SUMMARY OF CONCLUSIONS

of: 26th and 27th meetings of the Working Party on Intellectual Property
(Trade Marks)

on: 25 and 26 April and 2 and 3 May 1985

No. prev. doc. 6823/85
PI 14(MARCA)

No Cion amended prop 8896/84 PI 19
COM(84) 470 final

Subject: Proposal for a Council Regulation on the Community Trade Mark
- Articles 4, 12, 16, 17, 19 to 22, 30a and 65 to 69

1. At its 26th and 27th meetings, held respectively on 25 and 26 April
and 2 and 3 May 1985, the Working Party on Intellectual Property re-
examined the question of consideration of earlier Community and
national trade marks in connection with registration, together with
related questions (such as searching). It also discussed proposals
made mainly by the German delegation in respect of Articles 4, 12, 16,
17, 19 to 22 and 30a, and began a second reading of Articles 65 to 69.
It further considered whether and to what extent the Court of Justice
of the European Communities should be consulted on the proposal for a
Regulation.

2. The present document covers the discussion of Articles 4, 12, 16,
17, 19 to 22, 30a and 65 to 69.
The summary of conclusions in respect of the consideration of earlier trade marks in connection with registration and related questions is contained in document 6823/85 PI 14(MARCA), while the question of consulting the Court of Justice is dealt with in document 7000/85 PI 17(MARCA).

3. With regard to Article 4, the present document summarizes the discussion but does not present a text, as the German delegation and the representative of the Commission have agreed to prepare new texts.

With regard to Articles 12, 16, 17, 19 to 22, 30a and 65 to 69, delegations will find below the texts following the Working Party's discussions, accompanied by any reservations or comments by delegations. Amendments to the amended Commission proposal are underlined.

Article 4

4. The Working Party examined the new version of Article 4 proposed by the German delegation in 9755/84 PI 25(MARCA).

5. Introductory wording of paragraph 1

The German delegation considered that Article 4 should be worded in such a way as to refer to the registrability of the trademark for the persons listed in Article 4, whereas the French delegation and the representative of the Commission considered that it should define the persons who may be proprietors of Community trade marks.
6. Intention of use (paragraph 1)

With regard to the proposal by the German delegation that, with a view to preventing trafficking in trade marks, the applicant should be required to prove a bona fide intention of using the Community trade mark, a number of delegations drew attention to the difficulty of proving such an intention and to the difficulties which such a requirement would create for the Office. After lengthy discussion, the Working Party agreed that the absence of bona fide intention of use should constitute a ground for invalidity to be inserted in Article 41. The majority of delegations considered that such intention should not be checked by the Office prior to registration, while the German delegation considered that provision should be made for a check by the Office prior to registration, and the United Kingdom and Irish delegations had open minds in this respect. The German delegation and the representative of the Commission were asked to prepare new texts on the basis of the discussion.

7. Reciprocity (paragraph 1(d))

The Working Party accepted the proposal by the German delegation for paragraph 1(d), subject to it being made clear that the notice published in the Official Journal of the Office would reflect a decision taken by the appropriate authority as to the existence of
8. Legal persons (paragraph 2)

The German delegation proposed that legal persons be mentioned in paragraph 1, as in its proposal in 9755/84, and that paragraph 2 could follow the wording of either Article 1 of the Convention on the Mutual Recognition of Companies and Legal Persons (Brussels, 29 February 1968) or Article 1 paragraph 3 of the Commission's amended proposal relating to the European Economic Interest Grouping.

The Working Party decided to re-examine this paragraph when it reconsidered paragraph 1.

9. Proof of domestic protection (paragraph 3)

After lengthy discussion, the German delegation agreed to prepare a new draft for this paragraph which would make it clear that the first sentence of this paragraph did not apply to the persons referred to in subparagraphs (a), (b) and (c) of paragraph 1, and which would take account of any relevant drafting changes made in subparagraph (d) of paragraph 1.
Article 12

Complementary application of national law relating to infringement

(1) The effects of Community trade marks shall be governed solely by the provisions of this Regulation. In other respects, the consequences of infringement of a Community trade mark shall be governed by the law of Member States relating to infringement of a national trade mark in the Member State in which the court or authority hearing the action is located.

---

1 The United Kingdom delegation, supported by the French and Italian delegations, suggested deleting the words "relating to infringement" as unnecessary, since this Article comes within the section entitled "Effects of Community trade marks".

2 The majority of delegations considered that it should be made clear in the implementing Regulation that in respect of matters not dealt with in the Regulation, national law would also apply subsidiarily. The Italian delegation on the other hand considered that the relationship between the Regulation and national law should be set out clearly in this provision.

3 Clarification requested by the Danish delegation. The other delegations preferred the broader wording proposed by the Commission, which is also based on that of Article 36 paragraph 1 of the Community Patent Convention.

4 According to the Italian delegation, the text should refer to the court which has jurisdiction in accordance with Article 74. In the view of the French delegation, it is not necessary to stipulate this.

5 Addition requested by the German delegation; the French delegation agrees with this addition. On the other hand, the United Kingdom delegation considers the term "court hearing the action" to be sufficient if a provision corresponding to Article 72 of the Community Patent Convention is included in the Regulation.
(1a) This Regulation shall not prevent actions being brought under or in support of a Community trade mark under the law of Member States relating in particular to civil liability and unfair competition.

(2) The rules of procedure to be applied shall be determined in accordance with the provisions of Section 2 of Title IX.

---

6 The German delegation and the representative of the Commission considered that the possibility of persons or associations other than the proprietor of a Community trade mark bringing actions under national law in support of the Community trade mark should be dealt with elsewhere than in Article 12. The United Kingdom delegation had an open position as to the place where this possibility was dealt with.

7 The Italian delegation, supported by the German delegation, suggested that paragraph 1a should form a separate Article. Other delegation preferred to keep this paragraph in Article 12.

8 The French, Belgian and Greek delegations and the representative of the Commission were in favour of a second sentence in this paragraph to the effect that the proprietor of the Community trade mark may not bring such actions on the same grounds as those contained in Articles 8 and 9. The other delegations were opposed to such a provision.
Section 5
Community trade marks as objects of property

Article 16
Dealing with Community trade marks as national trade marks

(1) Unless Articles 17 to 22 provide otherwise, a Community trade mark as an object of property shall be dealt with in its entirety, and for the whole area of the Community, as a national trade mark registered in the Member State in which, according to the Register of Community trade marks,

(a) the proprietor has his principal place of business or his domicile on the relevant date, or

(b) where subparagraph (a) does not apply, the proprietor has a place of business on the relevant date.

The Belgian, Danish, German, Greek, Irish and Netherlands delegations were in favour of this solution whereby the national law applicable would be determined in relation to the proprietor at the relevant date, rather than in relation to the applicant on the date of filing of the Community trade mark application. The Italian delegation was prepared to follow the majority of the delegations in this respect. The representative of the Commission considered that this solution was reasonable where there was a change of proprietorship of the Community trade mark, but had doubts whether the law applicable should change where the proprietor changed his principal place of business or domicile. The French delegation suggested a solution whereby the national law applicable should be that of the proprietor of the Community trade mark at the time of registration of the trade mark, with the possibility of adapting the time of renewal of the registration to any change in proprietorship or in the principal place of business or domicile of the proprietor. The United Kingdom delegation preferred the applicable law to be determined in relation to the applicant on the date of filing of the application, but was prepared to consider the solution suggested by the French delegation.
(2) In cases which are not provided for by paragraph 1, the Member State referred to in that paragraph shall be the Member State in which the seat of the Office is situated.

(3) If two or more persons are mentioned in the Register of Community trade marks as joint proprietors, paragraph 1 shall apply to the joint proprietor first mentioned; failing this, it shall apply to the subsequent joint proprietors in the order in which they are mentioned. Where paragraph 1 does not apply to any of the joint proprietors, paragraph 2 shall apply.
Article 17
Transfer

(1) A Community trade mark may be transferred, separately from any transfer of the undertaking, in respect of some or all of the goods or services for which it is registered.¹⁰

(2) A transfer of the whole of the undertaking shall, unless otherwise agreed or unless the circumstances clearly dictate otherwise, include the transfer of the Community trade mark. This provision shall apply to the contractual obligation to transfer the undertaking.

(3) Without prejudice to paragraph 2, an assignment of the Community trade mark shall be made in writing and shall require the signature of the parties to the contract, except when it is a result of a judgment; otherwise it shall be void.¹¹

(4) Where it is clear from the transfer documents that because of the transfer the Community trade mark is likely to mislead the public concerning the nature, quality or geographical origin of the goods or services in respect of which it is registered, the Office shall not

---

¹⁰ The Italian delegation maintained a reservation on the principle of transferring the trade mark separately from any transfer of the undertaking.

¹¹ The Danish delegation would have preferred a solution whereby an oral assignment would also have been valid, although it accepted that the signatures of the parties would be necessary for purposes of registration by the Office. As the majority of the Working Party was in favour of the solution adopted in Article 40 paragraph 1 of the Community Patent Convention, the Danish delegation agreed to accept this solution, provided that it was made clear that an assignment which was not made in writing would be void, as proposed originally by the Commission.
register the transfer unless the new proprietor agrees to limit registration of the Community trade mark to goods or services in respect of which it is not likely to mislead.

(5) Deleted

(6) On request of one of the parties a transfer shall be entered in the Register and published.

(7) As long as the succession has not been entered in the Register, the successor in title may not invoke the rights arising from the registration of the Community trade mark. Where there are time limits to be observed vis-à-vis the Office, the successor in title may also make the corresponding statements to the Office once the request for registration of the transfer has been received by the Office.

(8) All documents which require notification to the proprietor of the Community trade mark in accordance with Article 60 shall be addressed to the person registered as proprietor.

---

12 See Article 21a.

13 Several delegations suggested that the wording of this sentence and that of the first sentence of Article 21a paragraph 1 be reconsidered to avoid any overlap.

14 The United Kingdom delegation considered that the second sentence should not be limited to cases where there are time limits to be observed vis-à-vis the Office.
Article 19

Levy of execution\(^1\)

(1) A Community trade mark may be levied in execution separately from the undertaking and be the subject of enforcement measures following thereon.\(^2\)

(2) As regards the procedure for enforcement measures in respect of a Community trade mark, the courts and authorities of the Member State determined in accordance with Article 16 shall have exclusive jurisdiction.\(^3\)

(3) On request of one of the parties, levy of execution and enforcement measures following thereon shall be entered in the Register and published.

---

\(^1\) The French, Greek, Italian and United Kingdom delegations were in favour of deleting Article 19.

\(^2\) Reservation by the German delegation, which feared that the possibility provided in this paragraph could be used to destroy the undertaking, and that, particularly where the Community trade mark included the personal name of the proprietor, it could be contrary to personal rights.

\(^3\) The representative of the Commission asked delegations to consider the possibility of an alternative solution whereby, as a derogation from Article 17, a Community trade mark may not be levied in execution separately from the undertaking.

\(^4\) The German and Danish delegations made their acceptance of this provision subject to adoption of the solution in Article 16 whereby the national law applicable would be determined in relation to the proprietor at the relevant date. The Italian delegation considered that, if Article 19 were to be maintained, the courts of the Member State in which the undertaking was situated should have exclusive jurisdiction.
Article 20
Bankruptcy or like proceedings

(1) Until such time as common rules for the Member States in this field enter into force, the only Member State in which a Community trade mark may be involved in bankruptcy or like proceedings shall be that in which such proceedings are first brought within the meaning of national law or of conventions applicable in this field. The Member State determined in accordance with Article 16.

(2) Where a Community trade mark is involved in bankruptcy or like proceedings, on request of the competent national authority, an entry to this effect shall be made in the Register and published.

---

19 The majority of delegations were prepared to accept a proposal by the French delegation to delete these words.

20 These two variants were suggested by the French delegation. The initial reaction of most delegations was favourable to the first variant.
Article 21
Licensing

(1) A Community trade mark may be licensed for some or all of the goods or services for which it is registered and for the whole or part of the Community. A licence may be exclusive or non-exclusive.  

(2) The proprietor of a Community trade mark may invoke the rights conferred by that trade mark against a licensee who contravenes any provision in his licence in particular with regard to its duration, the scope of the goods or services for which the licence is granted or the territory in which the trade mark may be affixed, or who does not comply with the proprietor's instructions in respect of the quality of the goods manufactured or of the services provided by the licensee.

---

21 Reservation by the Commission in respect of the possibility of licences being granted for part only of the Community and in respect of the second sentence.

22 Addition proposed by the Italian delegation and supported by the Irish delegation in order to meet the concern of the United Kingdom delegation, which wanted this paragraph to be drafted in such a way as not to exclude the possibility of the proprietor of the Community trade mark invoking the rights conferred by his trade mark against a licensee who contravened a provision in his licence with regard to the territory in which the goods bearing the trade mark were first put on the market.

23 The representative of the Commission expressed a reservation in respect of the proprietor bringing an action against a licensee who affixed the trade mark outside the territory of his licence.

24 The French and Luxembourg delegations were in favour of deleting this paragraph, as they considered that this matter should be dealt with under contractual law rather than trade mark law. The Greek delegation expressed a waiting reservation on this paragraph.
(3) The proprietor of a Community trade mark shall take adequate measures to ensure that the quality of the goods manufactured or of the services provided by the licensee conforms with his instructions.  

(4) On request of one of the parties the grant or transfer of a licence in respect of a Community trade mark shall be entered in the Register and published.

---

25 The French delegation was in favour of deleting this paragraph for the reason given for deleting paragraph 2.
Article 21a

Effects vis-à-vis third parties

(1) Legal acts referred to in Articles 17, 18 and 21 concerning a Community trade mark shall only have effect vis-à-vis third parties in all the Member States after entry in the Register. Nevertheless, such an act, before it is so entered, shall have effect vis-à-vis third parties who have acquired rights in the trade mark after the date of that act but who knew of the act at the date on which the rights were acquired.

(2) Deleted

---

26 The Danish delegation contested the principle that the legal acts concerned should only have effect vis-à-vis third parties after entry in the Register, but considered that if this principle were to be adopted, the exceptions provided for in paragraph 3 should also be maintained.

27 See footnote to the first sentence of Article 17 paragraph 7.

28 This paragraph, and in particular the second sentence, has been aligned on Article 40 paragraph 3 of the Community Patent Convention.

29 The Working Party agreed that paragraph 1 should not be interpreted as meaning that the application of Article 13 paragraph 3 to use of the Community trade mark by a licensee would be dependent upon the registration of the licence.

30 The majority of delegations were in favour of the deletion of this paragraph; only the German and United Kingdom delegations spoke in favour of its retention. It was also suggested that a provision should be included in the implementing Regulation setting out the procedure for rectifying incorrect entries in the Register.
(3) Paragraph 1 shall not be applied in favour of a person who acquires the Community trade mark or a right concerning the Community trade mark by way of transfer of the whole of the undertaking or by any other universal succession.

(4) The effects vis-à-vis third parties of the legal acts referred to in Article 19 shall be governed by the law of the Member State determined in accordance with Article 16.

(5) Until such time as common rules for the Member States in the field of bankruptcy enter into force, the effects vis-à-vis third parties of bankruptcy or like proceedings shall be governed by the law of the Member

---

31 The Belgian, Danish, German, Irish, Netherlands and United Kingdom delegations were in favour of the principle that, by way of derogation from paragraph 1, in the case of a universal succession the successor in title should take over all the rights and obligations of his predecessor, irrespective of whether such rights or obligations were entered in the Register or not. The French delegation on the other hand considered that no derogation should be made from the general principle of paragraph 1 in the case of a universal succession and therefore was in favour of deleting paragraph 3. The Greek and Italian delegations were also in favour of deleting this paragraph. The representative of the Commission reserved his position.

32 It was noted that this paragraph might have to be reconsidered in the light of the final version of Article 19.

33 The Danish and French delegations considered that the effects vis-à-vis third parties of the legal acts referred to in Article 19 should be subject to the same rules as the legal acts referred to in Articles 17, 18 and 21, and should therefore be included in the general rules of paragraphs 1 to 3 rather than be subject to the separate provision of paragraph 4. The other delegations and the Commission representative, while agreeing with the principle that these acts too should be registered before they could take effect vis-à-vis third parties, considered that in view of the differences between national laws in this field these could not be subject to the general rules of paragraphs 1 to 3, and that it was therefore preferable to deal with them in a separate provision. The Greek delegation had an open position on this question.
State in which such proceedings are first brought within the meaning of national law or of conventions applicable in this field determined in accordance with Article 16.

The wording of this paragraph corresponds to that of Article 20 paragraph 1 (see also the footnotes to that provision).

The French and Italian delegations were in favour of deleting this paragraph. The Danish delegation adopted a position corresponding to its position in respect of paragraph 4. The United Kingdom delegation had an open position as to whether this paragraph should be deleted, maintained, or incorporated into Article 20. The other delegations adopted a position corresponding to the majority view in respect of paragraph 4.

---

34 The wording of this paragraph corresponds to that of Article 20 paragraph 1 (see also the footnotes to that provision).

35 The French and Italian delegations were in favour of deleting this paragraph. The Danish delegation adopted a position corresponding to its position in respect of paragraph 4. The United Kingdom delegation had an open position as to whether this paragraph should be deleted, maintained, or incorporated into Article 20. The other delegations adopted a position corresponding to the majority view in respect of paragraph 4.
Article 22

The right of property in an application for a Community trade mark

Articles 16 to 21a shall apply mutatis mutandis to applications for Community trade marks. 36

---

36 The United Kingdom delegation considered that it should be made clear that the application of Articles 16 to 21a to applications for Community trade marks was subject to the subsequent registration of the Community trade mark, since under Article 8 paragraph 3 the rights conferred by a Community trade mark prevail against third parties only from the date of publication of registration of the trade mark.
Article 30a

Examination of the conditions relating
to the entitlement of the proprietor

(1) Where the applicant is not one of the persons who Community trade marks may be registered, who may be proprietors of Community trade marks pursuant to Article 4 paragraph 1(a) to (d), or where the requirements of Article 4 paragraph 3 are not complied with, the application shall be rejected.

(2) Where the Office has reasonable doubts as to whether the applicant has the bona fide intention of using the Community trade mark in the Community for the goods or services covered by the application in his own business or of permitting its use for such goods or services by licensees or by economically associated undertakings, the Office may require the applicant to provide evidence of such intention.

(3) The application may not be rejected before the applicant has been given an opportunity to remedy the deficiencies, withdraw or amend his application or submit comments.

---

37 The Working Party postponed discussion of this Article until further progress had been made on Article 4; it did however register general agreement with the principles underlying paragraphs 1 and 3.

38 Title suggested by the representative of the Commission.

39 Wording suggested by the German delegation.

40 Wording suggested by the representative of the Commission and supported by the French delegation (see Article 4 paragraph 1, introductory wording).
Article 65
Enforcement of decisions fixing the amount of costs

(1) Any final decision of the Office fixing the amount of costs shall be enforceable. It must be accompanied by the decision apportioning them.

(2) Enforcement shall be governed by the rules of civil procedure in force in the State in the territory of which it is carried out. The order for its enforcement shall be appended to the decision, without other formality than verification of the authenticity of the decision, by the national authority which the Government of each Member State shall designate for this purpose and shall make known to the Office and to the Court of Justice.

(3) When these formalities have been completed on application by the party concerned, the latter may proceed to enforcement in accordance with the national law, by bringing the matter directly before the competent authority.

(4) Enforcement may be suspended only by a decision of the Court of Justice. However, the courts of the country concerned shall have jurisdiction over complaints that enforcement is being carried out in an irregular manner.

Provisional reservation, linked to the question of the legal basis for the Regulation, by the United Kingdom delegation on decisions of the Office being enforceable, and on the involvement of the Court of Justice. The French delegation also entered a provisional reservation in respect of the enforceability of decisions of the Office.
Section 3
Information of the public and of the official authorities of the Member States

Article 66
Register of Community trade marks

The Office shall keep a register to be known as the Register of Community trade marks, which shall contain those particulars the registration of which is provided for by this Regulation or by the implementing Regulation. The Register shall be open to public inspection.
Article 67

Inspection of files

(1) The files relating to Community trade mark applications which have not yet been published shall not be made available for inspection without the consent of the applicant.

(2) Any person who can prove that the applicant for a Community trade mark has stated that after the trade mark has been registered he will invoke the rights under it against him may obtain inspection of the files prior to the publication of that application and without the consent of the applicant.\(^{42}\)

(3) Subsequent to the publication of the Community trade mark application, the files relating to such application and the resulting trade mark may be inspected on request.

(4) However, where the files are inspected pursuant to paragraph 2 or 3, certain documents in the file may be withheld from inspection in accordance with the provisions of the implementing Regulation.

\(^{42}\) The German delegation considered that the applicant should at least have the opportunity of giving his point of view.
Article 68

Periodical publications

The Office shall periodically publish:

(a) a Community Trade Marks Bulletin containing entries made in the Register of Community Trade Marks as well as other particulars the publication of which is prescribed by this Regulation or by the implementing Regulation;

(b) an Official Journal of the Community Trade Marks Office containing notices and information of a general character issued by the President of the Office, as well as any other information relevant to this Regulation or its implementation.\(^{43}\)

\(^{43}\) The Italian delegation considered that the material referred to in this subparagraph could be published in the Official Journal of the European Communities, rather than in a separate Official Journal of the Office; the French delegation shared this view in the event of the instrument being a Council Regulation, but not if it were to be a Convention. The Netherlands delegation considered that the material referred to in subparagraphs (a) and (b) should be published in a single publication, while the United Kingdom delegation considered that this could be done initially, subject to reviewing the need for one or two publications in the light of experience.
Article 69

Classification of Community trade marks

Goods and services for which Community trade marks are applied for shall be classified in conformity with the Office's system of classification.

The majority of delegations considered that this Article should not be in this section of the Regulation. A suggestion by the French delegation that the whole question of classification be left to the implementing Regulation was supported by several delegations, while the Danish, German and United Kingdom delegations considered that some reference to classification was necessary in the basic Regulation.

A number of delegations considered that the text (whether in the basic Regulation or in the implementing Regulation) should refer explicitly to the Nice classification, or at least make it clear that the Office would use an internationally recognized system of classification. The Greek delegation expressed a waiting reservation on any express reference to the Nice classification, as Greece is not party to the Nice agreement.

Examination of this Article will be resumed at a subsequent meeting.