

Five years of trademark opposition in Benelux: a review

Although there are certain limitations to the Benelux opposition system, the statistics suggest that it is an ideal tool for exerting pressure in order to achieve a desired outcome swiftly and effectively

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In January 2004 Benelux introduced a trademark opposition procedure. To date, more than 3,800 oppositions have been filed, of which about 15% progressed through to the decision stage; and the Benelux Office for Intellectual Property (BOIP) has issued more than 150 decisions thus far. So has the introduction of trademark opposition been a positive move? Do claimants benefit from the proceedings? Have expensive court actions been avoided? And what lessons have been learned from the decisions issued?

Before answering these questions, it is useful to take a look at the procedure itself.

Opposition procedure

When the Benelux opposition procedure was introduced, careful consideration was given to the experiences in other countries. Much of the opposition procedure was inspired by the procedure at the Office of Harmonisation for the Internal Market (OHIM). The applicant or holder of an older trademark can file an opposition within a two-month period, calculated from the first day of the month following publication of the trademark application. The opposition procedure does not start immediately: the parties are first given a two-month cooling-off period to see whether they can resolve the matter by

mutual consultation. As in the OHIM procedure, this period can be extended by mutual agreement.

If the cooling-off period is not extended, the opposition procedure will commence. The opponent will be given a period within which to submit its facts and arguments; these documents must be submitted in duplicate. The facts and arguments are then passed to the applicant, which is invited to respond within a period set by the BOIP. In exceptional cases, the BOIP may give the parties another opportunity to respond. The BOIP will then issue its decision on the basis of the arguments presented. Its decision may be appealed before the Appeal Court in The Hague, the Appeal Court in Brussels or the *Cour d'Appel* in Luxembourg. A further appeal may be lodged in cassation, which has a suspensive effect.

As described above, the procedure appears to be quite straightforward. However, there are some distinctive characteristics which can complicate matters.

Language

Several languages are used in Benelux and a system had to be developed to accommodate this. In principle, the opposition is conducted in the language of the trademark applicant. This is determined by looking at the language used to formulate the description of the goods and/or services. In the event of an international application, the trademark applicant has one month in which to choose either Dutch or French as the language for procedural purposes. If the trademark applicant does not respond, French will be the language for procedural purposes.

However, the opponent is given the

opportunity to indicate a preferred Benelux language. The BOIP will inform the trademark applicant of this preference and if the applicant accepts it, the opponent's preferred language will then become the language for procedural purposes. The choice of preferred language is not irrevocable: it can be changed by agreement of the parties.

If the applicant does not agree to the preferred language, a translation of the arguments may be requested from the BOIP. The opponent must bear the translation costs. It is also possible to submit documents in another Benelux language than the language of the procedure. In this case the BOIP will translate the arguments at the expense of the party filing the documents. The original text will at all times remain decisive.

It is also possible to decide by mutual consultation to correspond in English, in which case all facts and arguments must be filed in English. However, the BOIP will not communicate in English. Therefore, the decision will be formulated not in English, but in the language of the procedure.

Some comments have been made about the language regime over the past five years. However, the general opinion is that language will always remain a source of discussion and that the regime is a well-balanced scheme that tries to ensure fairness for all parties.

Suspension rules

The Benelux Treaty for Intellectual Property has several special suspension rules, one of which is particularly relevant in this regard. Benelux allows for the possibility of immediate registration, whereby registration follows immediately upon filing an application. One advantage of this is that it is possible to take legal action almost immediately; it can also be an advantage if an international application with retention of priority must be filed. In the event of an immediate registration, the assessment on absolute grounds takes place after registration. In such cases the registration date also counts as the publication date, so an opposition may end up being filed before the assessment on absolute grounds has taken place. If the assessment on absolute grounds gives rise to a provisional rejection, the opposition procedure will be suspended until the objections to the provisional rejections have been overcome or have led to a final rejection.

If more than one opposition is filed in

relation to a single application, it is up to the BOIP to decide which will be dealt with first. The opposition that initially appears to have the greatest chance of success will be given priority. The other oppositions will be suspended.

This procedure has not given rise to much debate in the past five years.

Limited jurisdiction of BOIP

The BOIP has limited jurisdiction. An opposition may be filed only by the owner of an earlier trademark against a later mark in order of priority, which is identical to or resembles the earlier trademark and has been registered for identical or similar goods. This means that no opposition can be filed on the basis of rights other than the trademark right, such as copyright or trade name rights. It is also not possible to invoke, for instance, an application in bad faith. Therefore, there is no scope to invoke the infringement criteria applicable to trademarks with a reputation.

Many parties have tried to incorporate such circumstances in the opposition procedure by referring to them as "other relevant factors". However, it appears from the decisions of the BOIP that these will not be considered. Rather, the phrase "other relevant factors" covers, for instance, a connection between the resemblance of the trademarks and the similarity of the goods and/or services to which they relate. A minor degree of similarity between the goods or services involved can mitigate against a high degree of resemblance between the trademarks, and vice versa (*Canon and Lloyd Schuhfabrik Meyer*).

Trademarks with a reputation

The infringement criteria applicable to trademarks with a reputation cannot be invoked. However, it appears from the decisions of the BOIP that, in connection with the determination of the scope of protection of a trademark, reputation will be considered among "other relevant factors". After all, trademarks that have strong distinguishing characteristics as a result of being well known in the market enjoy a wider protection than trademarks with fewer distinguishing characteristics (*Canon, Lloyd*).

Well-known trademarks

An opposition can also be filed on the basis of a well-known trademark within the sense of Article 6bis of the Paris Convention.

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In order to determine whether a trademark is well known within the sense of Article 6bis, one must refer back to Article 16(2) of the TRIPs Agreement and the Joint Recommendation Concerning Provision on the Protection of Well-known Marks. However, in Benelux, these grounds have been applied only once, in a test case involving a trademark of Campina (dairy production). The opposition was aimed at obtaining a positive decision to be used as evidence in other foreign proceedings involving a well-known trademark.

These grounds are used only sparingly because well-known trademarks are often also registered by via the World Intellectual Property Organisation or OHIM. Where a well-known trademark is invoked within the sense of Article 6bis of the Paris Convention, extensive evidence must be submitted; but the BOIP's jurisdiction is limited, as outlined above. This means that if the BOIP accepts that the trademark is well known, it will nonetheless review the opposition issue on the basis of the criteria applicable to normal trademarks and not according to the criteria applicable to well-known trademarks. Therefore, if a registration exists, it is not useful to invoke a well-known trademark within the sense of Article 6bis of the Paris Convention.

Evidence

As is apparent from the above, the grounds for opposition are limited. However, there are some situations in which arguments must be substantiated with evidence: for instance, where the reputation of the trademark or a trademark in a series is invoked in order to support the scope of protection. This is also the case if normal use of the trademark must be demonstrated. If we now look at the decisions of the BOIP, we can conclude that

many oppositions fail due to a lack of sufficient useful evidence.

On the basis of Rule 1.29 of the Implementing Regulations, evidence on use must include details of the place, duration, extent and manner of use. The evidence must further be dated, and it must be plausible that the evidence was actually in use on the relevant date. The registered trademark must also be visible on the evidence submitted. The submission of sufficient evidence with a date that correlates to the registered trademark is thus of crucial importance.

For example, the submission of invoices in which a general product name is used, without any reference to the registered trademark, is not sufficient. Promotional material generally does not include a date; but even where it does include a date, this still does not constitute evidence that the promotional material was actually used during that period. Prints from websites taken after the relevant period, in which use of the trademark for that period is not explicitly mentioned, are also insufficient.

Evidence from outside the relevant period can serve as substantiation. In this respect the BOIP bases its decisions on European case law (eg, European Court of First Instance, 7th September 2006, *Aire Limpio*, T-168/04, point 81), from which it appears that evidence can be taken into account dating from after the relevant period if conclusions can be drawn therefrom as to the situation during the relevant period (see also European Court of Justice, 5th October 2004, *Alcon/BHIM*, C-192/03 P, point 41, and the case law quoted therein). Such circumstances can confirm or contribute to an assessment of the scope of use of the respective trademark during the relevant period (see analogously European Court of Justice, 27th January 2004, *La Mer*

Technology, C-259/02, point 31).

One example of a decision in which the evidence submitted was inadequate is the BOIP's decision of 29th June 2005 in a procedure in which the rights to the word mark ETEX were invoked against the word/devicemark ETEC. The evidence of use submitted was as follows:

- A brochure of Etex Group products entitled "Building for a better future".
- A second Etex Group brochure outlining its history.
- A summary of its products and branches entitled "Building a better tomorrow".
- The Etex Group's annual accounts for 2003.
- An extract from the website.

The brochures were not dated and therefore did not show use in the relevant period. The extract from the website was from outside the period during which use had to be demonstrated. The BOIP further considered that a single annual set of accounts from the relevant period was insufficient to prove use for the full five-year period.

This shows how difficult it can be to submit sufficient evidence. However, the general impression is that if evidence is submitted that is dated within the relevant period and includes the registered mark,

and is supported by other material showing use, the BOIP will generally conclude that this proves normal use.

Lessons learned

After five years of opposition proceedings, it is evident that this is a welcome addition to the Benelux legal system. From the fact that over 1,300 oppositions are filed each year, but only 15% reach the decision stage, it would appear that many cases are solved by mutual consultation. The author's personal experience is that the opposition procedure operates in most cases as a means of exerting pressure in order to achieve the desired outcome quickly and effectively. It is possible that because of this, some expensive court proceedings can be avoided. However, given the limited powers of the BOIP, an opposition in an actual infringement case might only serve as a means of exerting pressure. As it is not possible to invoke all infringement criteria and there is no scope for an injunction or grounds for revocation (eg, extinction of rights through non-use), the scope of an opposition is limited. Therefore, it remains important in certain cases to weigh up whether filing an opposition is indeed the best option. But for monitoring and keeping competitors and possible competitors at a distance, it is an ideal and cost-effective resource. **iam**



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