

France

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1. Legal framework

National

French trademark law was codified in 1991 in the Intellectual Property Code. Substantive trademark issues are governed by Articles L711-1 to L716-16, while regulatory aspects are governed by Articles R712-1 to R718-4. The legislation is primarily based on the EU First Trademarks Directive (89/104/EC), designed to harmonize the trademark laws of EU member states.

An English translation of the code is available on the World Intellectual Property Organization website at <http://clea.wipo.int/clea/lpext.dll?f=templates&fn=main-h.htm&2.0>.

International

The EU Community Trademark Regulation (40/94), which establishes the Community trademark, applies in France.

In addition, France is a member of the Madrid Protocol and the Madrid Agreement on the International Registration of Marks, which establishes a centralized trademark registration system in all signatory countries.

France is also a member of:

- the Paris Convention for the Protection of Intellectual Property;
- the Nice Agreement on International Classification; and
- the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs).

2. Unregistered marks

The right to a trademark results only from its registration. There are no property rights in unregistered marks, with the exception of well-

known trademarks pursuant to Article 6*bis* of the Paris Convention.

3. Registered marks

Ownership

Any individual or legal entity may apply for and own a mark in France.

Foreign applicants that are not domiciled or do not have a principal place of business in the European Union must appoint a professional representative to represent them during the registration procedure.

Scope of protection

Protected: According to Article L711-1 of the code, any sign is eligible for protection as a French trademark as long as it is:

- capable of being represented graphically; and
- capable of distinguishing the goods and services of one entity from those others.

The code sets forth a non-exhaustive list of examples of such signs, including words, designs, letters, numerals, sounds, the shape of goods or their packaging, and combinations or shades of colour. The National Institute of Industrial Property (INPI) is reasonably willing to accept for registration trademark applications for the shape of goods or their packaging, as well as shades of colour.

Not protected: The main absolute grounds for refusal of a trademark application are stated in Article L711-2 on distinctiveness. A mark will be refused registration for lack of distinctiveness if:

- it is generic or constitutes the necessary, generic or usual designation of the goods or services, unless it has acquired distinctiveness through use;
- it is descriptive of the goods or services, particularly the type, quality, quantity,

- purpose, value, geographical origin or time of production of the goods or provision of the services, unless it has acquired distinctiveness through use; or
- it consists exclusively of a shape imposed by the nature or function of the goods, or which gives the goods substantial value.

The final absolute grounds for refusal are stated in Article L711-3 and concern marks that are:

- excluded pursuant to Article 6ter of the Paris Convention or Article 23 of TRIPs, including flags and other protected emblems;
- contrary to public policy or principles of morality; or
- deceptive, in particular as to the quality, nature or geographical origin of the goods or services.

A trademark application may not be applied for, and may therefore be refused on relative grounds, if it conflicts with an earlier trademark or other proprietary right. The INPI does not cite those earlier rights, and an application that conflicts with an earlier right will be registered by the INPI unless an opposition is filed by the owner of a prior trademark application or registration valid in France (either a French or a Community trademark application or registration, or an international registration designating France).

The following constitute earlier rights that may conflict with a trademark for which registration is sought (Article L711-4):

- prior registered trademarks or well-known trademarks pursuant to Article 6bis of the Paris Convention;
- prior registered company names, if there is a likelihood of confusion;
- prior company names or trade names known throughout France, if there is a likelihood of confusion;
- protected appellations of origin;
- a prior copyright;

- a prior registered design;
- rights to a family name, pseudonym or image; and
- rights to the name, image or reputation of a local departmental authority.

4. Procedures

Examination

French trademark applications are filed with the INPI.

The application must contain:

- a representation of the sign;
- a list of the goods and services claimed;
- information identifying the applicant; and
- payment of the application fee. Currently, the tax for filing an application in one to three classes is €215, plus €38 for each additional class thereafter.

French applications are examined as to form in order to verify whether the required information has been provided in the application. The examiner may object to the classification of certain goods and services if they do not comply with the Nice System or INPI practice. Further, the INPI will object to an application if it does not comply with the absolute grounds for refusal as outlined in section 3 above.

If the INPI objects to the registration of a trademark for any of these reasons, it will issue notification to the applicant or its counsel, which will have one month to submit a response. The INPI may then either maintain or waive its objection in light of the arguments or response submitted by or on behalf of the applicant.

In the event of a refusal, the applicant may file an appeal before the competent court of appeal.

Opposition

There is no substantive examination as to any prior rights that would conflict with the trademark for which registration is sought. Prior rights may be asserted only by their owners or by a duly authorized exclusive licensee.

Third parties may oppose a French trademark application by filing a notice of opposition within two months of publication of the application.

The opposition procedure is governed by Articles L712-3 to L712-5 and R712-13 to R712-18 of the code.

Under French law, an opposition may be based only on:

- an earlier trademark application or registration having effect in France (ie, a French or Community trademark application or registration, or an international registration designating France); or
- an earlier well-known mark pursuant to Article 6*bis* of the Paris Convention.

An opposition may not be based on any other proprietary rights such as trade names, copyright or designs.

An opposition must be based on a single prior trademark only. In case of several prior trademarks, several oppositions must be filed.

The notice of opposition must state the grounds for the opposition: either reproduction of a prior mark or imitation with a likelihood of confusion.

The opposition is notified to the applicant, which then has two months to submit observations in response. If the applicant does not file a response, the INPI will issue its final decision on the basis of the arguments set forth in the opposition.

If the prior trademark has been registered for more than five years at the time the contested application is published, the trademark applicant may request the opponent to provide proof of genuine use of its mark in the previous five years.

If the applicant does file a response, the INPI will issue a draft decision, which is notified to the parties and becomes final automatically if neither party files observations in response. If observations are filed, the examiner will review the draft decision and issue a final decision within a few weeks. The parties may request an opposition hearing, which will be granted at the discretion of the examiner.

If the procedure is not suspended, the decision must be issued within six months of the end of the two-month opposition period.

Oppositions may be suspended at the mutual request of the parties for a maximum period of six months from the date of filing of the opposition. Further, an opposition will be suspended by the INPI if it is based on a pending trademark application (either French or Community), or if proceedings for cancellation, revocation or claim to ownership have been instituted against the trademark on which the opposition is based. The six-month limit does not apply in this case.

Both parties may file an appeal before the competent court of appeal against any decision issued by the INPI. The decision of the court of appeal may be subject to further appeal before the Supreme Court in cases where the law has been improperly applied by the lower court.

Registration

Once the trademark has been accepted for registration, it is registered in the National Trademark Register and published. The date of publication is the date of registration. The INPI provides the trademark owner with a

registration certificate, which constitutes the title of the trademark ownership.

The registration procedure generally takes about six to eight months from the date of filing, if there are no objections from the INPI or oppositions filed by third parties.

The owner of the registered trademark is entitled to prevent third parties from using an identical or similar mark for goods or services that are identical or similar to those protected by its trademark.

Trademarks are registered and renewed for periods of 10 years. There is a six-month grace period for late renewals.

If the mark is modified or the list of goods or services expanded, a new application must be filed; this may be combined with an anticipated renewal of the prior registration.

Cancellation/surrender

In accordance with Article L714-2 of the code, a trademark may be surrendered by its owner in respect of some or all of the goods or services for which it is registered.

Revocation

A trademark that is not used for a period of five years following registration may be cancelled pursuant to a legal action brought by an interested third party (Article L714-5).

In order to defeat a cancellation action for non-use, the trademark owner must prove serious and genuine use of the mark in the preceding five years. The trademark owner may prove such use by any means available, including invoices, advertisements, press articles and marketing materials.

Use by a third party with the consent of the owner is also admissible. Affixing the mark on

goods or packaging exclusively for export is also sufficient. In addition, the use of the mark in a modified form which does not alter its distinctive nature is admissible.

Alternatively, the trademark owner may invoke a legitimate reason for its failure to use the mark. For example, the French courts have held that a company which did not use its mark because it was awaiting a pharmaceutical marketing authorization had provided a legitimate reason for non-use.

Any use of the trademark in the three-month period following the trademark owner's knowledge of the impending suit will not be accepted as proof of genuine use of the mark.

Cancellation of a trademark for non-use is effective as of the expiry date of the five-year period of non-use, and not from the date of the court judgment.

A trademark may be revoked only for those goods or services for which it is not used and maintained for the rest.

Cancellation for non-use may also be validly raised as a defence to an infringement action.

Invalidation

A French trademark may be declared invalid either as a result of an independent nullity action before a French court of first instance or as a result of a counterclaim in infringement proceedings.

In accordance with Article L714-3 of the code, invalidity may be based either on relative grounds (see section 4 above) or on absolute grounds (see section 3 above).

Pursuant to Article L714-3, if the owner of a prior right has tolerated the use of a later registered trademark for a period of five successive years, it can no longer request

invalidation of the later mark on the basis of its prior trademark rights, unless the later trademark was applied for in bad faith.

A declaration of invalidity may be only partial – that is, the trademark may be found invalid for some goods or services, but remain valid for others.

The declaration of invalidity has an absolute effect in France and must be registered in the National Trademarks Register. The decision may be relied upon by third parties, which may cite it in defence.

5. Enforcement

Complexity

The French court system provides very efficient means through which to enforce trademark rights. An action may be brought before the civil or criminal courts, or both. Further, French law provides for provisional measures.

In order to succeed in a trademark infringement procedure and to obtain significant damages, the defendant must prove the extent of the infringement. French law provides an effective means to prove the extent of the infringement in the form of the so-called '*saisie-contrefaçon*' (infringement seizure). This may be used both in a French infringement procedure and in a Community trademark infringement procedure.

The *saisie-contrefaçon* allows trademark owners to request an order from the president of the competent court of first instance authorizing a bailiff, assisted by a registered trademark attorney, to proceed with a detailed descriptive seizure (with the possibility of taking samples) or the effective seizure of the allegedly infringing goods or services at the infringer's premises, or in any place where the goods or services are

available. The bailiff may seize any document or information related to the infringement, including accounting documents, commercial documents and marketing documents.

The plaintiff has 15 days from the date of the infringement seizure to file an infringement action.

In the brief of summons, the plaintiff must show that the defendant has:

- used or reproduced a sign identical to an earlier mark for the same goods or services (Article L713-2);
- used or reproduced a sign identical to an earlier mark for similar goods or services, or a sign similar to the earlier mark for identical or similar goods or services where there is a likelihood of confusion in the minds of the public; or
- used or reproduced a sign identical to a mark which enjoys a reputation in France, where such use takes unfair advantage of, or is detrimental to, the reputation of that earlier mark (Article L713-5). On September 29 2004 the Paris Court of Appeal issued an interesting decision on reputed trademarks. Cartier – which has owned the trademark MUST (registered in all 42 classes but not used for all goods, including chewing gum) for 30 years – brought an infringement action against a third party's use of the mark for chewing gum. The court held that Cartier had established the well-known character of the MUST mark, and that the use of this mark for chewing gum was necessarily detrimental to the mark and to its reputation.

Under Article L713-4, and in accordance with the principle of free movement of goods within the European Union, a trademark owner which is duly authorized to put the trademarked goods on the market may no longer prohibit any future commercial use of those products (except for legitimate reasons, such as reconditioning of the goods).

In an infringement action, the plaintiff may add a claim for unfair competition if the defendant has not only reproduced the earlier mark, but also tried to mislead the public as to the origin of the goods.

Timeframe

It generally takes about 18 months to obtain a decision on the merits before the French courts. The plaintiff may also request preliminary measures prohibiting any use of the infringing mark; a decision may be obtained within 15 days.

In urgent cases, a shortened infringement procedure is available which enables the plaintiff to obtain a decision on the merits within one to three months.

6. Ownership changes – legalization requirements

Acts evidencing the assignment of a trademark must be executed in writing and signed by the counterparties in order to be valid. In order to be enforceable against third parties, the assignment must be registered in the National Trademarks Register. Such acts, however, need not be legalized.

Assignments should be recorded in due time before filing applications for renewal.

7. Areas of overlap with related rights

There are areas of overlap between trademarks and other rights.

Under certain conditions, trademarks benefit from the cumulative protection of trademark law and copyright law. A device trademark is eligible for protection under copyright law if it

is original and if the law of the trademark owner's country of origin grants the same copyright protection.

French and European Community design rights protect the appearance of any product or its ornamentation. As such, any figurative trademark may be protected by design registration if it is new and has an individual character.

Since a design may be filed for any visual element, any figurative or semi-figurative trademark, such as a logo, may be registered both as a trademark and as a design. The benefit of having such additional protection is that the design holder will enjoy protection of its sign against any use, without restriction as to the goods or services claimed.

8. Online issues

A French trademark entitles its owner to prohibit any unauthorized use of the sign, including on the Internet or as a domain name, where there is a likelihood of confusion between the trademark and the sign as used on the Internet.

French case law also establishes that a French trademark registered in Class 38 for telecommunications services may entitle its owner to bring an action against a domain name for which a website has not yet been set up, even though in such case it would be impossible to analyze the risk of confusion between the trademark and the as yet unused website.

Another line of case law has established that a trademark owner cannot object to the reproduction of its mark on a website where the reproduction is intended to parody the mark and criticize the trademark owner. This exception to trademark infringement is based on the constitutional principle of freedom of expression.

The courts have made clear, however, that the reproduction of the mark must neither disparage the goods and services of the trademark owner nor mislead the public as regards the author of the parodied communication.

In *ESSO v Greenpeace* the association Greenpeace reproduced the mark ESSO and the imitation E\$\$O on its website in order to denounce ESSO's anti-environmental policy. In a decision of February 26 2003 the Paris Court of Appeal held that Greenpeace was not guilty of trademark infringement since it did not intend to promote its own goods or services under the ESSO marks, and the reproduction of the marks was made for a polemical and non-commercial purpose.

In another decision of April 30 2003, in *Olivier M v Danone*, an employees' association reproduced the mark DANONE on its website 'jeboycottedanone.net' ('I boycott Danone'), which criticized the company's social and restructuring policies. The Paris Court of Appeal held that the association was not guilty of trademark infringement as the reproduction of the DANONE mark neither aimed to promote the commercialization of competitive goods or services nor disparaged Danone's goods.

A recent line of case law has condemned internet search engines for allowing the purchase of keywords or advertising links that consist of registered trademarks. In *Accor v Overture*, decided by the Nanterre District Court on January 17 2005, the search engine Overture sold keywords to advertisers in order to display sponsored links each time the keywords were used in a search. Overture suggested particularly successful keywords to its customers, some of which contained the trademarks of third parties, such as the mark ACCOR HOTEL. A search for ACCOR HOTEL resulted in a link to the website of one of Accor's competitors. Overture was found guilty of trademark infringement and ordered to pay €200,000 in damages.

In *Louis Vuitton Malletier v Google*, decided by the Paris District Court on February 4 2005, the search engine Google allowed advertisers which offered counterfeit Louis Vuitton products to display their sponsored links whenever internet users searched for the terms 'Louis Vuitton', 'Vuitton' or 'LV'. Google was found guilty of trademark infringement, unfair competition and deceptive publicity, and ordered to pay €200,000 in damages.

These decisions are still subject to appeal before the Paris Court of Appeal.

The resolution of disputes between a domain name registrant and a third party (eg, a trademark owner) over the abusive registration and use of an internet domain name is subject to the Uniform Dispute Resolution Policy (UDRP) adopted by the Internet Corporation for Assigned Names and Numbers (ICANN). The UDRP sets out rules on the resolution of domain name disputes and the possibility of administrative, court or arbitration proceedings.

The UDRP is available on ICANN's website at www.icann.org/udrp/udrp-policy-24oct99.htm.