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ATTORNEYS AT LAW | PATENT AND TRADEMARK AGENTS

Trademarks, Patents, Utility Models,
Industrial Models and Designs,
Trade Secrets, Licencing, Unfair Competition,
Anti-counterfeiting, Copyright, Litigation
and Administrative Proceedings.

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1. Legal framework

The relevant national trademark laws are:

- Law 22.362 on Trademarks and Commercial Designations; and
- Decrees 558/81 and 1141/03 implementing regulations of the Law on Trademarks and Commercial Designations.

Argentina is bound by the following international treaties:

- the Paris Convention Treaty (Lisbon version);
- the General Agreement on Tariffs and Trade and the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS); and
- the Nice Agreement.

2. Unregistered marks

The Argentine legal system follows the 'first to file' principle, as opposed to the 'first to use' principle, to award ownership rights in a mark (Section 4, Law 22.362). No right exists until registration is granted by the *Instituto Nacional de la Propiedad Industrial* (INPI). However, the courts have long since recognized rights in unregistered trademarks through use based on general legal principles, particularly Sections 953, 1071 and 1198 of the Civil Code, which prohibit any actions contrary to moral principles and good practice. The courts have acknowledged the value of unregistered marks in the following cases:

- to oppose applications for the registration of marks that are identical or confusingly similar to unregistered marks;
- to request the nullity of a subsequent trademark registration obtained in bad faith;
- to interrupt the improper or unlawful use of identical or confusingly similar trademarks;
- to obtain a court order for preventive or provisional measures; and
- to overcome an opposition filed against an application to register an unregistered mark.

As the recognition of rights in unregistered trademarks has originated in court decisions, the scope and intensity of use required are evaluated on a case-by-case basis. However, the courts agree that an unregistered mark deserves protection when there has been public and continued use thereof, which has consequently allowed the owner to generate significant goodwill.

3. Registered marks

Ownership

Trademarks may be applied for by any person, national or foreign, with a legitimate interest in the mark. This includes individuals as well as corporations, associations and organizations of any kind duly recognized to own rights locally or in the country of origin. No evidence of such interest is required unless questioned by a third party.

Scope of protection

The general principle established by law is that all signs capable of being distinctive may be registered. The law provides a list of registrable signs which is consistent with general international standards.

Following this general principle, the INPI has already granted registration to marks consisting of three-dimensional shapes (essentially the form, colour distribution and design of several buildings such as petrol stations and fast-food restaurants), olfactory marks and sound marks. However, the chances of success in obtaining registration of a non-traditional mark depend on the circumstances of each case.

The law lists two groups of trademark which may not be registered:

- signs which are not sufficiently distinctive to be considered trademarks (eg, the current designation of a product or service, signs which have become part of general use); and
- signs which are sufficiently distinctive to be considered trademarks but whose registration is expressly banned by law.

Under Argentine law, a trademark may be applied for in any and all of the 45 classes.

The applicant may also choose to claim protection on all goods or services included in the class – no description of the goods or class headings required.

Use of a registered trademark to identify a product or service, or as a trade name, is sufficient to maintain the validity of all registrations of that trademark.

4. Procedures

Applications are submitted to the INPI. Upon filing, priority on a foreign application may be claimed as per Article 4 of the Paris Convention. The priority document (a copy of the foreign application issued by the original Trademark Office) may be filed together with the application or within 90 days of the filing date. No legalization of the priority document is needed, but a Spanish translation is required.

The INPI initially conducts a preliminary formal examination. If no objections are raised, the application is published once in the *Trademark Bulletin* for opposition purposes. Currently, applications are published approximately 50 to 60 days after the filing date.

Opposition

Any third party with a legitimate interest may file an opposition against a new application within a non-extendable 30-day period following the publication date. The basis of the opposition may be either:

- a likelihood of confusion with a prior registration or application;
- an existing trade name; or
- any of the reasons which the law expressly determines to be an obstacle to registration (eg, designations of origin, deceptive trademarks).

An opposition may also be filed by the owner of an unregistered trademark. The owners of unregistered marks will succeed in such cases only where such marks have been used in the country and have obtained demonstrable goodwill.

The main characteristic of the Argentine system is that the INPI does not decide on the

merits of oppositions. Therefore, it is up to the applicant to seek an amicable settlement with the opponent or resort to the courts. The timeframe for the parties to settle an opposition lasts for one year from the date on which they are officially notified. Settlements usually include a restriction or exclusion of goods or services, an undertaking or a coexistence agreement. If no settlement is reached, the applicant may choose either to abandon the application, or to start a lawsuit against the opponent for unfounded opposition.

Mediation is compulsory prior to filing of the claim. Mediation and filing of the claim should take place prior to the one-year deadline.

Substantial examination

After the 30-day opposition period, the application is submitted to an initial substantive examination by the examiners, who will notify any objections together with the oppositions filed by third parties. Such official notification is made by means of a single publication in the *Trademark Bulletin*.

The one-year period to settle oppositions begins on the publication date. The INPI's objections to registration should be answered within 90 days of publication date; a 60-day extension is possible upon request.

Registration

If no oppositions from third parties are filed and no objections of any kind from the INPI are raised, registration is granted approximately 20 months after the filing date.

If oppositions are filed by third parties or objections are raised by the INPI, the application will proceed to registration if the applicant prevails over or settles all oppositions and responds satisfactorily to all objections raised by the INPI.

Registration is published in the *Trademark Bulletin*.

Rejection of an application by the INPI may be appealed before the higher administrative boards and/or before the courts – applicants usually choose the latter approach.

Certificates of registration are issued and delivered within approximately eight months from the registration date upon the registrant's request.

Duration

A trademark is registered for a 10-year term from the registration date and may be renewed indefinitely for further 10-year periods. The new 10-year term shall be counted from the date of the resolution granting renewal.

An application for renewal will proceed provided that the trademark has been used in the five years prior to its expiration. For this purpose, the applicant is required to file a sworn statement declaring that the trademark has been used in Argentina within that period, indicating the goods or services identified with the trademark or whether the mark has been used as part of the designation of an activity. There is no need to submit evidence to support this statement. Renewal applications are not subject to opposition.

Removal from register

Proprietary rights in a trademark may be lost for four reasons:

- voluntary cancellation;
- expiration of the registration where no renewal application has been filed;
- as a result of a court decision cancelling the registration on the grounds of non-use; or
- as a result of a court decision declaring the registration null and void.

Voluntary cancellation: The owner of a trademark registration may voluntarily apply for its cancellation, which may be total or partial.

Expiration: A trademark registration expires 10 years after grant. The law provides no grace period for late filings or renewals.

Cancellation for non-use: Any third party with a legitimate interest may file a cancellation action against a trademark registration on the grounds of non-use. The cancellation action will proceed only if the trademark has not been used within the five years prior to filing of the action, unless *force majeure* is alleged and proved by the trademark owner. Although cancellation becomes effective as from the date of the court decision, it is retroactive to the filing date of the claim. Since the actual and serious use of a trademark to identify any product, service or trade name is sufficient to maintain all registrations, there is no possibility to request partial cancellation.

Nullity action: A trademark registration

may be declared null and void where:

- the trademark has been registered in violation of the Trademark Law. This applies to registrations of signs which do not qualify as trademarks, signs whose registration as trademarks is specifically forbidden by law and registrations for which some formal requirement was omitted;
- the owner of the registration knew or should have known that the trademark belonged to a third party. Unlike the Paris Convention, Argentine law does not require notoriety of the trademark. Naturally, notoriety may lead the courts to assume that the owner of the registration knew that the trademark belonged to a third party; or
- the trademark was registered with the sole intention of selling it by someone whose current activity is the registration of trademarks. This provision aims to prevent the registration of trademarks for speculative reasons.

Although the law mentions nullity actions only with regard to registered trademarks, the courts have held that this action also applies to trademark applications in similar circumstances.

5. Enforcement

The owner of a registered trademark may file civil or criminal actions aimed at obtaining a court order to stop the improper or unlawful use of its sign and recover damages. In addition, Section 38 of Law 22.362 provides that the civil courts may order the following preventive or provisional measures in case of infringement of a registered trademark:

- the seizure of all infringing goods;
- an inventory and description thereof; and
- the seizure of samples.

In order to obtain these measures, the applicant must meet three requirements:

- It must have a *prima facie* case;
- There must be risk involved in case of delay; and
- It must provide a sufficient bond to be determined by the judge.

Since the enactment of Section 50 of the TRIPs Agreement, a trademark owner can further request a provisional measure aimed at immediately preventing the use of the sign while the main judicial action is pending before the court for final judgment. Such a decision is exceptional because the judge is foreshadowing the final outcome of the lawsuit. Therefore, in addition to the three above requirements, the plaintiff must provide sufficient evidence of real and irreparable damage caused or likely to be caused by the improper use of the trademark.

Section 50 of the TRIPs Agreement also applies to protect an unregistered mark. The leading case on the issue is *Lionel's SRL* (CNCF, Court of Appeals, Division II, November 24 1998), in which the court granted the owner of an unregistered mark provisional measures after the plaintiff proved its legitimate right in such mark. However, this was an exceptional case.

Only the owner of a registered trademark is entitled to file a criminal action (as defined under Section 31 of Law 22.362) against trademark infringements. Thus, criminal actions are not available to the owner of an unregistered mark.

An action to prevent or prohibit use of a trademark and recover damages may take between two and four years, depending on the amount of evidence to be produced during the discovery period. Trademark cases seldom reach the Supreme Court. If they do go to the Supreme Court, resolution will take a further two years.

Preliminary or preventive measures and/or injunctive relief may be obtained within one to two weeks, depending on the case.

6. Ownership changes and rights transfers

Recordal of assignments, mergers or changes of name is not compulsory. However, it is advisable to request recordal as otherwise these changes have no legal effect against third parties.

The following documents are required:

- for a recordal of assignment, an assignment document signed by both parties;

- for a recordal of merger, the merger document issued by the companies or a certificate of the commercial registrar attesting the merger; and
- for a recordal of change of name, a change of name document issued by the companies or a certificate of the commercial registrar attesting the change of name of the company.

Notarial certification and legalization through apostille or the Argentine consulate are required in all cases.

Licence agreements need not be recorded. However, in some cases their recordal is carried out for the sole purpose of obtaining tax benefits. In such cases a simple copy of the relevant documents translated into Spanish by a public translator will suffice. No legalization is required.

7. Related rights

In certain cases, distinctive signs that may be registered as trademarks possess qualities and characteristics that call for protection under other IP legislation – for example, cases where a distinctive sign may be registered as a trademark, but is also sufficiently original to deserve protection under the Copyright Law (11.723). Similarly, a distinctive sign that meets certain ornamental characteristics may also be protected under the Industrial Models and Designs Regulation (Decree 6.673/3). In such cases the legal system allows a sign to be protected under both trademark and copyright or design law.

8. Online issues

The registration of domain names under the country-code top-level domain '.ar' is handled and administered by Network Information Centre Argentina (NIC.ar), part of the Ministry of Foreign Affairs. NIC.ar has issued rules that regulate and govern the registration of such domain names and the assignment or transfer thereof (for a complete version of these rules, visit www.nic.ar). However, NIC.ar provides no solution for cases in which a trademark

belonging to a third party is registered as a domain name. Fortunately, the courts have ordered the cancellation of domain names registered in bad faith, including those incorporating distinctive signs owned by third parties. These cancellation orders have been issued both on a temporary basis, within the scope of provisional measures ordered under Section 50 of the TRIPs Agreement, and on a permanent basis after filing a judicial action to prevent or prohibit the use of those trademarks. The leading case is *Heladerías Freddo* (November 11 1997), in which the intervening judge held that “a domain name identical to an existing trademark may be held or used only by its legitimate owner”.

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, aspects of packaging, colours, olfactory, sounds ✓
Opposition	
Opposition procedure available? Term from publication?	30 calendar days ✓
Removal from register	
Can a registration be removed for non-use? Term and start date?	5 consecutive years of non-use prior to judicial request for cancellation ✓
Are proceedings available to remove a mark that has become generic?	case-by-case basis ✓
Are proceedings available to remove a mark that was incorrectly registered?	✓
Enforcement	
Specialist IP/trademark court?	✗
Punitive damages available?	✗
Interim injunctions available? Time limit?	Article 50 GATT/TRIPs ✓
Ownership changes	
Is registration mandatory for assignment/licensing documents?	✗ / ✗
Online issues	
National anti-cybersquatting provisions?	✗
National alternative dispute resolution policy (DRP) for local ccTLD available?	✗