I. THIRD READING OF THE PROPOSAL FOR A COUNCIL REGULATION ON THE COMMUNITY TRADE MARK

1. The Working Party continued its third reading of the proposal for a Regulation, examining in turn:

(a) Article 7, on the basis of Working Document No 8 from the German delegation (SN 3028/86);

(b) matters left open at the previous meeting, on the basis of document 9714/86;

(c) Articles 20 to 41, on the basis of document 4788/86.

The texts resulting from its examination at this and its previous meeting are set out in Annex I hereto.

2. The Commission representative proposed the following explanatory statement in respect of Article 4 paragraph 1:

.../...
"Stateless persons are to be considered as nationals of the Member State in which they are domiciled".

3. The Chairman proposed the following explanatory statement in respect of Article 6 paragraph 1(e):

"Where goods are packaged, the expression "shape of the goods" includes the shape of the goods as packaged".

The German delegation suggested that the words "goods as packaged" be replaced by "packaging".

4. The United Kingdom delegation agreed to draft an explanatory statement with regard to passing off in relation to Article 12 paragraph 1(a).

5. The German delegation agreed to draft an explanatory statement on the expression "liable to mislead" in Article 39 paragraph 1(c).

II. POSITION REPORT TO PERMANENT REPRESENTATIVES COMMITTEE

6. The Chairman asked delegations to submit their comments as soon as possible on the draft report which had been circulated under reference SN/3697/86. A revised draft would then be prepared for discussion at the Working Party's next meeting.
ANNEX I

AMENDED PROPOSAL FOR A COUNCIL REGULATION
ON THE COMMUNITY TRADE MARK:

TEXT RESULTING FROM THE THIRD READING

TITLE I
GENERAL PROVISIONS

Article 1
Community trade mark

(1) A trade mark for goods or services which conforms with the conditions contained in this Regulation and is registered in manner herein provided is hereinafter referred to as a "Community trade mark".

(2) A Community trade mark shall have a unitary character. It shall have equal effect throughout the Community: it shall not be registered, transferred or surrendered or be the subject of a decision revoking the rights of the proprietor or declaring it invalid, nor shall its use be prohibited, save in respect of the whole Community. This principle shall apply unless otherwise provided in this Regulation.
Article 2

Community Trade Marks Office

A Community Trade Marks Office, hereinafter referred to as "the Office", is hereby established.
TITLE II
THE LAW RELATING TO TRADE MARKS

Section 1
Definition of a Community trade mark
Obtaining a Community trade mark

Article 3
Signs of which a Community trade mark may consist

A Community trade mark may consist of any signs capable of being represented graphically, particularly words, including personal names, designs, letters, numerals, the shape of goods or of their packaging, provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings.
Article 4
Persons who can be proprietors
of Community trade marks

(1) The following natural or legal persons, including authorities established under public law, may be proprietors of Community trade marks:

(a) nationals of the Member States, or

(b) nationals of other States which are parties to the Paris Convention for the protection of industrial property, hereinafter referred to as "the Paris Convention", or

(c) nationals of States which are not parties to the Paris Convention who are domiciled or have their seat or who have real and effective industrial or commercial establishments on the territory of the Community or of a State which is party to the Paris Convention, or

(d) nationals, other than those referred to under subparagraph (c) above, of any State which is not party to the Paris Convention and which, according to published findings, accords to nationals of all the Member States the same protection for trade marks as it accords to its own nationals and, if nationals of the Member States are required to prove registration in the country of origin, recognizes the registration of Community trade marks as such proof.
Article 4 (continued)

(2) Companies or firms and other legal bodies shall be regarded as legal persons if, under the terms of the law governing their constitution, they have the capacity in their own name to have rights and obligations of all kinds, to make contracts or accomplish other legal acts and to sue and be sued.

(3) Persons who are nationals of a State covered by paragraph 1(d) must prove that the trade mark for which an application for a Community trade mark has been submitted is registered in the country of origin, unless, according to published findings, the trade marks of nationals of the Member States are registered in the country of origin in question without proof of prior registration as a Community trade mark or as a national trade mark in a Member State.
Article 5

Means whereby a Community trade mark is obtained

A Community trade mark is obtained by registration.
Article 6
Absolute grounds for refusal

(1) The following shall not be registered:

(a) signs which do not conform to the requirements of Article 3,

(b) trade marks which are devoid of any distinctive character,

(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service,

(d) trade marks which consist exclusively of signs or indications which have become customary to designate the goods or service in the current language or in the bona fide and established practices of the trade,

Six delegations (DK, GR, IRL, IT, PO and UK) asked for the inclusion in Article 6(1) of a provision to the effect that, in addition, a trade mark would not be registered if an identical registered national or Community trade mark already existed, which would mean the relative ground for refusal at present contained in Article 7, paragraph 1, would become an absolute ground for refusal. Five delegations (BE, DT, FR, LUX and NL) opposed this request on the ground that the existence of a trade mark should remain a relative ground for refusal as proposed by the Commission. These positions will be reconsidered following resolution of the question concerning search.

10880/86
Article 6 (continued)

(e) signs which consist exclusively of

- the shape which results from the nature of the goods themselves, or

- the shape of goods which is necessary to obtain a technical result, or

- the shape which affects the intrinsic value of the goods,

(f) trade marks which are contrary to public policy or to accepted principles of morality,

(g) trade marks which are of such a nature as to deceive the public, for instance as to the nature, quality or geographical origin of the goods or service,

(h) trade marks which have not been authorized by the competent authorities and are to be refused pursuant to Article 6 ter of the Paris Convention,
Article 6 (continued)

(i) trade marks which include badges, emblems or escutcheons, determined in accordance with the procedure set out in the Implementing Regulation, other than those covered by Article 6 ter of the Paris Convention and which are of particular public interest, unless the consent of the appropriate authorities to their registration has been given.

(2) Deleted.

(3) Paragraph 1 shall apply notwithstanding that the grounds of non-registrability obtain in only part of the Community.

(4) Paragraph 1(b), (c) and (d) shall not apply if the trade mark has become distinctive in relation to the goods or services for which registration is requested in consequence of the use which has been made of it.
Article 7

Relative grounds for refusal

(1) Upon opposition by the proprietor of an earlier trade mark, the trade mark applied for shall not be registered:

(a) if it is identical with the earlier trade mark and the goods or services for which registration is applied for are identical with the goods or services for which the earlier trade mark is protected;

(b) if because of its identity with or similarity to the earlier trade mark and the identity or similarity of the goods or services covered by the trade marks there exists a likelihood of confusion on the part of the public in the territory in which the earlier trade mark is protected.

2 Waiting reservation by the Greek delegation on the new structure of Article 7.
Article 7 (continued)

(2) "Earlier trade marks" within the meaning of paragraph 1 means:

(a) trade marks of the following kinds with a date of application for registration which is earlier than the date of application for registration of the Community trade mark, taking account, where appropriate, of the priorities claimed in respect of those trade marks:

- Community trade marks;

- trade marks registered in a Member State, including those registered in the Benelux countries;

- trade marks registered under international arrangements which have effect in a Member State;

(b) application for the trade marks referred to in (a), subject to their registration;

(c) trade marks which, on the date of application for registration of the Community trade mark, or, where appropriate, of the priority claimed in respect of the application for registration of the Community trade mark, are well known in a Member State, in the sense in which the words "well known" are used in Article 6 bis of the Paris Convention;

.../...
Article 7 (continued)

(3) Upon opposition of the proprietor of the trade mark, a trade mark shall not be registered where an agent or representative of the proprietor of the trade mark applies for registration thereof in his own name without the proprietor's consent, unless the agent or representative justifies his action.

(4) Upon opposition of the proprietor of a non-registered trade mark or of another sign used in the course of trade of more than mere local significance, the trade mark applied for shall not be registered where and to the extent that, pursuant to the law of the Member State governing that sign,

(a) rights to that sign were acquired prior to the date of application for registration of the Community trade mark, or the date of the priority claimed for the application for registration of the Community trade mark,

(b) that sign confers on its proprietor the right to prohibit the use of a subsequent trade mark. 3

3 Reservation by the German and Netherlands delegations on allowing non-registered rights to constitute grounds for opposition.
Article 7 (continued)

(5) Furthermore, upon opposition by the proprietor of an earlier trade mark within the meaning of paragraph 2, the trade mark applied for shall not be registered where it is identical with or substantially indistinguishable from the earlier trade mark and is to be registered for goods or services which are not similar to those for which the earlier trade mark is registered, where in the case of an earlier Community trade mark, the trade mark is of wide repute in the Community and, in the case of an earlier national trade mark, the trade mark is of wide repute in the Member State concerned and the use of the trade mark applied for would take unfair advantage of or be detrimental to the distinctiveness or the repute of the earlier trade mark.
Section 2
Effects of Community trade marks

Article 8
Rights conferred by a Community trade mark

(1) A Community trade mark shall confer on the proprietor exclusive rights therein. The proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade:

(a) any sign which is identical with the Community trade mark in relation to goods or services which are identical with those for which the Community trade mark is protected;

(b) any sign where, because of its identity with or similarity to the Community trade mark and the identity or similarity of the goods or services covered by the Community trade mark and the sign, there exists a likelihood of confusion on the part of the public;
Article 8 (continued)

(c) Deleted.

(d) any sign which is identical with or substantially indistinguishable from the Community trade mark in relation to goods or services which are not similar to those for which the Community trade mark is registered, where the latter is of wide repute in the Community and where use of that sign takes unfair advantage of or is detrimental to the distinctiveness or the repute of the Community trade mark.

(2) The following, inter alia, may be prohibited under paragraph 1:

(a) affixing the sign to the goods or to the packaging thereof;

(b) offering the goods, putting them on the market or stocking them for these purposes under that sign, or offering or supplying services thereunder;

(b bis) importing the goods into the Community, exporting them or subjecting them to any other customs procedure such as transit or warehousing; 4

(c) using the sign on business papers and in advertising.

4 The present wording of subparagraphs (b) and (b bis), proposed by the Commission representative, has not yet been examined by the Working Party.
Article 8 (continued)

(3) The rights conferred by a Community trade mark shall prevail against third parties from the date of publication of registration of the trade mark. Reasonable compensation may, however, be claimed in respect of matters arising after the date of publication of a Community trade mark application, which matters would, after publication of the registration of the trade mark, be prohibited by virtue of that publication. The court seized of the case may not decide upon the merits of the case until the registration has been published.
Article 9
Reproduction of Community trade marks in dictionaries

(1) The publisher of a dictionary, encyclopaedia or similar work shall ensure that any reproduction of a Community trade mark therein is accompanied by an indication that the trade mark is registered, where the reproduction of this trade mark in such works gives the impression that it constitutes the generic name of the goods or services for which the trade mark is registered.

(2) Where the publisher fails to comply with the requirements of paragraph 1, he shall, at the request of the proprietor of the Community trade mark, correct the matter at his own expense in the next edition of the publication.

As the overwhelming majority of delegations were in favour of deleting this Article, the Danish delegation proposed the following text, which has not yet been examined by the Working Party: "If the reproduction of a Community trade mark in a dictionary, encyclopaedia or similar work gives the impression that it constitutes the generic name of the goods or services for which the trade mark is registered, the publisher of the work shall, at the request of the proprietor of the Community trade mark, ensure that the reproduction of the trade mark at the latest in the next edition of the publication is accompanied by an indication that it is a registered trade mark."
Article 10

Limitation of the effects of a Community trade mark

A Community trade mark does not entitle the proprietor to prohibit a third party from using in the course of trade:

(a) his own name or address;

(b) indications concerning the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of the goods or of rendering of the service, or other characteristics of the goods or service;

(c) the trade mark where it is necessary to indicate the intended purpose of a product or service, in particular as accessories or spare parts;

provided he uses them in accordance with honest practices in industrial or commercial matters.
Article 11
Exhaustion of the rights conferred
by a Community trade mark

(1) A Community trade mark does not entitle the proprietor to
prohibit its use in relation to goods which have been put on the
market in the Community\(^6\) under that trade mark by the proprietor
or with his consent.

(2) Paragraph 1 shall not apply where there exist legitimate reasons
for the proprietor to oppose further commercialization of the
goods, especially where the condition of the goods is changed or
impaired after they have been put on the market.\(^7\)

\(^6\) The German delegation entered a reservation on this text as it
considered that provision should be made for international
exhaustion rather than Community exhaustion of rights. It indicated
that it might be able to accept this text if it were agreed that
this provision would not prevent courts from applying the principle
of exhaustion to goods put on the market outside the Community in
specific cases.

\(^7\) The Commission representative expressed a reservation on this
wording, which he considered could lead to misinterpretation of
Community law.
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, infringement of a Community trade mark shall be governed by the national law relating to infringement of a national trade mark in accordance with the provisions of Title IX of this Regulation.

(1a) This Regulation shall not prevent actions concerning a Community trade mark being brought 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.
Section 3
Use of Community trade marks

Article 13

(1) If, within a period of five years following registration, the proprietor has not put the Community trade mark to genuine use in the Community in connection with the goods or services in respect of which it is registered, or if such use has been suspended during an uninterrupted period of five years, the Community trade mark shall be subject to the sanctions provided for in this Regulation, unless there are proper reasons for non-use.

(la) The following shall also constitute use within the meaning of paragraph 1:

(a) use of the Community trade mark in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered;

(b) affixing of the Community trade mark to goods or to the packaging thereof in the Community solely for export purposes.

(2) Deleted.

(3) Use of the Community trade mark with the consent of the proprietor shall be deemed to constitute use by the proprietor.
Section 4
Duration and alteration
of Community trade marks

Article 14
Duration of registration

Community trade marks shall be registered for a period of ten years from the date of filing of the application. Registration may be renewed in accordance with Article 37 for further periods of ten years.
Article 15
Alteration

(1) The Community trade mark shall not be altered in the register during the period of registration or on renewal thereof. 8

(2) Nevertheless, where the Community trade mark includes the name and address of the proprietor, any alteration thereof not substantially affecting the identity of the trade mark as originally registered may be registered at the request of the proprietor.

(3) The publication of the registration of the alteration shall contain a representation of the Community trade mark as altered. Third parties whose rights may be affected by the alteration may challenge the registration thereof within a period of three months following publication.

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8 Reservation by the French and Spanish delegations, which considered that minor alterations should be possible, at least at the time of renewal of the Community trade mark.
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 seat or his domicile on the relevant date, or

(b) where subparagraph (a) does not apply, the proprietor has an establishment on the relevant date.

(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.

(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.

(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 register the transfer unless the successor 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.

§ The German delegation reserved its position on paragraph 2 and offered to submit written observations on this paragraph.
Article 17 (continued)

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

(7) As long as the transfer 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.

(8) Where there are time limits to be observed vis-à-vis the Office, the successor in title may make the corresponding statements to the Office once the request for registration of the transfer has been received by the Office.

(9) 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.

(10) Where a Community trade mark is registered in the name of the agent or representative of the proprietor of the trade mark contrary to Article 7 paragraph 3, the registration shall be transferred to the proprietor at his request.10

10 The text of this paragraph, which was proposed by the German delegation, has not yet been examined by the Working Party.
Article 18
Rights in rem

(1) A Community trade mark may, independently of the undertaking, be given as security or be the subject of rights in rem.

(2) On request of one of the parties, rights mentioned in paragraph 1 shall be entered in the Register and published.
Article 19
Levy of execution

(1) A Community trade mark may be levied in execution unless such measures would jeopardize the personal rights of the proprietor of the trade mark in an unreasonable manner.\textsuperscript{11}

(2) As regards the procedure for levy of execution 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) On request of one of the parties, levy of execution shall be entered in the Register and published.

\textsuperscript{11} Scrutiny reservation by all delegations on the present version of this paragraph, which was proposed by the German delegation.
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.

(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.
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 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.

12 The Portuguese delegation was in favour of the inclusion of the words "in particular" at this point.

13 The Commission representative 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.

14 The French and Luxembourg delegations expressed a reservation on the words from "or who does not comply" to the end of the paragraph, as they considered that this matter should be dealt with under contractual law rather than trade mark law. The Danish delegation also expressed a preference for the deletion of these words. The Luxembourg delegation suggested a solution whereby the proprietor of the Community trade mark would be able to invoke the rights conferred by the trade mark against a licensee who did not comply with the proprietor's instructions in respect of the quality of the goods or services, provided that the licence was entered in the Register, and that the licensing contract contained specific instructions in respect of the quality of the goods or services.
Article 21 (continued)

(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. 15

(3a) The licensee may bring proceedings for infringement of a Community trade mark only if its proprietor consents thereto. 16

(3b) A licensee shall, for the purpose of obtaining compensation for damage suffered by him, be entitled to intervene in an infringement action brought by the proprietor of the Community trade mark.

(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.

The French delegation expressed a reservation in respect of this paragraph, which it considered should be deleted for the reason given for deleting the last part of paragraph 2. The Danish delegation expressed a preference for the deletion of this paragraph.

Reservation by the Greek delegation, which thought that a clause should be added to the effect that if such consent was withheld without justification the licensee should be entitled to bring such proceedings without the proprietor's consent. The Portuguese delegation shared the view of the Greek delegation with regard to an exclusive licence.
Article 21a
Effects vis-à-vis third parties

(1) Legal acts referred to in Articles 17, 13 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.

(3) Paragraph 1 shall not be applied with regard to 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.
Article 21a (continued)

(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 State in which such proceedings are first brought within the meaning of national law or of conventions applicable in this field.
Article 22
The right of property in an application
for a Community trade mark

Articles 16 to 21a shall apply to applications for Community trade marks.
TITLE III
APPLICATIONS FOR COMMUNITY TRADE MARKS

Section 1
Filing of applications and
the conditions which govern them

Article 23
Filing of applications

First variant

(1) An application for a Community trade mark shall be filed, at the
choice of the applicant, at the Office or at the central
industrial property office of a Member State or at the Benelux
Trade Mark Office.

(2) Where the application is filed at the central industrial property
office of a Member State or at the Benelux Trade Mark Office,
that office shall take all steps to forward the application to
the Office within /two weeks/ after filing. It may charge the
applicant a fee which shall not exceed the administrative cost of
receiving and forwarding the application.

(3) Applications which do not reach the Office within /three months/
after filing shall be deemed withdrawn.

17 The Belgian, Greek, Spanish, French, Italian and Portuguese
delégations were in favour of this variant. The Danish and United
Kingdom délégations were prepared to accept it.
Article 23 (suite)

Second variant

An application for a Community trade mark shall be filed at the Office.

18 The German, Irish and Netherlands delegations and the Commission representative were in favour of this variant. The Danish and United Kingdom delegations preferred it to the first variant.
Article 24
Conditions with which applications must comply

(1) An application for a Community trade mark shall contain:

(aa) a request for the registration of a Community trade mark;

(a) information identifying the applicant;

(b) a list of the goods or services in respect of which the registration is requested;

(c) a representation of the trade mark;

(d) Deleted.

(2) The application for a Community trade mark shall be subject to the payment of the minimum amount of fees and, when appropriate, of an additional amount.

(3) An application for a Community trade mark must comply with the conditions laid down in the Implementing Regulation.
Article 25

Date of filing

The date of filing of a Community trade mark application shall be the date on which documents containing the information specified in Article 24 paragraph 1 are filed with the Office by the applicant or, if the application has been filed with the central office of a Member State or with the Benelux Trade Mark Office, with that office, subject to payment of the minimum amount of fees within a period of one month of filing the abovementioned documents.
Section 2

Priority

Article 26

Right of priority

(1) A person who has duly filed an application for a trade mark in or for any State party to the Paris Convention, or his successors in title, shall enjoy, for the purpose of filing a Community trade mark application for the same trade mark in respect of goods or services which are identical with or contained within those for which the application has been filed, a right of priority during a period of six months from the date of filing of the first application.

(2) Every filing that is equivalent to a regular national filing under the national law of the State where it was made or under bilateral or multilateral agreements shall be recognized as giving rise to a right of priority.

(3) By a regular national filing is meant any filing that is sufficient to establish the date on which the application was filed, whatever may be the outcome of the application.
Article 26 (continued)

(4) A subsequent application for a trade mark which was the subject of a previous first application in respect of the same goods or services, and which is filed in or in respect of the same State shall be considered as the first application for the purposes of determining priority, provided that, at the date of filing of the subsequent application, the previous application has been withdrawn, abandoned or refused, without being open to public inspection and without leaving any rights outstanding, and has not served as a basis for claiming a right of priority. The previous application may not thereafter serve as a basis for claiming a right of priority.

(5) If the first filing has been made in a State which is not a party to the Paris Convention, paragraphs 1 to 4 shall apply only insofar as that State according to the findings of the Office published in accordance with the Implementing Regulation, grants, on the basis of a first filing made at the Office and subject to conditions equivalent to those laid down in this Regulation, a right of priority having equivalent effect.
Article 27
Claiming priority

An applicant desiring to take advantage of the priority of a previous application shall file a declaration of priority. The Office may require production of a copy of the previous application and, if necessary, a translation of it in the Office's procedural language.
Article 28

Effect of priority right

The right of priority shall have the effect that the date of priority shall count as the date of filing of the Community trade mark application for the purposes of establishing which rights take precedence.
Article 29

Equivalence of Community filing with national filing

A Community trade mark application which has been accorded a date of filing shall, in the Member States, be equivalent to a regular national filing, where appropriate with the priority claimed for the Community trade mark application.
Section 3
Claiming the seniority of a national trade mark

Article 29a

(1) The proprietor of a registered national trade mark who applies for an identical Community trade mark for identical goods or services, may, under the conditions laid down in the Implementing Regulation, claim for the Community trade mark the seniority of the national trade mark in respect of the Member State in which that trade mark exists.

(2) Paragraph 1 shall continue to apply even where the national trade mark the seniority of which has been claimed is no longer registered.

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19 The German delegation and the Commission representative agreed to draft an explanatory statement on the meaning of the expression "seniority".

20 Paragraph 2 has been suggested by the Commission representative after the meeting of 19, 20 and 21 November 1986.
TITLE IV
REGISTRATION PROCEDURE

Section 1
Examination of applications

Article 30
Examination of applications

(1) The Office shall examine whether:

(a) the Community trade mark application satisfies the requirements for the accordance of a date of filing in accordance with Article 25;

(b) the Community trade mark application complies with the conditions laid down in Article 24 paragraph 3;

(c) the fees due over above the minimum amount have been paid within the prescribed period.

(2) Where the Community trade mark application does not satisfy the requirements referred to in paragraph 1, the Office shall request the applicant to remedy the deficiencies or the default on payment within the prescribed period.
Article 30 (continued)

(3) If the deficiencies or the default on payment established pursuant to paragraph 1(a) are not remedied within this period, the application shall not be dealt with as a Community trade mark application. If the applicant complies with the Office's request, the Office shall accord as the date of filing of the application the date on which the deficiencies or the default on payment established are remedied.

(4) If the deficiencies established pursuant to paragraph 1(b) are not remedied within the prescribed period, the Office shall refuse the application.
Article 30 (continued)

(4a) If the default on payment established pursuant to paragraph 1(c) is not remedied within the prescribed period, the application shall be deemed to be withdrawn unless it is clear which categories of products or services the amount paid is intended to cover.\(^{21}\)

(5) Failure to satisfy the requirements concerning the claim to priority will result in loss of the right of priority for the application.

(6) Failure to satisfy the requirements concerning the claiming of seniority of a national trade mark will result in loss of that right for the application.

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\(^{21}\) Scrutiny reservation by the United Kingdom delegation.
Article 30a

Examination of the conditions relating
to the entitlement of the proprietor

(1) Where, pursuant to Article 4, the applicant may not be the
proprietor of a Community trade mark, the application shall be
refused.

(2) The application may not be refused before the applicant has been
given the opportunity to withdraw his application or submit his
observations.
Article 31
Examination as to absolute grounds for refusal

(1) Where, under Article 6, a trade mark is ineligible for registration in respect of some or all of the goods or services covered by the Community trade mark application, the application shall be refused as regards those goods or services.

(2) Where the trade mark contains an element which is not distinctive, and where the inclusion of said element in the trade mark could give rise to doubts as to the scope of protection of the trade mark, the Office may request, as a condition for registration of said trade mark, that the applicant state that he disclaims any exclusive right to such element. Any disclaimer shall be published together with the application or the registration of the Community trade mark, as the case may be.

(3) The application shall not be refused before the applicant has been allowed the opportunity of withdrawing or amending the application or of submitting his observations.

(4) )
) Deleted.

(5) )
Article 31a

Publication of the application

(1) If the conditions which the application for a Community trade mark must satisfy have been fulfilled, the application shall be published to the extent that it has not been refused pursuant to Article 31.

(2) Where, after publication, the application is refused under Article 31, the decision that it has been refused shall be published upon becoming final.
Article 32
Amendment of the application

(1) The applicant may at any time withdraw his Community trade mark application or restrict the list of goods or services contained therein. Where the application has already been published, the withdrawal or restriction shall also be published.

(2) In other respects, a Community trade mark application may be amended, upon request of the applicant, only by correcting the name and address of the applicant, errors of wording or of copying, or obvious mistakes, provided that such correction does not substantially change the trade mark or extend the list of goods or services. Where the amendments affect the representation of the trade mark or the list of goods or services and are made after publication of the application, the trade mark application shall be published as amended.
Section 2
Observations by third parties and opposition

Article 33
Observations by third parties

(1) Following the publication of the Community trade mark application, any natural or legal person and any group or body representing manufacturers, producers, suppliers of services, traders or consumers may submit to the Office written observations, explaining on which grounds under Article 6 in particular, the trade mark is automatically ineligible for registration. They shall not be parties to the proceedings before the Office.

(2) The observations referred to in paragraph 1 shall be communicated to the applicant who may comment on them.

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Reservations by the Irish and Italian delegations, which thought it should be possible to base observations both on absolute grounds for refusal (Article 6) and on relative grounds for refusal (Article 7).

.../...
Article 33a

Search

(1) Once a Community trade mark application has been accorded a date of filing, the Office shall draw up a Community search report citing those earlier Community trade marks or Community trade mark applications discovered which may be invoked under Article 7 against the registration of the Community trade mark applied for.

(2) As soon as a Community trade mark application has been accorded a date of filing, the Office shall transmit a copy thereof to the central industrial property office of each Member State which has informed the Office of its decision to operate a search in its own register of trade marks in respect of Community trade mark applications.

(3) Each of the central industrial property offices referred to in paragraph 2 shall communicate to the Office within three months as from the date on which it received the Community trade mark application a search report which shall either cite those earlier national trade marks or trade mark applications discovered which may be invoked under Article 7 against the registration of the Community trade mark applied for, or state that the search has revealed no such rights.

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The wording of Article 33a reproduced here is that of the compromise solution which emerged from the Working Party's discussions on 17 and 18 April 1986 (see Doc. 6578/86, Annex 1). The whole question of searching is being referred to the Permanent Representatives Committee.

.../...
Article 33a (continued)

(4) The Office shall transmit without delay to the applicant for the Community trade mark the Community search report and the national search reports received within the time limit laid down in paragraph 3.

(5) Upon publication of the Community trade mark application, which may not take place before the expiry of a period of one month as from the date on which the Office transmits the search reports to the applicant, the Office shall inform the proprietors of any earlier Community trade marks or Community trade mark applications cited in the Community search report of the publication of the Community trade mark application.

(6) The Commission shall, five years after the opening of the Office for the filing of applications, submit to the Council a report on the operation of the system of searching resulting from this Article and, if necessary, appropriate proposals for amending this Regulation with a view to adapting the system of searching on the basis of the experience gained and bearing in mind developments in searching techniques.
Article 34

Opposition

(1) Within a period of three months following the publication of a Community trade mark application, notice of opposition to registration of the trade mark may be given on the grounds that it may not be registered under Article 7:

(a) by the proprietors of earlier trade marks referred to in Article 7 paragraph 2 as well as licensees authorized by the proprietors of those trade marks;

(b) Deleted.

(c) by the proprietors of trade marks referred to in Article 7 paragraph 3;

(d) by the proprietors of signs referred to in Article 7 paragraph 4.

Five delegations (B-GR-IRL-I-UK) entered reservations on Article 34, as the problem of the absolute or relative nature of the grounds for refusal constituted by the existence of identical earlier rights and the related problem of search for earlier rights (see Article 33a) had not yet been resolved.

The Danish delegation would also enter a reservation on this point if its proposal on searches (Article 33a) was not accepted.

.../...
Article 34 (continued)

(1a) Notice of opposition to registration of the trade mark may also be given subject to the conditions laid down in paragraph 1, in the event of the publication of an amended application in accordance with the second sentence of Article 32 paragraph 2.

(2) Opposition must be expressed in writing and must specify the grounds on which it is made. It shall not be treated as duly entered until the opposition fee has been paid. Within a period fixed by the Office, the opponent may submit in support of his case facts, evidence and arguments.

(3) Deleted.
Article 35
Examination of opposition

(1) In the examination of the opposition the Office shall invite the parties, as often as necessary, to file observations, within a period to be fixed by the Office, on communications from the other parties or issued by itself.

(2) If the applicant so requests, the proprietor of an earlier Community trade mark who has given notice of opposition shall furnish proof that, during the period of five years preceding the date of publication of the Community trade mark application, the earlier Community trade mark has been put to genuine use in the Community in connection with the goods or services in respect of which it is registered, or that there are proper reasons for non-use, provided the earlier Community trade mark has at that date been registered for not less than five years, and to the extent that it is registered in respect of goods or services for which the later Community trade mark is applied for. In the absence of proof to this effect, the opposition shall be rejected. If the earlier Community trade mark has been used in relation to part only of the goods or services for which it is registered it shall, for the purposes of the examination of the opposition, be deemed to be registered in respect only of that part of the goods or services.
Article 35 (continued)

(2a) Paragraph 2 shall apply to earlier national trade marks referred to in Article 7 paragraph 2(a), by substituting use in the Member State in which the earlier national trade mark is protected for use in the Community.

(3) The Office may, if it thinks fit, invite the parties to make a friendly settlement.

(4) If examination of the opposition reveals that the trade mark may not be registered in respect of some or all of the goods or services for which the Community trade mark application has been made, the application shall be refused in respect of those goods or services. Otherwise the opposition shall be rejected.

(5) The decision refusing the application shall be published upon becoming final.
Section 3
Registration

Article 36
Registration

Where an application meets the requirements of this Regulation and the registration fee has been paid within the period prescribed, the trade mark shall be registered as a Community trade mark. If the fee is not paid within this period the application shall be deemed to be withdrawn.
(1) Registration of the Community trade mark shall be renewed at the request of the proprietor of the trade mark or any person expressly authorized by him, provided that the fees have been paid.

(1a) The Office shall inform the proprietor of the Community trade mark, and any person having a registered right in respect of the Community trade mark, of the expiry of the registration in good time before the said expiry. Failure to give such information shall not involve the responsibility of the Office.

(2) Deleted.

(3) The request for renewal shall be submitted within a period of six months preceding the last day of the month in which protection ends. The fees shall also be paid within this period. Failing this, the request may be submitted and the fees paid within a further period of six months from the day referred to in the first sentence, provided that an additional fee is paid within this further period.
Article 37 (continued)

(4) Where the request is submitted or the fees paid in respect of only some of the goods or services for which the Community trade mark is registered, registration shall be renewed for those goods or services only.

(5) Renewal shall take effect from the day following the date on which the existing registration expires. The renewal shall be registered.
(1) A Community trade mark may be surrendered in respect of some or all of the goods or services for which it is registered.

(2) The surrender shall be declared to the Office in writing by the proprietor of the trade mark. It shall not have effect until it has been registered.

(3) Surrender shall be registered only with the agreement of the proprietor of a right entered in the Register. If a licence has been registered, surrender shall only be entered in the Register if the proprietor of the trade mark proves that he has informed the licensee of his intention to surrender; this entry shall be made on expiry of the period prescribed by the Implementing Regulation.
Section 2
Grounds for revocation

Article 39
Grounds for revocation

(1) The rights of the proprietor of the Community trade mark shall be declared to be revoked on application to the Office or on the basis of a counterclaim in infringement proceedings:

(a) if, within a continuous period of five years, the trade mark has not been put to genuine use in the Community in connection with the goods or services in respect of which it is registered, and there are no proper reasons for non-use; however, no person may claim that the proprietor's rights in a Community trade mark should be revoked where, during the interval between expiry of the five year period and filing of the application or counterclaim, use of the trade mark has been started or resumed in good faith; the commencement or resumption of use within a period of six months preceding the filing of the application or counterclaim shall not be regarded as having been in good faith, provided that the period of six months began at the earliest on expiry of the continuous period of five years of non-use/ on the first day of the sixth year following the registration of the Community trade mark/; \(^\text{25}\)

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\(^{25}\) The wording of subparagraph (a) has been suggested by the Commission representative after the meeting on 19, 20 and 21 November 1986.
Article 39 (continued)

(b) if, in consequence of acts or inactivity of the proprietor, the trade mark has become the common name in the trade for a product or service in respect of which it is registered;

ci, in consequence of the use made of it by the proprietor of the trade mark or with his consent in respect of the goods or services for which it is registered, the trade mark is liable to mislead the public, particularly as to the nature, quality or geographical origin of those goods or services;

d) if, in consequence of a transfer of rights or for other reasons, the proprietor of the trade mark no longer satisfies the conditions laid down by Article 4.

(2) Where the grounds for revocation of rights exist in respect of only some of the goods or services for which the Community trade mark is registered, the rights of the proprietor shall be declared to be revoked in respect of those goods or services only.
Section 3
Grounds for invalidity

Article 41
Absolute grounds for invalidity

(1) A Community trade mark shall be declared invalid on application to the Office or on the basis of a counterclaim in infringement proceedings,

(a) where the Community trade mark has been registered in breach of the provisions of Article 4 or of Article 6;

(b) where it becomes clear from the behaviour of the proprietor of the trade mark that he did not, when filing the application, have the bona fide intention of using the trade mark.26

(2) Where the Community trade mark has been registered in breach of the provisions of Article 6 paragraph 1(a), it may nevertheless not be declared invalid if, in consequence of the use which has been made of it by the proprietor of the trade mark or with his consent, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

(3) Where the ground for invalidity exists in respect of only some of the goods or services for which the Community trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

26 The German and Netherlands delegations agreed to review the wording of this subparagraph.