the necessary distinctiveness and could therefore be registered as a trademark only by proving that it has acquired distinctiveness, a level of notoriety of at least 50% is required. Generally, expert polls are necessary to provide evidence of the extent of notoriety.

For a sign to be protected as a well-known trademark within the meaning of Article 6*bis*, a level of notoriety of well above 50% (generally at least 60% to 70%) is necessary.

3. Registered marks

Ownership

Trademarks can be applied for and owned by any natural or legal person (including public entities and partnerships). A business establishment is not necessary.

Foreign persons or entities can apply for and own German trademarks without any restrictions. However, applicants that do not reside nor have a business establishment in Germany must appoint a local representative (either an attorney at law or a patent attorney).

Power of attorney

The German Patents and Trademarks Office (GPTO) requires no power of attorney if a trademark application is filed by an attorney at law or a patent attorney. However, as the GPTO may request written confirmation of the power of attorney, it is advisable to submit such document at the time of filing or shortly thereafter. Legalization or notarization is not required.

Protectability

For a sign to be protectable as a registered trademark it must be capable of:

- being represented graphically (however, signs that cannot be represented graphically may be protected as unregistered trademarks); and
- distinguishing the goods and services of one undertaking from those of another undertaking.

In addition, the sign must not consist solely of a shape which:

- results from the nature of the goods themselves;
- is necessary to obtain a technical result; or
- gives substantial value to the product.

The Trademarks Act specifically names the following trademark forms:

- words, including personal names;
- (two-dimensional) designs;
- letters;
- numerals;
- sounds;
- three-dimensional designs, including the shape of goods or their packaging; and
- other product get-ups, including colours and combinations of colours.

Trademarks are refused registration on absolute grounds if:

- they are devoid of any distinctive character with respect to the relevant goods or services;
- they consist solely of signs or indications which may serve to designate the kind, quality, quantity, intended purpose, value, geographical origin, time of production or other characteristics of the goods or services;

- they consist solely of signs or indications which have become customary for designating the relevant goods or services;
- they are liable to deceive the public;
- they are contrary to public order or accepted principles of morality;
- they include national coats of arms, national flags or other national emblems or coats of arms, flags or emblems of an international organization;
- they include official seals of conformity; or
- their use would obviously be prohibited pursuant to other provisions in the public interest.

The absolute grounds for refusal listed in the first three bullet points may be overcome if the trademark applied for has acquired distinctiveness by way of use (a level of notoriety of at least 50% is usually required).

4. Procedures**Examination procedure**

Applications must be filed with the GPTO and must contain:

- information identifying the applicant;
- a reproduction of the trademark; and
- a list of the goods or services for which registration is sought.

A declaration of intent to use is not necessary. As Germany adheres to a multi-class filing system, it is not necessary to file separate applications for different classes of goods or services.

After filing an application the GPTO examines the application with respect to formalities (ie, payment of fees and classification of the goods and services) and absolute grounds for refusal. The GPTO does not carry out searches for conflicting older rights and does not examine the application with respect to possible relative grounds for refusal.

If objections are raised the applicant is invited to respond to these objections. If the objections are maintained and the application is rejected, the applicant can appeal to a senior examiner (depending on the qualification of the first examiner) and,

if the senior examiner upholds the decision, to the Federal Patents Court. A further appeal on legal grounds to the Federal Supreme Court is possible if leave to appeal is granted.

Registration

If no objections are raised by the GPTO the trademark is usually registered within six to 12 months of the date of filing. If an application for an expedited examination is made, the examination procedure is finalized and the trademark is registered within three to six months in order to enable the applicant to rely on the German priority for an international extension of the mark.

The initial registration is valid for a period of 10 years from the filing date. It can be extended for further periods.

Opposition

Germany has a 'registration first, opposition later' procedure – that is, oppositions can be filed only after a trademark has been registered.

A trademark registration can be opposed within a non-extendable time limit of three months following the date of publication of the registration of the trademark. Oppositions can be based on:

- previous trademark registrations or applications, including Community trademark registrations and applications and international registrations with protection in Germany;
- well-known trademarks within the meaning of Article 6bis of the Paris Convention;
- the fact that the trademark has been registered in the name of an agent or representative without the consent of the (rightful) trademark owner; and
- unregistered trademarks with notoriety and company names (under changes to the Trademarks Act entering into force on October 1 2009).

Oppositions cannot be based on registered or unregistered designs, or other IP rights.

The trademark owner can raise a plea of non-use if the opposition mark has been registered for more than five years prior to publication of the registration of the opposed mark. A plea of non-use can be raised at any

time in the proceedings (also at appeal stage). If the plea is admissible, the opponent must furnish *prima facie* evidence that the mark has been used to a sufficient extent.

After hearing the parties the examiner decides on the merits of the opposition. The parties have the right to appeal to a senior examiner and, if the decision is upheld, to the Federal Patents Court. A further appeal on grounds of law lies to the Federal Supreme Court. Costs are not usually awarded.

Opposition proceedings before the GPTO usually take one to two years. If the GPTO decision is appealed to the Federal Patents Court, the proceedings usually take another one or two years.

Removal from register

The registration of a trademark is, upon application, revoked for non-use if the mark has not been used to a sufficient extent for a continuous period of five years from the date of registration or, if an opposition had been raised against the mark, from the date of conclusion of the opposition proceedings. Use of the trademark by a third party with the consent of the trademark owner (eg, by a licensee) is deemed to constitute use by the owner. Use in a form differing from the registered form constitutes use of the mark if the differences do not alter its distinctive character. A registration can also be revoked upon application if, as a consequence of acts or the inactivity of the owner, the trademark has become a common designation for the relevant goods or services. The application must be filed with the GPTO. Any person is entitled to file such application. A legitimate interest is not required. If the owner does not oppose the application, the mark is cancelled. If the owner objects, the applicant must bring proceedings in the civil courts.

Upon application, a trademark is cancelled for nullity on absolute grounds if:

- the mark was not capable of being protected as a trademark at the time of registration;
- the ownership requirements were not met at the time of registration; or
- absolute grounds for refusal existed at the time of registration.

The bar to protection must still exist at the time when a decision is rendered.

An application for cancellation on absolute grounds must be filed with the GPTO. Any person is entitled to file such application – it is not necessary to show a legitimate interest. Under certain circumstances (eg, if the mark is contrary to public order), a trademark can also be cancelled *ex officio*.

A trademark can be cancelled for nullity on relative grounds if it infringes an earlier right with a better priority. A cancellation action based on older rights must be filed with the civil courts. Such an action can be based on the same rights on which an opposition could be, but also on (private) names, copyrights and other IP rights. The registration cannot be cancelled if the proprietor of the older right has acquiesced in the use of the later sign for more than five successive years.

The trademark owner may surrender the trademark at any time.

- an order to disclose and account for the scope and duration of the infringing use;
- a disclosure order with respect to the origin and the distribution channels of the infringing goods (under certain circumstances also against third parties);
- an order for the seizure of any infringing goods in the possession of or owned by the infringer; and
- an order for the recall and removal of the infringing goods from the channels of commerce.

Damages can be calculated in three ways:

- The trademark owner can claim compensation for the actual loss suffered due to the infringement;
- The owner can claim restitution of the profits made by the infringer with the infringing goods; or
- The owner can demand an adequate licence fee (ie, by calculating the damages based on the royalties the infringer would have had to pay if it had obtained a licence from the trademark owner).

5. Enforcement

Civil infringement actions

Trademark infringement actions must be brought in the civil courts. The regional courts have exclusive first-instance jurisdiction over all actions concerning registered and unregistered trademarks, as well as company names. Competence for trademark matters is concentrated in 21 regional courts. Regional court decisions can be appealed to the higher regional courts (the appeal courts), and then to the Federal Supreme Court.

Infringement actions can be based on:

- registered and unregistered trademarks;
- company name rights;
- (private) name rights;
- copyrights; and
- other IP rights, especially registered and unregistered designs.

The claimant can apply for:

- a cease and desist order;
- cancellation of the infringing trademark or removal of the infringing company name from the company register;
- an order to compensate for actual damages (punitive damages are not awarded);

In urgent cases the courts may issue preliminary injunctions, in particular:

- cease and desist orders;
- disclosure orders with respect to the origin and the distribution channels of the infringing goods;
- orders for the seizure of infringing goods and their sequestration by a bailiff; and
- orders for the recall of infringing goods from the channels of commerce (such orders have not yet been clarified by the courts).

Preliminary injunctions are issued only if the case is urgent. Such urgency is usually held to exist if the trademark owner applies for an injunction within one month of the date on which it first learns of the infringement and the infringer's identity. Preliminary injunctions are generally issued without the defendant being heard. The defendant is, however, entitled to apply for an oral hearing and a decision on whether the injunction is to be upheld. That decision can be appealed to the higher regional court. A further appeal is not allowed. The defendant can, however, force the claimant to bring main proceedings. The trademark owner

is liable for damages if it obtains a preliminary injunction which is later repealed.

In both main proceedings and preliminary proceedings, the losing party is, as a general rule, ordered to pay all costs, including the costs of the winning party.

Before taking legal action it is general practice for the trademark owner to issue a warning letter to the offender, demanding a cease and desist declaration. If court proceedings are initiated without such a warning the infringer may acknowledge the claim and plead that it has given no cause for legal action, and thus the trademark owner should bear the costs of the proceedings.

Timeframe

A preliminary injunction can usually be obtained within one to two working days. If the defendant applies for an oral hearing, such hearing is generally held within two to six weeks and a decision is rendered shortly thereafter. Thus, first-instance proceedings can often be resolved within six to eight weeks. Appeals usually take about six to 18 months.

Main proceedings are usually resolved at first instance in about six to 12 months, although this can vary considerably depending on the workload of the court and the circumstances of the case. Appeal proceedings take about one to two years. If a further appeal is lodged with the Federal Supreme Court, the proceedings may take a further two years.

Criminal proceedings

Anyone that, in the course of trade, unlawfully uses a sign that infringes prior trademark rights may be subject to criminal proceedings and punished by up to three years' imprisonment or a fine. The infringing goods and goods used in connection with the infringement can be seized and confiscated.

In cross-border cases, infringing goods are subject to seizure by the customs authorities upon request by the trademark owner.

6. Ownership changes and right transfers

Assignment

Trademarks and trademark applications can be assigned for some or all of the goods or services.

There are no formalities with respect to assignments. Recordal of an assignment is not mandatory. However, there is a statutory assumption that the person entered in the register as proprietor is entitled to all rights in the trademark. The assignment is entered into the register if the assignment is proved to the GPTO. In this respect, it is usually sufficient that both parties declare that the trademark has been assigned or that the assignee provide a letter of consent from the assignor or hand in the deed of assignment. Legalization is not necessary.

Licence

Trademarks and trademark applications can be licensed for all or some of the goods and services. There are no formalities with respect to licences. A licence cannot be recorded in the Trademark Register. Use of a trademark by a licensee is deemed to constitute use by the owner for the purposes of the use requirement.

7. Related rights

Trademark rights can overlap with design rights, the law against unfair competition (passing off) and copyright.

Design rights

Two and three-dimensional trademarks (eg. the trade dress or get-up of a product) can be subject to design law protection, either as a registered (Community or national) design or as an unregistered (Community) design.

Unfair competition

Trademarks may enjoy additional protection under the law against unfair competition. A product get-up or trade dress that could be protected as a two or three-dimensional trademark may also be protected by unfair competition law, thus enabling its owner to proceed (often successfully) against imitations and lookalikes that mislead customers and cause confusion in the marketplace or that unfairly exploit or impair the original manufacturer's reputation.

Comparative advertising can be misleading, and thus unfair, if it creates a likelihood of confusion with the goods or services, or with the trademarks, of a competitor.

Copyright

Two and three-dimensional trademarks (eg, logos or trade dress) can be protected by copyright if the protection requirements are met (ie, if the design is a “personal intellectual creation”). However, trademarks only rarely pass the threshold for copyright protection.

8. Online issues

Domain names

There is no special dispute resolution policy for German country-code top-level domain names.

The use of a trademark in a domain name can constitute use of the trademark for the purposes of the use requirement and can also result in protection as an unregistered trademark. Similarly, such use can constitute trademark infringement. In the case of an infringing domain name, the trademark owner can apply for a cease and desist order (concerning the use of the domain for specific goods or services), disclosure and damages. Until recently, courts have regularly ordered the cancellation of infringing domain names. However, there is a tendency in more recent jurisprudence to issue a cancellation order only if every perceivable use of the domain name would infringe the trademark owner's rights. A transfer of the domain name to the trademark owner cannot be requested.

Metatags

The use of a third-party trademark as a metatag constitutes an infringement as such use is regarded to be use as a trademark. This was clarified by the Federal Supreme Court in its 2006 *Impuls* judgment.

AdWords

In January 2009 the Federal Supreme Court referred the question of whether the use of a third-party trademark as a Google AdWord constitutes use as a trademark (ie, as an indication of origin) to the European Court of Justice.

Unregistered rights Protection for unregistered rights?	
Specific/increased protection for well-known marks?	
Examination/registration Representative requires a power of attorney when filing? Legalized/notarized?	
Examination for relative grounds for refusal based on earlier rights?	
Registrable unconventional marks	3-D, olfactory, other product get-ups (eg colours), shape of goods and packaging, sounds
Opposition Opposition procedure available? Term from publication?	3 months
Removal from register Can a registration be removed for non-use? Term and start date?	5 years of non-use from date of registration or end of opposition proceedings
Are proceedings available to remove a mark that has become generic?	
Are proceedings available to remove a mark that was incorrectly registered?	
Enforcement Specialist IP/trademark court?	21 specialist courts
Punitive damages available?	
Interim injunctions available? Time limit?	1 month from date of discovering infringing act and infringer
Ownership changes Is registration mandatory for assignment/licensing documents?	
Online issues National anti-cybersquatting provisions?	actions available based on general provisions
National alternative dispute resolution policy (DRP) for local ccTLD available?	