SUMMARY OF CONCLUSIONS

of: 51st meeting of the Working Party on Intellectual Property (Trade Mark)
on: 17 and 18 June 1987

No. prev. doc. 6909/87 PI 54

No. Cion. prop. 8896/84 PI 19

4090/86 PI 4

Subject: - Amended proposal for a Council Regulation on the Community Trade Mark
- Amended proposal for a first Council Directive to approximate the laws of the Member States relating to trade marks

1. At its 51st meeting on 17 and 18 June 1987, the Working Party on Intellectual Property:

(a) examined the provisions of the amended proposal for a Council Regulation on the Community Trade Mark which remained open following its previous meeting;

(b) began a second reading of the amended proposal for a first Council Directive to approximate the laws of the Member States relating to trade marks;

(c) examined a working document from the Commission on the creation of a link between the Regulation on the Community Trade Mark and the Madrid Agreement on the international registration of trade marks.

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The Working Party's discussions in respect of the Regulation and the Directive are summarized in the present document; its discussions on the creation of a link are summarized in document 7784/87 PI 62.

I. PROVISIONS OF THE AMENDED PROPOSAL FOR A COUNCIL REGULATION ON THE COMMUNITY TRADE MARK WHICH REMAINED OPEN FOLLOWING THE WORKING PARTY'S PREVIOUS MEETING (doc. 6587/87 + Cor. 1(f))

A. Article 29a and Article X

2. At its previous meeting, the Working Party had been unable to complete its examination of paragraph 2 of Article 29a, dealing with the effects of seniority. Alternative texts had been proposed by the German and United Kingdom delegations (first variant on page 50 of doc. 6587/87) and by the French delegation (second variant on page 51 of doc. 6597/87).

3. From the discussion of these variants, two different concepts of the purpose and effects of seniority emerged.

In the view of the German, Irish, Netherlands, and United Kingdom delegations, the sole purpose of seniority was to allow the proprietor of a Community trade mark, who was also the proprietor of an earlier identical national trade mark registered in respect of identical goods or services and who abandoned that earlier national trade mark once the Community trade mark had been registered, to retain, for the purposes of the Regulation, exactly the same rights as he would have had if the national trade mark had continued to exist alongside the Community trade mark. Thus seniority would enable the proprietor of the Community trade mark to rely upon the date of the earlier national trade mark, even though that earlier trade mark had been abandoned, as a ground for opposition or
invalidity against a Community trade mark application or a Community trade mark of a different proprietor which was filed later than the national trade mark but earlier than the Community trade mark claiming the seniority of the national trade mark. This concept is reflected in the first variant of Article 29a paragraph 2 on page 50 of document 6587/87.

The French, Italian and Spanish delegations and the Commission representatives on the other hand considered that claiming seniority should enable the proprietor of the Community trade mark to use the seniority of the abandoned national mark not only as a ground for opposition or invalidity against a Community trade mark application or a Community trade mark of a different proprietor, but also as a defence against an opposition or invalidity action brought against his Community trade mark by the proprietor of a trade mark which had been filed earlier than the Community trade mark but later than the national trade mark whose seniority was claimed. The Commission representatives produced a revised draft of paragraph 2 of Article 29a which reflects this point of view (see Annex I) and the French delegation withdrew the second variant on page 51 of document 6587/87.

The German, Irish, Netherlands and United Kingdom delegations opposed this point of view on the ground that it would give rights to the proprietor of the Community trade mark which he would not have enjoyed if he had not claimed the seniority of his national trade mark and if he had not abandoned that national trade mark: since the proprietor of a Community trade mark who was also proprietor of an identical earlier national trade mark, but who had not claimed the seniority of the earlier trade mark, would not be able to invoke the existence of his earlier national trade mark to prevent the success of an opposition or invalidity action which was brought against his Community trade mark on the basis of a
national trade mark which had been filed later than his national trade mark but earlier than his Community trade mark, claiming the seniority of his national trade mark should not have the effect of enabling him to do so. If the proprietor of the Community trade mark invoked his national trade mark to challenge the validity of the other national trade mark, this action would be dealt with under the law of the Member State concerned; the procedural rules of the Community Trade Marks Office would determine whether in such a case the opposition or invalidity action against the Community trade mark would be suspended pending the outcome of the national proceedings.

4. After discussion, the following positions were adopted by the delegations:

(a) the German, Irish, Netherlands and United Kingdom delegations were in favour of the concept reflected in the first variant in document 6587/87 (first variant); they would prefer deletion of all provisions on seniority rather than accept the concept reflected in the text of paragraph 2 in Annex I (new second variant);

(b) the Belgian and Luxembourg delegations expressed a preference for the first variant;

(c) the French, Italian and Spanish delegations and the Commission representatives were in favour of the new second variant but were prepared to consider deletion as a fallback position;

(d) the Greek and Portuguese delegations were in favour of deleting the provisions on seniority;
the Danish delegation reserved its position.

5. The Working Party considered that if provisions on seniority were to be maintained in the Regulation, a provision should be included in the Directive on the consequences in national law in the event of the national trade mark whose seniority had been claimed not being maintained.

6. The Working Party agreed to refer Article 29a and Article X to a higher level.

B. Article 55C

7. The Working Party examined the draft statement set out in footnote 29 on page 99 of document 6587/87. It adopted this statement subject to a drafting change proposed by the German delegation. The statement as adopted is set out in Annex II.

8. Following the adoption of this statement, the United Kingdom delegation withdrew the second paragraph of footnote 24 on page 96 of document 6587/87.

C. Article 81a paragraph 5

9. Subject to the reservations of the Danish, German and Netherlands delegations on Article 81a as a whole, the Working Party adopted paragraph 5 of Article 81a as proposed on page 153 of document 6587/87, adding a reference to services at the end of the first sentence. The text of this paragraph as adopted is set out in Annex III.
D. Article 106

10. The Working Party examined the proposed text of Article 106 paragraph 3 set out in footnote 59 on page 172 of document 6587/87. It concluded that such a paragraph was not necessary, and the Commission representatives withdrew their scrutiny reservation on the deletion of paragraph 3.

11. The Working Party agreed that the wording of paragraph 2 should be adapted to make clear that the scope of this paragraph was limited to the acts referred to in paragraph 1. The Commission representatives agreed to review the wording of this paragraph.

12. The Netherlands delegation raised the question whether the check provided for in paragraph 1 was intended to include the Office's guidelines for examination of Community trade mark applications. After discussion, it accepted that they should be included, on the understanding that the Commission would check only the legality, not the desirability, of these guidelines and the other acts of the President referred to.

E. Article 31a paragraph 1

13. The Netherlands delegation asked for clarification of the meaning of Article 31a paragraph 1. The Working Party agreed unanimously that it was to be interpreted as meaning that the application would be published once a final decision had been taken in respect of the conditions which it must satisfy; in particular, where the application was accepted in part and refused in part, and the applicant appealed against the refusal, there would be no publication until a final decision had been taken in respect of the appeal. It considered that it was not necessary to change the wording of this paragraph.
II. SECOND READING OF THE AMENDED PROPOSAL FOR A FIRST COUNCIL DIRECTIVE TO APPROXIMATE THE LAWS OF THE MEMBER STATES RELATING TO TRADE MARKS

14. The Working Party began a second reading of the amended proposal for a first Directive on the basis of the consolidated text drawn up following its first reading (doc. 9377/86 PI 57). It also considered the information contained in document 10296/87 PI 70 + Add. 1.

15. The Portuguese delegation maintained its general reservation, which had been expressed at the beginning of the first reading (doc. 8653/86, point 4), as to the need for a Directive in this field. The Spanish delegation also maintained a general reservation on the whole Directive.

Article 1

16. The Working Party agreed that the contents of footnotes 1 and 2 on page 2 of document 9377/86 should appear in a statement to be entered in the Council minutes when the Directive was adopted.

17. The Netherlands delegation considered that there would be difficulties in applying a number of provisions of the Directive to Benelux collective marks. It was agreed that these difficulties would be examined in relation to the relevant provisions.

Article 1a

18. The Working Party agreed to delete the word "only" and to align the wording of Article 1a on that of Article 3 of the Regulation (doc. 6507/87, page 5).
19. The Working Party agreed not to adopt in respect of Article 1a of the Directive statements corresponding to those agreed in respect of Article 3 of the Regulation (doc. 6587/87, statements 3(a) and (b) on pages 199 and 200).

20. The Danish, Spanish and Portuguese delegations considered that a single colour as such could not be registered as a trade mark.

21. A revised version of Articles 1 and 1a taking account of the discussions of the Working Party is set out in Annex IV.
Article 29 A

Claiming the seniority of a national trade mark

(1) Unchanged in relation to doc. 6587/87 PI 50.

(2) Seniority shall have the sole effect under this Regulation that the date of application for registration of the earlier trade mark shall count as the date of application for registration of the Community trade mark only when that mark is specified as a ground for opposition or invalidity or when the validity of that mark is contested. It shall have this effect irrespective of whether or not the earlier trade mark continues to be registered.

(3) Unchanged in relation to doc. 6587/87 PI 50.
ANNEX II

Statement re Article 55C paragraph 2

"The Council and the Commission consider that a collective mark which is available for use only by members of an association which owns the mark is liable to mislead within the meaning of Article 55C paragraph 2 if it gives the impression that it is available for use by anyone who is able to meet certain objective standards."
ANNEX III

Article 61a paragraph 5 as adopted by the Working Party on 17 June 1987

(5) The provisions of paragraphs 1(a) and 2(a) shall not apply where the actions are brought on the basis of similar signs which are not valid for identical goods or services. In such a case, the court hearing the second action may stay judgment.
Article 1

Scope

This Directive applies to every trade mark in respect of goods or services which is the subject of registration or of an application in a Member State for registration as an individual trade mark, a collective mark or a guarantee or certification mark\(^1\), or which is the subject of a registration or an application for registration in the Benelux Trade Mark Office or of an international registration having effect in a Member State.

\(^1\) The Working Party agreed to include the following statement in the Council minutes:

"Re Article 1

The Council and the Commission consider that the Directive is to apply in each Member State to service marks, collective marks and guarantee or certification marks only insofar as marks of these types are the subject of laws in that State; the Directive does not oblige a Member State which does not have such types of marks to introduce them."
A 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 their packaging, provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings.