

Sweden

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1. Legal framework

National

The basic domestic legislation in Sweden is the Trademark Act (1960:644) together with the government ordinance enacted under it, the Trademark Ordinance (1960:648). The EU First Trademark Directive (89/104/EEC) is implemented in the Trademark Act. The act also contains certain provisions that are requirements of the Community Trademark Regulation (40/94).

Other domestic laws regulating trademark protection are:

- the Collective Trademark Act (1960:645);
- the Marketing Act (1995:450);
- the Customs Act (2000:1281);
- the Business Names Act (1974:156); and
- the Names Act (1982:670)

International

Several international conventions and agreements form part of the legislative framework regarding trademarks in Sweden. As noted, by virtue of its membership of the European Union, the Community Trademark Regulation and the First Trademark Directive apply in Sweden.

Sweden has also signed the following international conventions and agreements:

- the Paris Convention for the Protection of Industrial Property Rights;
- the Agreement on Trade-Related Aspects of Intellectual Property Rights;
- the Trademark Law Treaty;
- the Nice Agreement; and
- the Madrid Protocol on the International Registration of Marks.

2. Unregistered marks

Protection

Unregistered marks are protected if they are established in Sweden through use. The owner of the established trademark enjoys the same legal protection as the owner of a registered mark.

Use requirements

Unregistered marks are protected by the Trademark Act. An unregistered trademark is considered as established if it has become known as a sign for the goods provided under the trademark to a significant section of the relevant consumers at which it is directed.

An unregistered trademark may also be protected under the Marketing Act. Third-party use of a trademark can be prohibited under the act if:

- the mark is identical or similar to a well-known trademark and will cause confusion as to the origin of the third party's goods; or
- such use constitutes parasitic use that exploits the reputation of a well-known mark.

3. Registered marks

Ownership

The legal basis for registration and ownership of trademarks is regulated by the Trademark Act. Any natural person or legal entity can apply for and own a trademark. The trademark owner has the exclusive right to use or to permit others to use the trademark. The registration and examination of the trademark application are carried out by the Swedish Patent and Registration Office (PRV).

Scope of protection

According to the Trademark Act, a trademark can consist of any sign capable of being represented graphically, including personal names, designs,

letters, numerals, and the shape of goods or their packaging, provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings.

A trademark may not be registered if it lacks distinctiveness. A sign that on its own, or with only minor changes or additions, represents the kind, character, quantity, use, price, geographical origin or time of manufacture of the goods shall not be deemed to have distinctiveness. Also, a trademark may not be registered if it consists only of a shape:

- derived from the nature of the goods;
- that is needed to achieve a certain technical result; or
- that is intended to give the goods substantial value.

Furthermore, a trademark may not be registered if:

- the sign includes a national or international sign or municipal arms that may not be used as a trademark without authorization, or a sign which could be confused with the aforementioned signs;
- the sign is intended to mislead the public;
- the sign in any other way is contradictory to law or general order, or is intended to cause offence;
- the sign includes or consists of something that is intended to be perceived as another party's firm name, family name, artist's name or similar name, or another party's portrait, unless the name or portrait refers to someone long since deceased;
- the sign contains something that is intended to be perceived as the title of another party's protected literary or artistic work, of which the title is distinctive, or violates another party's copyright;
- the trademark is confusingly similar to a firm name used in business by another party, or another party's trademark which is registered after a prior application or which is established when the application is made;

- the trademark is confusingly similar to a sign that is used by another party at the time of application, where the application has been made with knowledge thereof and the applicant has not used its trademark before the other trademark was put to use;
- the trademark is confusingly similar to a trademark covered by a prior international trademark registration in force in Sweden; or
- the trademark is confusingly similar to a prior Community trademark.

4. Procedures

Examination

The PRV ensures that the registration formalities are observed by the applicant upon receipt of the application and that there are no absolute grounds for refusal. Furthermore, the PRV ensures that the list of goods or services corresponds with the Nice Classification and is in conformity with PRV rules. If the PRV finds that a trademark is partly descriptive and has reason to assume that registration of the mark may cause uncertainty as to the scope of the exclusive right, this element may be explicitly excluded from the registration. In such case the PRV will issue an official action and request that the applicant accept a disclaimer for the descriptive part of the trademark.

The PRV will also make a search for relative grounds for refusal and for prior registered rights in the form of Swedish, Community or international trademark applications or registrations, Swedish company names and Swedish surnames. If trademarks, company names or surnames are found which may present an obstacle to registration, the PRV will issue an official action to the applicant. The applicant can argue against the official action and/or obtain consent from the holder of the prior right. If the prior right is identical to the trademark in the application, the examiner may not accept

consent, as two identical registrations may be considered deceptive to the public. The PRV's decision may be appealed to the Swedish Court of Patent Appeals and thereafter to the Swedish Supreme Administrative Court. Amendments to the Trademark Act abolishing examination on relative grounds by the PRV are under discussion and are – tentatively – expected in 2008.

Opposition

When a registration has been published by the PRV, any party may file an opposition against registration within two months. The opposition must provide reasons. No opposition fee is required. The PRV will consider the opposition and notify the owner of the registered right, inviting it to submit its observations. The PRV will then decide to uphold, alter or revoke the registration. Alteration can be made only with the consent of the affected party.

The PRV's decision may be appealed to the Swedish Court of Patent Appeals and thereafter to the Swedish Supreme Administrative Court.

A registered trademark may be revoked at any time after its registration if it subsequently emerges that the trademark was registered contrary to the provisions of the Trademark Act.

Registration

The PRV registration fee is Skr1,700 (approximately €180) for the first class and Skr800 (approximately €85) for each additional class if the application is filed by fax or post. If the application is filed electronically the fees are Skr1,300 (approximately €140) for the first class and Skr600 (approximately €65) for each additional class. The renewal fee is Skr1,400 (approximately €150) for the first class and Skr700 (approximately €75) for each additional class.

The application is registered and published after examination by the PRV in accordance with the

above. If the application is complete and there are no other obstacles, the application is usually registered 10 to 12 weeks after the application was filed.

A Swedish trademark registration is valid for 10 years and should be renewed every 10 years. The validity period runs from the date of registration. Renewals are usually registered six to eight weeks after the application was made.

Five years after the completion of the registration procedure, a requirement of use sets in. This means that any interested party may make a claim to a district court for revocation of the mark if it has not been put to use. If the trademark owner cannot document that the mark is in use or has been used for the relevant goods and services during the five years since registration, the mark may be partially or completely revoked. The same applies if the trademark has not been used for a consecutive period of five years. The PRV does not monitor whether the requirement of use is fulfilled, and use is not a condition for renewal.

Removal from register

Revocation: A registered trademark right can be revoked if the trademark:

- is registered in conflict with the provisions of the Trademark Act;
- is misleading;
- no longer has distinctiveness;
- is contradictory to general order;
- is intended to cause offence; or
- has not been put to effective use five years from the completion of the registration procedure or has not been used for a consecutive period of five years – unless there is a reasonable reason for the non-use.

If one or more of the above conditions are fulfilled, anyone to whom the registration is detrimental can request that the trademark be revoked by a district court.

Removal: A trademark will be removed from the Trademark Register at the owner's request or if the registration is not renewed. The trademark can also be removed from the register if the registration is revoked because of opposition or if the trademark has been revoked through a court decision.

Searches

The following applies regarding searches conducted by the PRV:

- The earliest date from which searches are available is 1885.
- A search for identical/similar trademarks costs Skr4,800 (approximately €510) and includes three classes. Searches in additional classes cost Skr600 (approximately €65) per class.
- A search of all classes is possible at a cost of Skr600 per class. However, it is also possible to pay hourly for the search at Skr600 per hour, which usually ends up being a cheaper option.
- Searches include names and slogans.
- A search of traditional graphic marks is possible. At a cost of Skr1,500 (approximately €160), it is possible to order a search only for logotypes without text.
- Search of non-traditional graphic marks (eg, sound or smell marks) is possible.

5. Enforcement

Complexity

Opposition proceedings: Opposition has to be made within two months of the registration date. Opposition is a fast and cheap way to prevent similar trademarks from being registered. Opposition is possible only against registered trademark rights and not unregistered marks.

Civil proceedings: To prevent actual use or to obtain damages for unlawful use of the trademark, the owner of the trademark must file an action with the district court. The court can grant interim injunctions prohibiting further use of a trademark

under certain circumstances and if a deposit is made for the alleged infringer's possible loss. The district court can also order that infringing products be destroyed – this also includes equipment used in their manufacture – or altered.

Criminal proceedings: Careless or intentional violation of a trademark right can be punished by a fine. Under particular aggravating circumstances, especially if the aim is to profit unlawfully from the infringement, the punishment can be up to two years' imprisonment.

Customs control: The trademark owner may ask Customs to seize infringing goods upon arrival at the border. EU Customs Regulation 1383/2003 allows Swedish Customs to take action against goods that are suspected of infringing IP rights. Trademark owners have the opportunity to request that Customs seize suspected infringing goods, but the request must follow certain guidelines stipulated in the regulation. If Customs seizes infringing goods, the trademark owner or the trademark owner's attorney will be informed. The owner is given three days to request detention of the goods. When Customs receives the detention request, it will send the name and address of the consignee to the owner or the owner's attorney. Thereafter, the trademark owner has another 10 days to decide whether the seized products are to be released or destroyed. If the trademark owner does not want the products to be released, it must either come to an agreement with the consignee of the goods that the goods can be destroyed or start proceedings against the consignee with the district court for an order of destruction.

Securing evidence: The Trademark Act includes the possibility of so-called 'infringement investigation'. If a trademark owner suspects someone to be infringing its rights, the owner may request that the district court order an infringement investigation to secure evidence of

the infringement. Such a decision can be taken if the trademark owner proves that it is likely that infringement is taking place and makes a deposit. The infringement investigation is conducted by the sheriff's office.

Timeframe

An interim injunction and decision on infringement investigation can in certain circumstances be decided without the counterparty being informed of the request or allowed to submit any petition. Such decisions can be granted within a few weeks. The timeframe for enforcement in civil actions is between two and three years for both registered and unregistered trademarks. The timeframe for enforcement in criminal proceedings is often shorter, depending on the complexity of the case.

In the case of opposition proceedings it is difficult to estimate a timeframe. The terms to reply are often longer in the PRV as compared to the district courts. Often the parties try to reach a settlement and request further extensions of time. Once the parties have made their final petitions, the PRV usually makes a decision within 18 months.

6. Ownership changes - legalization requirements

Full transfer: Trademark rights can be transferred in connection with the transfer of the company itself. The trademark right can also be transferred on its own. If the parties have not agreed otherwise the trademark right will transfer along with the company/business in the case of an acquisition. A transfer of the trademark will be entered in the Trademark Register upon request. The registered owner in the Trademark Register is presumed to be the owner of the trademark. However, there is no legal requirement that the transfer be recorded in the register. The original transfer agreement or, preferably, a confirmation of the agreement is to

be sent to the PRV in order to register the assignment. Documentation is available at the the PRV's website (www.prv.se).

Partial transfer: It is possible to transfer part of a trademark registration. In such case either both parties can be registered as owners of the registration in the Trademark Register or the registration can be divided into two registrations for a fee.

A licence can be registered at the PRV upon request. However, this is not a requirement. Documentation is available at the PRV website.

Changes: The timeframe for a change of company name or transfer is approximately six to eight weeks from the date the application was filed.

Pledge agreements/registrable transactions: A person that has been granted a security interest in a certain trademark may apply to have the pledge agreement registered at the PRV.

Legalization of relevant documents: Legalization of documents is not necessary in Sweden.

7. Areas of overlap with related rights

The Copyrights Act, the Marketing Act and the Design Act overlap to some extent with the Trademark Act. In some situations trademark owners can enjoy cumulative protection of trademark law, copyright law, design law and marketing law.

Under the Copyright Act any artistic work is protected. Therefore, device marks or the shape of the goods or their packaging can often also be protected by the Copyright Act. The same types of elements can be protected by the Design Act if the design is new and distinguishable. Finally a

trademark may enjoy protection under the Marketing Practices Act as described above in section 2.

8. Online issues

As a general guideline, the rules that govern trademarks also govern marks that are used online. It is not stipulated in the Trademark Act that the use has to be in a specific medium. This means that use of a trademark on the Internet is protected by the Trademark Act in the same way as if the use had been made on the physical marketplace. The other related laws mentioned above are applicable online.

Disputes over domain names under the country-code top-level domain '.se' are handled through alternative dispute resolution (ADR). ADR applies to disputes where the domain name holder does not have a right or justified interest in the mark that forms the domain name and the application or registration was made in bad faith. Examples of bad faith include registration of a domain name:

- with the aim of selling or assigning it;
- in order to prevent a third party from using its mark as a domain name;
- with the aim of disrupting the business of a competitor;
- that is comprised of another party's trademark, company name or family name; or
- without having a right or justified interest in that name.

More information, as well as the relevant forms, can be found at www.iis.se/meta/domainnames/atf.shtml.

