

Opposition Procedure

This is a summary of the main aspects of opposition proceedings before the Community Trade Mark (CTM) Office.

- Opposition must be filed within three months of advertisement, in the case of a directly filed CTM application.
- There is an initial “cooling off” period of two months after the opposition is filed, which is extensible by 22 months.
- After the cooling off period expires, the opponent must file evidence in support of the opposition within two months. The applicant will be given a further period of two months to respond.
- A final decision is normally made by a three member opposition division. Costs may be awarded to the successful party.
- There is the possibility of an appeal.

Minimum requirements

i) **Generally, the opposition period is three months, which is inextensible.** An opposition must be filed within three months of the date of publication of the CTM Bulletin in which the application to be opposed is published. However, where the CTM is designated in an International Registration, the three month opposition period runs from the expiry of six months following republication in the CTM bulletin of the bibliographic details and class numbers of the designation.

ii) **The opposition must indicate the grounds on which it is based.** Possible grounds for opposition include:

The mark of the opposed application is identical/similar to an earlier registered trade mark and covers identical/similar goods (or even different goods if the earlier mark has “a reputation”).

The opposed application would, if registered, conflict with an earlier “sign” (non-registered trade mark) which is not of “mere local significance”.

The opposed application has been filed in the name of an agent (e.g. a distributor) without the proprietor’s consent.

The opposed mark conflicts with a “well-known” mark (Article 6 bis of the Paris Convention).

Note that opposition can only be based on relative grounds, that is, on the basis of prior rights. It is not possible to oppose on absolute grounds, for example that the mark is descriptive or deceptive. Note that bad faith is an absolute ground.

iii) **The opponent must be entitled to bring the opposition.** Opposition can only be filed by:

a) **The applicant(s) or proprietor(s) of an earlier trade mark(s) and/or earlier right.**

If opposition is based on a prior CTM, the opponent must be registered as proprietor (or have applied to record themselves as proprietor) of the prior CTM before the date of entry of opposition.

If opposition is based on a national trade mark or “sign”, the law of that State must give them the right to prevent use of the opposed CTM.

b) **A licensee authorised by the proprietor of an earlier trade mark.**

A licensee of a CTM need not be registered, but the licensee must prove that they have been properly authorised to act.

In the case of a licensee of a national trade mark, the national law governs the licensee’s capacity to act.

c) **Persons authorised under the applicable national law to exercise the rights of earlier non-registered trade marks.**

iv) **Details of the application being opposed must be made clear.**

v) **The opposition fee must be paid.** An opposition is deemed not to have been entered unless the opposition fee is paid

before the expiry of the opposition period. We therefore recommend that instructions to file opposition should be sent in good time before the opposition deadline.

- vi) **It must be clear which are the earlier mark(s) or right(s) on which the opposition is based** with details given of application/registration numbers, priority claims, representations of marks etc.

“Earlier marks” are registrations or applications (subject to their registration) whose date of filing is earlier than that of the opposed application (taking into account priority claims). The marks must be either:

Community Trade Marks

Trade marks registered in a member state (or in Benelux)

International trade marks (Madrid Protocol or Agreement) which have effect in a member state.

Well-known marks under Article 6 bis of the Paris Convention or registered trade marks that have a reputation in the Community or in a member state.

“Earlier rights” are non-registered trade marks and other signs used in the course of trade of more than mere local significance.

IF THESE MINIMUM REQUIREMENTS ARE NOT MET BY THE END OF THE OPPOSITION PERIOD, THE OPPOSITION WILL BE REJECTED AND THE OPPOSITION FEE WILL NOT BE REFUNDED.

(Although in practice oppositions tend to be in English, in some circumstances they will be in one of the other working languages of the Office, i.e. French, German, Italian or Spanish.)

“Cooling-off” period

As soon as the opposition is received by the CTM Office and given an opposition number, the Office informs the applicant or his representative that his application has been opposed.

If the Office finds that the notice of opposition complies with the minimum admissibility requirements, it then informs both parties. The opposition proceedings are deemed to commence two months after receipt of this second communication. There is then a cooling-off period of two months which is intended to allow for a quick resolution of the opposition, hopefully avoiding the need to proceed to the adversarial stage. This cooling-off period can be extended if *both* parties agree, but regardless of the length of extension requested it will automatically be extended so as to bring the cooling-off period to a total of 24 months. There is a unilateral opt-out option available to either party if they wish to conclude the cooling-off period.

If during the cooling-off period the applicant withdraws his application or restricts it to goods and services against which the opposition is not directed, the opposition fee is refunded to the opponent. The opposition fee is not, however, refunded if the opposition is withdrawn during the cooling-off period. Furthermore, no costs will be awarded if the matter is settled during the cooling-off period. If settlement is not reached during the cooling-off period, the opposition proceedings then commence.

Facts, arguments and evidence

The opponent can file all of his facts, arguments and evidence with the notice of opposition. If he does so and expressly states that the opposition evidence is complete, the applicant will be set a deadline typically of two months from the end of the cooling-off period to file evidence in reply.

If all of the opponent’s facts, arguments and evidence is not filed at that early stage, he will have a period which will be at least two months after expiry of the cooling-off period to present further material in support of the opposition. The applicant will then have a further period, typically of two months, to respond to the evidence filed, (but see below if proof is required).

Suitable evidence will of course depend on the nature of the opposition and will be similar to that usually used in UK trade mark oppositions. It can for example take the form of copy registration certificates, or evidence of the well-known nature or reputation of the trade mark. Information may relate to market awareness, evidence of confusion, advertising expenditure, examples of the mark as registered and in use etc. Documents presented in support of the opposition must be translated into the language of the opposition proceedings, if they are not in that language; no additional time is allowed to submit translation.

The CTM Office will generally only ask the applicant and the opponent to submit their evidence/observations once. In more difficult cases, there can however be as many exchanges as are felt necessary by the Office.

Proof of use

If opposition is based upon a prior national or Community trade mark which has been registered for more than five years, the applicant can invite the opponent to prove that during the period of five years preceding the date of publication of the opposed mark, the opponent has put his registered mark to genuine use in the member state concerned (or in at least one member state in the case of a CTM) in connection with the goods or services for which it is registered. If the opponent’s evidence of use is not in the language of the proceedings, the CTM Office *may* require a translation.

If the mark has not been put to such use, that ground of opposition cannot be relied upon. If the opponent shows use for only some of the goods/services on which the opposition is based, his mark will be deemed to be registered (for purposes

of the opposition) only in respect of the goods/services for which the mark was actually used (unless justifiable reasons can be shown for non-use).

The applicant needs to file their request that the opponent submit proof of use within the same time frame as for filing observations on the opposition. If proof of use is requested, then the applicant's observations in general on the opposition can be deferred until the filing of observations in reply to the proof of use.

Division of the application

It is possible (subject to excluded periods) to divide out goods/services from the original application into one or more divisional applications provided that there is no overlap of the goods/services between the various applications, and also provided that the division does not split up the goods/services being opposed. It is *not* possible to divide an application (i) before it has an application number, (ii) after the notification to pay the registration fee has been issued or (iii) *during the three month opposition period*. Note that once an application has been divided, it is not possible to merge the various applications together again.

Division will incur extra costs, but where only some goods/services are being opposed it would enable registration to be obtained more quickly for the goods/services that have not been opposed.

Withdrawal or restriction of the application

The applicant can withdraw or restrict the specification of goods/services of his application at any stage but if the application is withdrawn or restricted after the end of the cooling-off period the applicant must bear the fees and costs (within the limited scale set down by the CTM Office) incurred by the opposing party unless the parties have agreed otherwise. Note that a CTM is a unitary right, and therefore it is not possible to restrict it geographically, but conversion (see below) can be requested for just some countries.

The applicant has the opportunity to withdraw the CTM application or designation of the CTM and then to request the conversion of his CTM application into separate applications for national trade marks or, in the case of a designation of the CTM in an International Registration, into separate designations of the EU member states in the International Registration (except for Malta, which would have to be the subject of a national application, as it is not in the Madrid Protocol).

Likewise, if the applicant restricts the specification of goods/services in the CTM application or designation, he can request conversion, as detailed above, for those goods/services deleted from the CTM application or designation.

In either situation, it would probably be unwise to seek conversion such that it would clash with the opponent's valid prior rights, as the national application(s)/designation(s) might encounter objections at the national level.

Suspension of opposition proceedings

Suspension is not mandatory and the CTM Office will only decide to suspend proceedings if there are genuine and proper reasons. Opposition proceedings may be suspended in various situations, for example:

- i) Where opposition is based on a pending application; the opposition will not be suspended if the earlier application is reaching the final stages of its registration procedure and is likely to be registered before the decision ruling on the opposition.
- ii) Multiple oppositions: if several oppositions are entered against the same application, the Office may decide to examine one or several of them and suspend the others.
- iii) Other circumstances such as:

Request by parties – in principle both parties must request suspension. However, if the Office considers that a unilateral request is justified, or that one party's refusal is obviously improper, it may accept a request and suspend proceedings.

Judicial/administrative action.

Observations by third parties (for example, of non-distinctiveness).

Suspension will, however, only take place when the Office's examination of the notices of opposition reveal that the application is very likely to be objected to. In all cases where there is doubt, the Office will deal with oppositions in parallel. Once the opposed application has been rejected, the suspended opposition proceedings are deemed to have been disposed of and the Office will close the proceedings. The Office will refund 50% of the fee paid by each opposing party whose opposition was suspended.

If the opposition is against a designation of a CTM in an International Registration and there are unresolved objections on absolute grounds, the opposition will be suspended after it has been examined for admissibility until the absolute objections are dealt with. If the objections on absolute grounds are maintained then the opposition will be closed and the opposition fee refunded. If the objections on absolute grounds are dropped, the opposition proceedings then resume.

Conclusion of the opposition

Decision

When the Office has received all of the parties' comments and evidence, it will issue a decision which is normally taken by a panel of three members of the Opposition Division. In principle, opposition proceedings are written proceedings and the decision is a written decision. Neither party has the right to demand a hearing. A hearing will only be held if the CTM

Office deems it “expedient”; in theory the Office can, however, summon the parties to an oral hearing on its own initiative (but to our knowledge this has never happened).

Costs

In principle, the losing party in opposition proceedings bears the fees incurred by the winner as well as all costs incurred which are essential to the proceedings. This includes travel and subsistence and the fees of agents, advisors or advocates. There is however a set scale for each category of costs and the costs awarded are usually substantially less than the actual costs incurred. Furthermore, if the opposition is only partially upheld, the Office may reduce the amount of costs awarded.

Appeal

Opposition decisions can be appealed within two months of the decision, and a written statement setting out the grounds for the appeal must be submitted within four months of the date of the decision. In exceptional cases, further appeal can then be made to the Court of First Instance of the European Communities and then to the European Court of Justice.

Conversion after final opposition decision

The opposition may be successful on the basis of perhaps the rights in just one or two EU countries, even if in some cases the opponent had rights in more EU countries; the CTM Office does not need to take all the prior rights into consideration. It is possible to convert the refused CTM application (or the part of the CTM application that has been refused) into national application(s)/designation(s), as applicable, except for those member states in which, in accordance with the decision of the CTM Office, grounds for refusal of the CTM application apply.

Of course, if it was clear from the opposition that the opponent had valid rights that had not been taken into account, it would probably be unwise to seek conversion such that would clash with those rights even if theoretically it would be possible, as the national application(s) /designation(s) might encounter objections at the national level.

Comment

The CTM Office informs us that currently approximately 20% of advertised marks are being opposed.

Any party who has a current or future interest in using their mark in the EU should seriously consider filing a CTM application or designating the CTM in an International Registration. It is also important that a watch be kept for potentially conflicting marks in order that timely opposition can be filed if necessary. We are more than happy to advise upon both of these aspects.

You will appreciate that this brief introduction to opposition procedure is simplified and must not be taken as a definitive statement of law or practice.

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