

Czech Republic

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1. Legal framework

National

Trademarks are regulated by Act 441/2003 on Trademarks and Decree 97/2004 implementing the Act on Trademarks.

International

The following international treaties apply:

- the Paris Convention for Protection of Intellectual Property;
- the Madrid Agreement Concerning the International Registration of Marks;
- the Madrid Protocol; and
- the Trademark Law Treaty.

The Community Trademark Regulation (40/94) and Council Regulation 1992/2003 amending the Community Trademark Regulation also apply.

2. Unregistered marks

Protection

The rights of the owner of an unregistered mark differ according to the type of unregistered mark that it owns. There are three types of unregistered mark:

- unregistered marks;
- unregistered marks that are well known; and
- unregistered marks that are well known and have a good reputation in the Czech Republic.

The owner of an unregistered mark is entitled to:

- oppose an application to register a particular sign as a trademark if this unregistered mark is used in the course of trade to a level of more than mere local significance for goods and services that are identical or similar to those for which the junior sign seeks registration; and

- bring an action to the Czech IP Authority for nullity or cancellation of a registered trademark.

However, the owner of an earlier unregistered mark is not entitled to file an application to revoke a later identical or similar trademark, or to prohibit its further use, if it has tolerated the use of that later trademark for five years from the date on which the owner of the earlier unregistered mark learned about the use of the later trademark, unless the application for registration of the later trademark was not filed in good faith.

The owner of an earlier well-known mark is entitled to oppose an application to register a particular sign as a trademark if, because of the identity or similarity of the sign applied for with the earlier well-known mark and the identity or similarity of the goods or services covered by the two signs, there exists a likelihood of confusion or association on the part of the public between the signs. The owner of a well-known mark has the same rights to bring an action for nullity, cancellation or revocation as described above.

The owner of an earlier well-known trademark that enjoys a good reputation in the Czech Republic is entitled to oppose an application to register a particular sign as a trademark if the sign applied for is identical or similar to the well-known trademark with good reputation, even if the junior sign is to be registered in relation to goods or services that are not similar to those covered by the senior mark, if the use of the junior sign would suggest a relationship between the goods or services and the owner of the earlier well-known trademark. The owner of such a well-known mark also has the same rights to apply for nullity, cancellation and revocation actions as described above.

Generally, the rights of the owner of an unregistered mark are protected by the legal provisions regulating unfair competition.

Use requirements

To establish rights to an unregistered mark, the unregistered mark has to be used in the course of trade to a level of more than mere local significance.

In determining whether a mark is a well-known mark, the Czech IP Authority shall take into account any circumstances from which it may be inferred that the mark is well known, such as the duration, extent and geographical area of any promotion of the mark, including advertising or publicity, and the presentation, at fairs or exhibitions, of the goods and/or services to which the mark applies.

To determine whether the well-known mark has a good reputation in the Czech Republic, similar information as stated above in respect of the market in the Czech Republic is to be considered by the Czech IP Authority.

3. Registered marks**Ownership**

Any individual or body corporate with the capacity to perform legal acts can register a trademark.

If the applicant does not have its registered seat in the Czech Republic, it has to file the trademark application through a member of the Czech Bar Association or the Association of Patent Attorneys of the Czech Republic. This does not apply to applicants whose registered seat is in another EU member state, as the assumption is then that the applicant is settled in the Czech Republic or provides services there. However, applicants must provide an address in the Czech Republic where the official documents related to the application and registration will be sent.

Scope of protection

Protected: Only signs that are capable of being graphically represented and which can distinguish the goods and services to which they apply from those of other undertakings may be registered.

The following designations and signs may be registered as trademarks:

- a word designation with ordinary lettering (eg, words and names);
- a word designation with a specific graphic lettering;
- a visual designation (drawings);
- a combined designation of a word and drawing (logo);
- a spatial (three-dimensional) designation formed by the shape of the product or by its wrapping (eg, bottles);
- a combination of the shape or the wrapping of the product with words or drawings (eg, a bottle with a label); and
- a colour or combination of colours.

Not protected: The following designations and signs may not be registered as trademarks:

- a designation that cannot be graphically represented (eg, audio signature or specific fragrance);
- a designation that is not distinguishable;
- a designation that is created exclusively from marks or data used in business for determination of grade, quality or quantity;
- a designation that consists exclusively of marks or names commonly used;
- a designation that consists exclusively of the form of a product;
- a designation that is contrary to public order or morality;
- a designation that can deceive the general public;
- a designation for wines and spirits that includes geographical references for a product which does not originate from the area referred to;

- a designation containing a sign of high symbolic value;
- a designation whose usage is contrary to the provisions of Czech legislation or the obligations of the Czech Republic under an international treaty;
- a designation filed in bad faith;
- a designation that is similar to a senior trademark which could be confusing, and a designation containing elements of such a senior trademark which could be confusing; and
- a designation that infringes a third party's rights.

4. Procedures

Examination

Formal examination: The Czech IP Authority examines applications for compliance with the formal requirements under the Act on Trademarks.

If the requirements for registration are not met, the Czech IP Authority shall inform the applicant and provide an additional time period of at least 15 days to correct the deficiencies of the application. If the deficiencies are not eliminated within such a period, the application shall be refused.

Substantive examination: The Czech IP Authority examines whether the trademark meets the material requirements under the act – namely:

- whether the sign is capable of registration according to the criteria of section 3 above;
- whether the sign contains elements of a senior trademark which could be confusing; and
- whether the sign contains an element without distinguishing capability.

If the material requirements are not met, the Czech IP Authority will refuse the application.

Where it has accepted an application, the Czech IP Authority will publish it in the *Official Bulletin*.

Opposition

The following persons are allowed to raise objections against an application:

- the owner of an earlier trademark, an earlier trademark with a good reputation in the Czech Republic, an earlier well-known trademark, an earlier well-known trademark with a good reputation in the Czech Republic, an earlier Community trademark, a trademark registered in a Paris Convention member state or in a member country of the World Trade Organization, a non-registered sign or another sign, a copyright or an earlier industrial property right;
- any person who is affected in its rights by an application that has not been filed in good faith; and
- a natural person whose rights to his name and the protection of personal performances could be affected by the sign applied for.

Objections must be raised within three months of the application's publication. The objections shall be justified, documented and made in written form. Objection proceedings are subject to the payment of an administrative fee of Kč1,000.

Apart from raising objections, any person may, at any time before registration of a trademark, make observations in writing to the Czech IP Authority based in particular on grounds for refusal. The Czech IP Authority shall consider the observations while deciding on registration of the trademark.

Registration

If the application meets all the requirements of the Act on Trademarks, the Czech IP Authority registers the sign applied for as a trademark.

The trademark is registered for a period of 10 years. The fee is Kč5,000 for registration of a

trademark for maximum three classes of goods and services and another Kr500 for each further class.

The registration of the trademark may be renewed for further periods of 10 years. The fee for renewal is Kr2,500 if the application for renewal is filed at the latest on the registration expiry date. The application for renewal may be filed within six months of expiry of the registration; however, the fee for renewal is then doubled.

Timeframes are as follows:

- Unopposed registration takes approximately five or six months from the date of application;
- Opposition procedures take eight months;
- Renewal procedures take 14 days;
- Merger recordal takes one month; and
- Recordal of a change of name takes one month.

Removal from register

Surrender: A registered trademark may be surrendered by the owner, in writing, in respect of some or all of the goods or services for which it is registered. The Czech IP Authority records the surrender in the register and announces it in the *Official Bulletin*.

Revocation/cancellation: A trademark registration may be revoked in proceedings initiated by a third party on the basis of any of the following grounds:

- The trademark has not been used for a period of five consecutive years and there are no proper reasons for non-use. The relevant period starts from the registration of a trademark and then any time when use is interrupted;
- The trademark has become generic; or
- The trademark is liable to mislead the public, particularly as to the nature, quality or geographical origin of the goods or services to which it applies.

Invalidation/nullity: The registration of a trademark may be declared invalid by the Czech

IP Authority on the grounds that the trademark was registered in breach of provisions of the Act on Trademarks. The invalidation proceedings may be initiated by any person or by the Czech IP Authority.

A trademark that has been declared invalid is considered never to have been registered.

Searches

Searches for a word mark or for the owner of a trademark that is valid within the Czech Republic cost Kr230 at information centres at public libraries. Similar searches upon written request cost Kr460, Kr900 for a design mark and Kr1,150 for a combined mark. Other kinds of search (eg, licences or pledges) cost Kr165 per 15 minutes of a searcher's work. Online searches for marks valid abroad cost Kr170 per 15 minutes. A reply within 24 hours costs an additional 100% of the search price while a reply within three days costs 50% of the search price.

5. Enforcement

Complexity

The following proceedings are available to trademark owners.

Civil proceedings: The owner of a registered or unregistered trademark can bring an action to enjoin an infringer from using the mark at issue. The plaintiff must prove that it is the owner of the mark.

The mark owner can also seek compensation for damages and unjustified enrichment of the infringer. The plaintiff has to prove the existence of its rights as well as the amount of the compensation, damages and unjustified enrichment. According to Czech civil law, damages may consist of the real amount of the

damage caused and profit lost only; punitive damages are not allowed.

The action has to be filed with the competent regional court of the area where the defendant has its seat or residence. There are no special IP or trademark courts in the Czech Republic.

The owner of the trademark may request an interim injunction against an infringer. The injunction will normally be issued within seven days. The court will specify the period during which the mark owner must file an action following the grant of the interim injunction.

Administrative proceedings: Administrative proceedings protecting the rights of the owner of a registered or unregistered mark are carried out by the Czech IP Authority and are described in section 4 above.

Criminal proceedings: The owner whose rights have been violated is entitled to file a complaint with the police, who will verify the facts and prepare documents and proofs for the criminal proceedings. After further investigation, the case is forwarded to the state attorney. If conditions are met, criminal proceedings begin. If the accused is found guilty, criminal sanctions will apply as stated in the Czech Criminal Act.

The trademark owner could, within the criminal procedures, make a request for damages to the relevant criminal court.

Timeframe

The law does not provide a time limit for the courts to issue a decision. However, Czech courts are rather slow and thus the timeframe to obtain a judgment is approximately four years.

Judgments with regards to registered marks are faster, as proving ownership of the infringed marks is easier.

6. Ownership changes – legalization requirements

Assignment: A mark owner may assign its rights by a written contract to a third party for all the goods or services for which it is registered, or for only a part of them. Transfer or passage of rights is in force against third parties once it is recorded in the register.

Licence: The owner of a trademark may grant the right to use a trademark to another person. A licence to use a registered trademark may be general (ie, regarding all goods or services) or limited to some goods and services. The licence agreement comes into force by registration in the register.

Legalization requirements: While assignment agreements and licence agreement must be in writing, the signatures need not be legalized or notarized. All the relevant documents needed for applications, assignment and licensing shall be originals or legalized copies.

7. Areas of overlap with related rights

There is no overlap between trademark rights and other rights under Czech law.

8. Online issues

There are no legal regulations regarding the Internet and domain names in the Czech Republic. Internet law and connected issues are subject to civil law.

Disputes regarding the similarity of domain names and trademarks can be solved either by the Arbitration Court attached to the Economic

Chamber and the Agricultural Chamber of the Czech Republic or by a competent court.

Recent case law shows that the registrant of a domain name that is similar to a trademark (in particular a registered trademark) will be prohibited from using such a domain name and ordered to transfer the domain name to the trademark owner.

