

Benelux

Contributing firm
Vondst Advocaten

Authors
Tjeerd Overdijk
Partner

Silvie Wertwijn
Associate

1. Legal framework

In 1971 the national trademark laws of Belgium, the Netherlands and Luxembourg were replaced by one uniform Benelux Trademark Act. From a trademark law point of view, the Benelux countries are to be regarded as one entity. Consequently, the registration of a trademark can relate only to Benelux as a whole.

The Benelux Trademark Act was replaced on September 1 2006 by the Benelux Convention on Intellectual Property (Trademark Convention). In fact, the only change is that the articles have been renumbered. The main reason behind the Trademark Convention is that it allows Benelux to comply more easily with international regulations, such as EU harmonization regulations. All acquired rights can be enforced, including rights arising from transitional provisions of the (former) Benelux Trademark Convention.

The Benelux countries are (as a single trademark entity) a signatory to:

- the Paris Convention for the Protection of Industrial Property;
- the Madrid Agreement on the International Registration of Marks; and
- the Madrid Protocol.

As the Benelux countries are (as a single trademark entity) a member state of the European Union, the Community Trademark Regulation (40/94) is applicable.

2. Unregistered marks

Protection

Article 2.2 of the Trademark Convention states that trademark protection is acquired through registration of a trademark. Article 2.19 further states that only the holder of a registered mark

can claim protection, with the exception of the holder of a well-known trademark in the sense of Article 6*bis* of the Paris Convention.

Examples of well-known trademarks are COCA-COLA and NOKIA.

Therefore, in general it is not possible to claim protection for unregistered trademarks, even if the trademark is genuinely used throughout Benelux. In other words, a trademark owner can rely on a trademark in court proceedings only insofar as it is registered.

Although prior use does not establish trademark rights, it can play an important role in relation to a subsequent trademark application made by a third party. If a trademark applicant knows or should have known of a third party's prior use in Benelux of an identical or similar trademark for identical or similar goods, its application may be regarded as having been made in bad faith. Bad faith is one of the grounds for a nullification action.

Furthermore, in its landmark *Winner Taco* judgment of June 2004, the Benelux Court of Justice held that an absolute first user of a trademark which decides to register the mark after noticing that a third party has started using and/or has registered that same trademark can maintain its trademark registration. The third party which has used and/or registered the trademark in the meantime cannot successfully seek nullification of the later registration by the absolute first user, for instance on the grounds that the application was made in bad faith or too late.

3. Registered trademarks

Ownership

Any natural or legal person can apply for registration with the Benelux Office for Intellectual Property (BOIP) and own a Benelux trademark. The Trademark Convention sets no

conditions regarding the place of business or nationality of the registrant.

It is also possible to register a Benelux trademark in the name of more than one person or undertaking. In the case of multiple registrants, each registrant must cooperate if the trademark is assigned or licensed.

If the applicant does not appoint a trademark representative with a registered address within the European Economic Area (EEA), the applicant must have a registered address or principal place of business within the EEA or provide the BOIP with an address for correspondence within the EEA.

Scope of protection

Article 2.1 of the Trademark Convention provides that trademarks may consist of any sign capable of being represented graphically – in particular, words (indications), designs, prints, stamps, letters and numerals, and shapes of goods or their packaging – provided that the sign is capable of distinguishing the goods or services of a company. This list is not exhaustive. Therefore, it may be concluded that, for example, sounds, smells and variable signs can be registered as trademarks. However, in practice, the fact that graphical representation is required may present an obstacle to registration.

A sign must possess distinctive character in relation to the goods and/or services for which protection is sought. Signs that are devoid of distinctive character cannot be registered as trademarks; neither can purely descriptive marks.

The Trademark Convention further indicates that there are three exceptions which are excluded from trademark protection:

- signs that consist exclusively of a shape which results from the nature of the goods themselves;
- signs that consist exclusively of a shape which gives substantial value to the goods; and

- signs that consist exclusively of a shape which is necessary to obtain a technical result.

It is irrelevant whether such a shape has acquired a distinctive character through use; these shapes simply cannot be monopolized.

Further, the following marks will not be granted trademark protection:

- marks that are contrary to public policy or accepted principles of morality, or that have not been authorized by the competent authorities and are to be refused or invalidated pursuant to Article 6ter of the Paris Convention;
- marks that are of such a nature as to deceive the public, for instance as to the nature, quality or geographical origin of the goods or services;
- marks that are similar to an older collective trademark for similar goods or services which has lapsed in the three years prior to filing;
- marks that are similar to an older trademark for similar goods or services which has expired in the two years prior to filing, unless the owner of the older trademark has consented to registration or the older trademark has not been genuinely used in Benelux for an uninterrupted period of five years;
- marks that are confusingly similar to a well-known trademark in the sense of Article 6bis of the Paris Convention;
- marks that are the result of a trademark application made in bad faith; and
- marks that consist of a denomination of origin for wines or spirits that originated elsewhere.

There is no limit as to the goods and/or services for which trademark protection can be sought, with the exception of goods or services that conflict with public policy and accepted principles of morality.

4. Procedures

Examination

The BOIP, based in The Hague, the Netherlands, is the official institution responsible for the registration of trademarks and designs. The applicant can file its trademark online via BOIP Online Filing (in Dutch or French). Alternatively, the applicant may file a paper form (in Dutch or French) by post, by fax or by hand.

Upon request of the applicant an availability search will be conducted (before September 1 2006 this availability search was obligatory). The applicant will be sent a search report, containing a list of older identical and similar trademarks. This list is for information purposes only. Upon receipt of the report, the applicant can consider the older trademarks and decide whether to withdraw its application before it is published in the *Benelux*

Trademarks Bulletin.

The BOIP has the authority to refuse (partially) a trademark application based on the following absolute grounds:

- The sign is not a trademark in the sense of Article 2.1 of the Trademark Convention (see section 3 above);
- The trademark is devoid of distinctive character;
- The trademark consists exclusively of signs or indications which may serve in trade to designate the kind, quality, quantity, intended purpose, value, geographical origin or time of production of the goods or provision of the services, or other characteristics of the goods or services;
- The trademark consists exclusively of signs or indications that have become customary in the current language or in the genuine and good-faith practices of the trade;
- The trademark is contrary to public policy or accepted principles of morality;

- The trademark is of such a nature as to deceive the public, for instance as to the nature, quality or geographical origin of the goods or services; or
- The trademark consists of a denomination of origin for wines or spirits that originated elsewhere.

Further, in the Benelux, EU Regulation 510/2006 on the protection of geographical indications and designations of origin (for agricultural products and foodstuffs) provides that an application for registration of a trademark shall be refused if it relates to product names concerning products of the same class that are registered in accordance with the regulation, or if it corresponds to one of the situations referred to in Article 13 of the regulation, provided that the application for registration of the trademark was submitted after the date of publication of the protected status of the geographical indication or designation of origin.

The BOIP will notify forthwith the applicant of its intention to refuse (partially) the registration and the applicant can object thereto within three months of notification. This period can be extended at the applicant's request or *ex officio* by the BOIP. It has become common practice for the BOIP to grant the applicant six months in which to object.

If the BOIP issues a final refusal, the applicant can file an appeal with the competent court of appeal in Brussels, The Hague or Luxembourg, depending on the address given in its application. If neither the applicant nor its trademark representative has an address within Benelux, the applicant can choose one of the three courts of appeal. It is possible to appeal against a court of appeal decision in cassation with the competent supreme court in Belgium, the Netherlands or Luxembourg. Cassation has suspensory effect.

In the *Bovenij (Europolis) Case* the Benelux court held that the court may take into consideration

new facts and additional evidence (eg, acquired distinctiveness through use) when deciding on the validity or otherwise of a refusal by the BOIP to register the application. However, the Benelux Court of Justice stated that the applicant may not make any such new factual claims if the aim is to obtain an order for a partial registration or for a registration with restrictions, which would deviate from the application as examined by the BOIP.

Opposition

It has been possible to oppose Benelux trademark applications since 2004. In the first year oppositions could be filed only against applications for limited classes of goods (ie, Classes 2, 20 and 27 of the Nice Classification). In January 2005 Classes 6, 8, 13, 15, 17, 18 and 21 were added. As of January 1 2006 opposition is possible against all applications.

The owner of an older trademark has a two-month period in which to file an opposition with the BOIP, starting from the first date of the month following publication of the application.

Once the BOIP has notified the parties that the opposition is admissible, a two-month 'cooling-off' period will start to give the parties the opportunity to come to an amicable settlement. This period may be extended at the parties' joint request.

When the cooling-off period has ended the BOIP will, according to Rule 1.17 of the implementing regulations of the Trademark Convention, notify the parties of the commencement of opposition proceedings. The opposing party must then file its written arguments and further evidence within two months of the notification. The applicant can, within two months at the end of the period for written arguments, reply to these and can also request evidence demonstrating the genuine use of the older trademark. If this evidence is requested, the opposing party will be granted a two-month period to submit this

evidence. The opposition proceedings close if the opposing party fails to meet this requirement. If the opposing party succeeds in providing the evidence, the applicant will be granted a two-month period to comment on this evidence and, if it has not done so already, to reply to the written arguments initially submitted by the opposing party. If the applicant does not request evidence demonstrating the genuine use of the older trademark, the period for reply is also two months.

Possible grounds for opposition include the following:

- The older trademark is identical and registered for identical goods and/or services;
- The older trademark is identical or confusingly similar and registered for identical or similar goods and/or services and there is a likelihood of confusion (ie, likelihood of association with the older trademark) on the part of the public; or
- The older trademark is a well-known trademark in the sense of Article 6*bis* of the Paris Convention and the younger trademark is liable to create confusion.

Opposition proceedings can take place only against trademark applications for similar goods and services - on the basis of either an older registration or a non-registered well-known mark in the sense of Article 6*bis* of the Paris Convention. Opposition proceedings cannot be brought against applications for trademarks which could be infringing on the basis of Article 5(2) of the EU Harmonization Directive. In cases of infringement within the meaning of Article 5(2) of the Harmonization Directive, the trademark owner has recourse to infringement proceedings before the courts of common jurisdiction.

The BOIP's decision on the opposition is subject to appeal and ultimately to an appeal in cassation. The same rules for appeal and cassation apply.

Registration

In general, if no complications (eg. refusal/opposition) arise during the application proceedings, registration will take place within approximately six months of filing.

A Benelux trademark registration will remain valid for a period of 10 years, starting from the date of filing. The trademark can be renewed indefinitely for further consecutive 10-year periods.

The ® and ™ symbols have no legal status in Benelux. However, the use of these symbols is permitted only for registered trademarks and trademark applications respectively; otherwise such use will be considered misleading.

Removal from register

Surrender: The holder of a Benelux trademark can order the registration of the trademark to be (partially) removed from the register at any time. The removal applies to the whole Benelux area. The trademark will also be removed from the register if the validity period of the registration has expired.

Nullification: Any interested party, including the Public Prosecutions Department, can seek the nullification of a trademark that:

- is not a trademark in the sense of Article 2.1 of the Trademark Convention;
- is devoid of any distinctive character;
- consists exclusively of signs or indications which may serve in trade to designate the kind, quality, quantity, intended purpose, value, geographical origin or time of production of the goods or provision of the services, or other characteristics of the goods or services;
- has become customary in the current language or in trade;
- is contrary to public policy or accepted principles of morality;
- is of such a nature as to deceive the public, for instance as to the nature, quality or geographical origin of the goods or services;

- is a denomination of origin for wines or spirits that originated elsewhere;
- conflicts, pursuant to EU Regulation 510/2006, with registered names of agricultural products and foodstuffs that are granted protection under this regulation; or
- is similar to an older collective trademark for similar goods or services which lapsed in the three years prior to application, provided that the nullity is invoked within five years of the date of registration.

Further, any interested party (but not the Public Prosecutions Department) can seek the nullification of a trademark that is:

- younger than the application for a similar trademark;
- similar to an older trademark for similar goods or services which expired in the two years prior to application, unless the owner of the older trademark has consented to the registration or the older trademark has not been genuinely used in Benelux for an uninterrupted period of five years;
- confusingly similar to a well-known trademark in the sense of Article 6bis of the Paris Convention; or
- the result of a trademark application made in bad faith.

The interested party can seek nullification based on these grounds only if the owner of the older trademark participates in the court proceedings.

Not mentioned in the Trademark Convention but accepted in Dutch case law is the nullification of a trademark, based on the fact that the owner is an unknown entity (not to be confused with erroneous spelling of the name of the owner).

Depending on the grounds, the action must be brought within three or five years of the date of registration of the trademark in question. An exception is made for a trademark that was applied for in bad faith and that is confusingly

similar to a well-known trademark in the sense of Article *6bis* of the Paris Convention: in such case no time limit applies.

Revocation: Any interested party can seek the revocation of a trademark for non-use if the trademark is not genuinely used for the goods and services for which it is registered, in the course of trade in Benelux, for an uninterrupted period of five years. According to the decision of the Dutch Supreme Court of December 28 2005 (*Sidoste/Bonnie Doon*), such genuine use also exists if the trademark is used by the manufacturer only in its trade with distributors which sell the product under their own trademark

Other grounds for revocation include the following:

- The trademark has become a generic term due to the trademark owner's inactivity; or
- The trademark may deceive the public, for instance as to the nature, quality or geographical origin of the goods or services.

Revocation can no longer be sought if the trademark owner starts to use or resumes use of its trademark before the action is filed. This 'revival' of the trademark is often referred to as '*Heilung*'. However, *Heilung* is not possible if an imminent revocation action comes to the attention of the trademark owner and the trademark owner begins using or resumes use of its trademark in the three months prior to the revocation action.

Further, where a trademark is at risk of revocation for non-use, the trademark owner can no longer enforce its trademark rights against a third party that registers a conflicting mark while its own trademark is vulnerable to revocation; nor can the trademark owner oppose the use of that new trademark.

The nullification or revocation of a trademark must be sought in court. If the court decides

that the trademark is indeed null and void, or is liable to revocation, it will order the cancellation thereof *ex officio*.

Invalidation: A third party cannot have a trademark registration declared invalid because it has been incorrectly registered – for example, because a three-dimensional trademark is registered as a two-dimensional trademark. In certain circumstances the third party can seek revocation of the trademark because it is not genuinely used as registered – for example, if a registered figurative trademark is restyled and used in a completely different way by the trademark owner.

If the trademark owner itself wishes to amend its trademark registration because it was incorrectly registered, the only option is to file a new application.

5. Enforcement

Complexity

Benelux trademark law: It is not possible to claim protection for unregistered trademarks in Benelux. Prior use of a trademark plays a role only if nullification is sought of a bad-faith trademark application, meaning that the trademark applicant knew or should have known of a third party's prior use of an identical or similar mark in Benelux.

If a trademark application is pending, it is possible to claim 'reasonable compensation' from a party that infringes the trademark right between publication of the trademark application and registration. If necessary, the trademark applicant can obtain an accelerated trademark registration upon payment of an additional fee.

In Benelux, enforcement of a registered trademark is possible against:

- identical trademarks for identical goods or services;
- confusingly similar trademarks for identical or similar goods or services;
- identical or similar trademarks for different goods or services, if the earlier trademark is well known in Benelux and the later trademark takes unfair advantage of, or is detrimental to, the distinctive character or repute of the earlier trademark; and
- identical or similar signs that are not used as trademarks (eg, company names) if the sign takes unfair advantage of, or is detrimental to, the distinctive character or repute of the earlier trademark and there is no valid reason for use of this particular sign. A valid reason might be an older company name, use of a sign in comparative advertising or use related to free speech (eg, in a news item).

Following the European Court of Justice decision in *Davidoff/Gofkid* (C-292/00), it is also possible to enforce a registered trademark right which is well known in Benelux against an identical or similar trademark registered for identical or similar goods or services if the later trademark takes unfair advantage of, or is detrimental to, the distinctive character or repute of the earlier trademark.

In Benelux, there is no separate court action based on dilution. Since dilution results from damage caused to the distinctive character of an earlier trademark, dilution is one of the possible grounds for an infringement action.

Procedural law: The enforcement of a registered trademark right is a matter of national civil law, which varies in the different Benelux countries. An injunction will be allowed for the entire Benelux area and damages can be claimed.

6. Ownership changes – legalization requirements

The BOIP does not require the provision of legalized documents in order to assign (partially) a trademark to a new owner. It is sufficient to furnish the BOIP with any document which clearly demonstrates that the trademark has been assigned. This document can be a deed of assignment, or an agreement or extract thereof.

However, it must be an original document signed by the parties or a certified copy. In order for the assignment to have external effect with respect to third parties, the assignment must be recorded in the Benelux Trademarks Register. This also applies to a licence in respect of a trademark.

7. Areas of overlap with related rights

In Benelux, a figurative mark or three-dimensional trademark can also be eligible for protection as a design or as a copyrighted work of art, provided that the requirements for such protection are satisfied.

A design can be protected in Benelux if it is new and has individual character in relation to existing designs. A work of art with individual and original character is eligible for copyright protection. Signs that cannot be considered as a trademark – for example, because they are too complicated to distinguish the goods or services of an undertaking – may be eligible for copyright protection.

8. Online issues

There is no special legislation governing trademark use and protection on the Internet. Trademark law plays an important role in

relation to third-party registration of domain names and the use of metatags.

Domain names are usually registered on a first come, first served basis, and in principle a third party cannot oppose the registration. If the domain name is a registered trademark, however, the trademark owner can oppose the domain name under the Trademark Convention. It is even possible to oppose a domain name if it is not used as a trademark (to distinguish identical or similar goods and/or services). In such case the trademark owner must establish that the domain name takes unfair advantage of, or is detrimental to, the distinctive character or repute of its earlier trademark, and that the domain name registrant has no valid reason to use this particular domain name. The same applies to third-party use of a trademark as a metatag.

This chapter is based on the Benelux chapter of World Trademark Yearbook 2007, written by Tjeerd Overdijk, Hans Jansen and Maud van der Leeuw of Steinhauser Hoogenraad, Advocaten.

