Finland

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1. Legal framework

National

The key national laws governing trademarks are as follows:

- the Trademarks Act (7/1964, as amended up to 393/2010);
- the Trademarks Decree (296/1964, as amended up to 370/2000);
- the Act on Collective Marks (795/1980, as amended up to 40/1993); and
- the Domain Name Act (228/2003, as amended up to 397/2009).

International

The national laws listed above also implement the relevant EU directives. As Finland is an EU member state, the Community Trademark Regulation (40/94) and other EU regulations have direct application.

In addition, Finland is a signatory to the following international treaties:

- 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 (TRIPs) attached to the Agreement Establishing the World Trade Organisation (1995).

2. Unregistered marks

Protection

Section 2 of the Trademarks Act provides: "A mark shall be considered established if it has become generally known in the appropriate commercial or consumer sectors in Finland as a symbol specific to the owner's goods." Thus, an unregistered mark may, through use, come to enjoy the same protection as a registered trademark.

The term 'appropriate commercial or consumer sectors' refers to the target group for the relevant goods or services – for example, individual consumers. Depending on the nature of the goods or services, the size of the appropriate group may vary considerably. For example, trademark rights might arise rapidly and with minimal marketing expenditure in the case of a mark attached to highly specialised tools used only by a small number of professionals. At the other end of the scale are goods or services that can be obtained by everyone, businesses and consumers alike.

The wording 'specific to the owner's goods' has generated some debate in the past since it can be interpreted as involving a requirement that not only the mark, but also the link between the mark and the owner, be known in the relevant target groups. However, it can now be stated with a moderate degree of certainty that it is not necessary for the target group to associate the mark with a certain entity from which the goods or services originate.

The relevant business or consumer circles are those situated in Finland. Consequently, use of the mark must typically occur in Finland and the awareness of the mark must have nationwide scale. In exceptional circumstances extensive foreign marketing may cause the mark to become established even where the goods in question are not marketed in Finland or are sold only in certain part of the country.

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 can thus be registered by the National Board of Patents and Registration (NBPR). Due to the obvious disadvantages inherent to unregistered trademark rights, it is generally advisable to seek registration of the mark rather than rely on establishment.

Use requirements

The sufficient decree of awareness to establish a mark is assessed on a case-by-case basis. The requisite level of use is heavily dependent on the target group for the relevant goods or services. As a general principle, however, use must be nationwide and quite extensive.

In one of the leading Supreme Court cases (KKO 1987:11), Adidas Sportschuhfabriken Adi Dassler KG sought to rely on an established trademark right as the basis of an infringement claim. The Supreme Court was presented with statistically valid nationwide

market research, according to which:
- 54% of all respondents and 64% of respondents between the ages of 15 and 34 had indicated that sports shoes decorated with three diagonal stripes originated from a single manufacturer; and
- 35% and 49% of the respondents, respectively, identified the related brand as Adidas.

On the basis of this evidence, the Supreme Court found that:
- a three-stripe pattern used on sports shoes had become generally known in the relevant consumer sector as a mark specific to Adidas; and
- the mark had thus been established.

3. Registered marks

Ownership
Under Finnish law, any private person, company, association or public organisation may apply for and own a trademark.

Scope of protection
According to Section 1 of the Trademarks Act, any mark that can be represented graphically and can distinguish the goods marketed in business from those of others may serve as a trademark. A trademark may, in particular, consist of words, including personal names, figures, letters, numerals, or the shape of goods or their packaging.

According to the Section 13 of the Trademarks Act a trademark 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.

Section 14 of the Trademarks Act lists the following as relative grounds for refusal – although no consent to registration can be obtained in relation to the first two cases:
- The mark is contrary to law and order or to morality.
- The mark is liable to mislead the public.
- The mark incorporates, without authorisation, national armorial bearings, a national flag or other emblem, a sign or hallmark indicating control and warranty used by the state for goods of the same or similar type as those for which registration is sought, the armorial bearings of a Finnish commune, the flag, armorial bearings or other emblem, name or abbreviated name of an international organisation, or any device or emblem, name or abbreviated name liable to be confused with such symbols or emblems, marks or names.
- The mark is composed of or contains anything likely to give the impression of being another party's protected trade name, auxiliary trade name or secondary symbol as referred to in the act, or the name or likeness of another person, unless such name or likeness plainly relates to someone long deceased.
- The mark is composed of or contains anything likely to give the impression of being the original title of another party's protected literary or artistic work, or constitutes an infringement of another's copyright in such a work or of his or her rights in a photographic illustration or protected design.
- The mark is liable to be confused with another party's name or protected trade name, auxiliary trade name or secondary symbol, earlier registered trademark or trade symbol that is already established when registration is sought.
- The mark is liable to be confused with a trade symbol used by another party for its goods at the time of application, if the applicant is aware of such use at the time of application and has not used its own mark before the other trade symbol came into use.
- The mark is liable to be confused with a trademark protected by an international registration valid in Finland or in the European Community that enjoys an earlier right in Finland or in the European Community on the basis of such registration.

- The mark is liable to be confused with a Community trademark within the meaning of the act that has been registered on the basis of an earlier application or that has seniority in Finland under Article 34 or 35 of the Community Trademark Regulation.
- The mark is liable to be confused with a registered name of a plant variety.
- There is an obstacle to registration within the meaning of EU Regulation 2081/92 on the protection of geographical indications and designations of origin for agricultural products and foodstuffs.

Marks with reputation

The NBPR established a separate list for trademarks with reputation by its decision of June 6 2007 and has been accepting applications since August 15 2007. The list is outside the scope of ordinary trademark examination practice and is distinctly separate from the official Trademark Register. Therefore, entry to the list gives no concrete additional legal rights to a rights holder. For example, the NBPR does not automatically consider any mark on the list as a bar to registration of an ordinary trademark application, but will instead notify both parties of the possible similarity. The key benefit to any rights holder is that by registration the proprietor obtains an authoritative decision on a mark's reputation in Finland. Registration in the list is a strong indication that the mark with reputation will be regarded as such by the courts and other authorities.

The official fees are moderately high, as follows (excluding taxes):

- application fee – €1393.44;
- registration fee – €655.74; and
- renewal fee (due every five years) – €2049.18.

4. Procedures

Examination

An application must be submitted to the appropriate authority, the NBPR. The first phase – examination for formal deficiencies – typically occurs within one month. After that the application is assigned to a lawyer acting as the examiner. The examiner will then conduct a full review covering both absolute and relative grounds for refusal.

The NBPR issues no formal notifications, except where it finds the application lacking. Where deficiencies are found, the NBPR 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.

Once the NBPR deems the application registrable, it will be registered and published in the *Trademark Journal*. Where the NBPR issues no official actions, the average time from submission of the application to registration is just under seven months.

Opposition

Under the Trademarks Act, any interested third party may file a formal opposition against a registered trademark within two months of the date of the public notice. If the opposition is not directly deemed unfounded, the NBPR will set a date for the owner to present a written response. An opposition typically takes between one and two years to process. Should the opponent succeed, the NBPR will revoke the registered trademark.

If either party is dissatisfied with the opposition decision, the issue may be appealed to the NBPR's Board of Appeal. The processing time for appeals is two to three years. The eventual decision of the Board of Appeal may be further appealed to the Supreme Administrative Court, which will typically issue its decision within one year.

Registration

The trademark application is accepted once any deficiencies have been remedied to the satisfaction of the NBPR. The mark is then registered and published, upon which the opposition period is triggered. The NBPR will issue a registration certificate and send it to the trademark attorney or the owner (as the case may be). There are no official fees payable at the registration phase.

The registered trademark 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 establishes a six-month grace period, starting from the date of expiration, during which the trademark may be renewed for an additional fee.

Removal from register

Surrender: The owner of a registered trademark may at any time request that the mark be removed from the Trademark Register, or that the classification be restricted by removing goods or services from it (Section 24 of the Trademarks Act). Should a pledge be registered over the trademark in question, written consent from the pledgor is also required.

Revocation: According to Section 26 of the Trademarks Act the Helsinki District Court will declare the registration lost if a trademark remains unused for a period of five years. The owner need not use the mark itself, as all use occurring with the owner's consent is deemed equivalent to the owner's own use.

However, the Trademarks Act provides that a mark will not be declared lost where the owner can show acceptable reasons for non-use. Although no recent authoritative case law exists, it is likely that non-use will be found acceptable only when the restriction of use is caused by legal obligations. (See also Article 19 of the TRIPs Agreement regulating valid non-use.)

The trademark cannot be declared lost also if the owner begins using the mark before the legal proceedings are initiated. However, as an exception to this, Section 26 of the Trademarks Act provides that use which occurs 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 invalidation can be made".

The other grounds on which a registered or established trademark may be declared lost are that the trademark has lost its distinctiveness or that it has become misleading or contrary to law, order or morality.

Invalidation: The trademark may be removed by the NBPR, exercising its administrative powers, only where the mark was registered as a result of a clear error. If the trademark has been registered and no oppositions have been filed, the removal needs a request by the owner. Otherwise, the authority to invalidate a registered or established trademark is vested in the Helsinki District Court. Decisions of the district court may be appealed to the Helsinki Court of Appeal, whose decisions may in turn be appealed to the Supreme Court. Anyone who suffers harm from the registration is entitled to bring a claim in an invalidation action.

Pursuant to Section 25 of the Trademarks Act and the reasonable time set in Sections 8 and 9, a claim to invalidate a trademark may be initiated on the grounds that the registration is contrary to the Trademarks Act. Thus, any relative or absolute grounds serve as valid grounds in an invalidation action.

Searches

The NBPR conducts various preliminary searches on registrability, as do most private practitioners. The NBPR search reports are not binding and provide little additional information other than a brief note of the opinion of the NBPR Marketing and Business Services Unit. However, they are delivered reasonably swiftly and are inexpensive to order.

In comprehensive examination the potential absolute and relative grounds for refusal to registration are considered. The price in one class (excluding taxes) for word marks is €168.03 and €40.98 for each subsequent class. For figurative marks without any verbal elements the prices are €86.07 and €40.98; and for marks comprising both figurative and verbal elements €213.11 and €57.38, respectively.

The limited searches include identity and availability searches of word marks, and it is also possible to request a NBPR opinion on the distinctiveness of a mark. The price excluding taxes is €49.18 for up to 10 international classes and €40.98 for each further set of 10 classes. The availability searches cost €127.05 for one international class and €40.98 for each additional class. An opinion on distinctiveness can be ordered for €86.07 for one international class, with a fee of €40.98 for each subsequent class.

5. Enforcement

Disputes

The Helsinki District Court has sole competence to hear trademark disputes at first instance. In practice, trademark infringement cases are usually initiated as civil actions in accordance with the Civil Procedural Code (4/1734), but in serious cases it is also possible to institute criminal proceedings in accordance with the Penal Code (39/1889). The Helsinki District Court also hears claims brought against foreign trademark owners.

The losing party is entitled to appeal to the Helsinki Court of Appeal, which may, as a second instance, examine the case with respect to questions both of evidence and of law. The appeal procedure is mainly conducted through written submissions, but an oral hearing will be held if requested by one of the parties involved in a civil case or if the appellate court is obliged to evaluate the validity of testimony given in the district court.

The court of appeal decision can be further appealed to the Supreme Court. In trademark cases, as in all other civil proceedings, permission to appeal must first be obtained from the Supreme Court. Permission will be granted:

- if the Supreme Court considers the matter to be of importance in ensuring the consistency of case law in similar cases;
- if an appeal is considered necessary due to a procedural error that would ultimately lead to the reversal of the judgment; or
- for some other important reason (as assessed by the court).

In practice, permission to appeal is granted in less than 10% of all cases.

According to Section 38 of the Trademarks Act, the court may prohibit a party infringing a trademark from continuing or repeating the infringing activity. 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 modify the compensation awarded at its discretion. However, if no negligence took place, the infringing party must pay reasonable compensation for the use of the trademark.

According to 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 under Section 2 of Chapter 49 of the Penal Code, be sentenced to a fine for a violation of trademark rights." In the case of a registered trademark, no penalty may be imposed unless the infringement occurred after the date of registration.

According to 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. The right to compensation lapses after this period. However, a claim for damages may be brought for infringement through use that occurred prior to registration, provided that the claim is brought within a year of registration of the trademark in question.

According to Section 41 of the Trademarks Act 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 to ensure 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 infringement is deliberate, the public prosecutor or the court may:

- order that the offending materials be confiscated if the plaintiff so requests; and
- provide adequate security for any financial damage suffered by the defendant as a result.

According to Section 41(a) of the Trademarks Act, the court may order the defendant to compensate the claimant's costs in publishing the final and unappealable judgment finding the infringement of trademark rights. Such an order shall not be issued if the distribution of such information is restricted by other legislation. This provision is based on the EU IP Rights Enforcement Directive (2004/48/EC).

According to Section 48(a) of the act, at the request of the rights holder the court may order the service provider for a transmitter, server or other corresponding equipment to suspend use that allegedly infringes a trademark if the suspension cannot be seen as unjust considering the rights of the alleged infringer, service provider and rights holder. Failure to do so may incur a fine.

The swiftest way of responding to unauthorised trademark use is by seeking a precautionary injunction, which may be initially granted on an *ex parte* basis. Before an injunction can be executed, the claimant is usually ordered to provide adequate security for any financial damage suffered by the defendant as a result.

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

Timeframe

The average duration of a trademark infringement case before the Helsinki District Court is between 12 and 18 months. Decisions in trademark infringement cases may be appealed to the Helsinki Court of Appeal. The appeal proceedings generally take from one to two years. District court decisions in injunction applications are usually given reasonably swiftly – sometimes even within a day, where necessary.

Permission to appeal to the Supreme Court may be sought within 60 days of the date of the court of appeal decision. This final appeal process can take from six months (if permission to appeal is not granted) to approximately 18 months. If the court of appeal decision is not appealed within this timeframe, the judgment will become final.

6. Ownership changes and rights transfer

Assignment

There is no requirement to legalise documentation in Finland. The trademark owner may transfer all or some of the goods or services for which the trademark is registered or has become established. The transfer of a registered trademark is, upon request, recorded in the Trademark Register maintained by the NBPR.

Licensing

The rights holder may grant to another person a licence to use the trademark in its business without relinquishing IP rights in the trademark. Chapter 5 of the Trademarks Act provides that the licence may be either exclusive or partial in regards to the area and the goods or services covered. Such licences may be entered in the Trademark Register on request. The NBPR, as the registering authority, has a right to refuse the entry if use of the licensed trademark is clearly liable to mislead the public. A trademark licence not entered in the register shall not affect a third party who has obtained rights to the trademark in good faith. Unless otherwise agreed, the licensee may not transfer its rights to a third party.

7. Related rights

Under Finnish law, trademark protection does not exclude the application of any 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, trade names, design rights (shapes) and copyright, provided that the criteria for protection under each individual IP right are satisfied.

8. Online issues

The same governing principles of trademark protection also apply in cyberspace. Consequently, any potentially infringing activity is assessed within the same framework, insofar as this is possible. There is practically no established national case law on the more unique forms of trademark use online, such as in search engine advertisements or links.

The new Domain Name Act (228/2003) entered into force on September 1 2003. Under the act any business or private entrepreneur may now apply for practically any domain name, since the competent authority (the Finnish Communications Regulatory Authority (FICORA)) conducts no screening of trademark or trade name databases in advance.

Should a registered domain name infringe another party's trademark right, FICORA may either disconnect the domain name for a specified period or cancel the registration and transfer it to the claimant. An administrative decision of FICORA may be appealed before the Administrative Court and ultimately before the Supreme Administrative Court. The Domain Name Act also seeks to prevent any actions related to cybersquatting. It is also possible to initiate civil proceedings before the district court in conjunction with this administrative procedure in order to prohibit use of the domain name.

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Unregistered rights	
Protection for unregistered rights?	✓
Specific/increased protection for well-known marks?	✓
Examination/registration	
Representative requires a power of attorney when filing? Legalised/notarised?	✓ / ✗
Examination for relative grounds for refusal based on earlier rights?	✓
Registrable unconventional marks	3-D, colours, colour combinations ✓
Opposition	
Opposition procedure available? Term from publication?	2 months ✓
Removal from register	
Can a registration be removed for non-use? Term and start date?	After 5 consecutive years' non-use ✓
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?	But centralised to certain courts ✗
Punitive damages available?	✗
Interim injunctions available? Time limit?	Can remain in force for extended periods (until final decision is reached) ✓
Ownership changes	
Is registration mandatory for assignment/licensing documents?	✗
Online issues	
National anti-cybersquatting provisions?	✓
National alternative dispute resolution policy for local ccTLD available?	✓