Community Collective Marks

Not all roads lead to Rome ...

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BEAUTIFUL, MEDITERRANEAN, UNIQUE
System of Collective Marks: Little used ...

- **Unknown?**
  - **Misunderstood?**
  - **Misused?**
Community Collective marks (CCTM): Applications

- **TOTAL (1996 - 2013):**  
  2,079 (0.18 % of 1,177,221 CTM applications)

- **Filings made in 2012:**  
  152 (0.14 %)
Community Collective marks (CCTM): Registrations

- **TOTAL (1997 - 2013):**
  1,268 (0.14 % of 917,090 CTM Registrations)

- **CCTM Registrations in 2012:**
  89 (0.1 %)
Why so few CCTMs? Possible explanations ...

- **Lack of promotion:**
  - Ignorance of their specificities by majority of CTM Applicants

- **Unclear Legal framework:**
  - Confusion due to overlap with other rights (GIs, certification TM)

- **Wrong filing strategy:**
  - Marks which are in essence collective are often filed as individual
Discussion Topics

1. Legal Framework
2. Basic Characteristics
3. Particularities relating to Formalities, Entitlement, AG
4. Specificities relating to Use & Scope of protection
5. Collective marks with a Certification function
6. Legislative Review
Relevant Provisions

Articles 66 – 74 CTMR: Substantive Provisions
Definition – Entitlement – Filing Requirements – Absolute Grounds – Use

Rules 42, 43 CTMIR: Formalities
Special Requirements as regards regulations of use
A Community collective mark shall be a Community trade mark which:

- is described as such when the mark is applied for and
- is capable of distinguishing the goods or services of the members of the association which is the proprietor from those of other undertakings.

Associations of manufacturers, producers, suppliers of services, or traders [...], as well as legal persons governed by public law, may apply for Community collective marks.
Basic characteristics
Example: ‘Association marks attesting membership’

‘CHARTERED GLOBAL MANAGEMENT ACCOUNTANT’

CCTM 1 073 126
Class 35: accounting services
Example: ‘Association marks with guarantee or certification function’

CCTM 1540509
Classes 3 and 29

**Owner:** Bundesverband deutscher Industrie- und Handelsunternehmen für Arzneimittel, Reformwaren, Nahrungsergänzungsmittel und Körperpflegemittel e.V.
Example: Association marks including Geographical Indications

Owner: Asociación de Organizaciones de Productores de Plátanos de Canarias (ASPROCAN)

Classes: 5, 9, 16, 29-33, 35, 38, 39, 41, 43, 44
Specific kind of trade mark right

Community collective marks are a specific sub-type of CTM:

A - Features in common with individual CTMs;

B - Own characteristics;

Consequence:

The examination of CCTMs in terms of classification, formalities and Absolute Grounds is in principle the same as that of individual CTMs, with some exceptions foreseen in the regulations.
Main deviations

- **Formalities**: Expressly applied for as a CCTM + Regulation of Use

- **Entitlement**: Only certain Associations/Legal Persons can be owners

- **AG Examination**: Additional requirements (+), Geographical OK (-)

- **Use**: Owned by an Association but used by its members

- **Function**: Serves to distinguish g&s of the members of the Association

⇒ Legal consequences?
Regulation of Use

The regulation of use is a document issued by the applicant which sets out how the mark can be used by the members of the association. It lays down:

- The conditions for membership
- The persons authorized to use the mark
- The conditions governing use of the mark, including sanctions
- The authorization allowing persons whose goods or services originate in the geographical area concerned to become members

To be filed with the application or within two months after the filing date

- If the Regulations have not been filed or they contain deficiencies, the examiner will issue a deficiency letter (L115). If the deficiencies are not remedied or the Regulations not filed, the application will be refused
The Applicant

1. **Can only be:**
   - An association (e.g. The Chartered Institute of Marketing)
   - A legal person of public law (e.g. a “Consejo Regulador”)

2. **Cannot be:**
   - An individual (e.g., Mr. John Smith)
   - A private company (e.g. Master, Ltd; Star B.V.; Spiegel GmbH)

⇒ Natural persons & legal persons of private law can only own individual CTMs
• Associations
• Legal persons of public law

can choose to file:

✓ either an individual
✓ or a collective CTM

• Individuals
• Legal persons of private law

can only file:

✓ an individual CTM
Legal Person governed by public law - Controversies

Must ‘legal persons of public law’ have an associative structure?

Text CTMR seems to suggest so:

• Regulation of use must lay down the conditions for ‘membership’
• Function CCTM is to distinguish goods of the ‘members’ of the association from those of other undertakings

⇒ Prima facie: YES

Boards of Appeal: NO

R 675/2010-2 BIODYNAMIC
R 828/2011-2 REACH
R 1007/2011-2 Biologic Agriculture

Registration cannot be refused solely on the basis that the applicant is not an association or does not have an associative structure.

Broad interpretation of requirement ‘legal person governed by public law’

⇒ Change of practice - Manual
Registration cannot be refused solely on the basis that the applicant, who is a public body, is not an association or does not have a corporative or associative structure.

⇒ No need for the regulation of use to specify conditions of membership in case of ownership by public bodies.
AG Examination in respect of CCTMs

The same as that of individual CTMs with some exceptions:

A - Descriptive indications consisting of geographical terms;
B - Misleading Character as regards the function of the mark;
C - Regulation of Use contrary to public policy and morality.
A. Geographical Names – Indications

‘BAYERISCHES BIER’
‘TURRÓN DE ALICANTE’

Article 66(2) CTMR:

Derogation from Article 7(1)(c) if the regulations of use authorize any person whose goods or services originate in the geographical area concerned to become a member of the association which is the proprietor of the mark.

Article 7(1)(j) and (k):

However, if a protected GI is filed as such, Article 7(1)(j) or (k) applies (i.e. a limitation of the goods to the particular origin is necessary)
A. Geographical Names - Indications

“BAYERISCHES BIER” (word)

(1) If filed as an individual CTM:
   - Objection under 7(1)(c) and (j)

(2) If filed as a collective CTM:
   - Regulations of use necessary
   - 7(1)(c) not applicable (if Regulations are correct)
   - 7(1)(j) applies: limitation of goods necessary

✓ Can also be filed as individual CTMs by adding distinctive elements
✓ Reasons: Price, Less Formalities, more control ... But is it wise?
CCTM 8 674 327
The Tea Board, Calcutta

- Filed 10/11/2009 for tea in class 30
- Protected Geographical Indication (PGI) for Indian tea registered in 2011
- District of Darjeeling, West Bengal
- 7th non-EU name obtaining protection
B. Misleading Character

**Article 68(2) CTMR:**

An application for a CCTM shall be refused if the public is liable to be mislead as regards the character or the significance of the mark, in particular it is likely to be taken to be something other than a collective mark.

**Question:**

Can a public entity (not an association) which unilaterally sets standards with which goods shall comply obtain a CCTM without infringing?

⇒ *Can the mark fulfil the essential function of a CCTM although it does not distinguish the goods of the members of an association? Not expressly confirmed in Biologic Agriculture, but it can be inferred from context...*
C. Regulation of Use deficient - contrary to public policy

Article 68(1) CTMR:

An application for a CCTM shall be refused where the provisions of Articles 66 or 67 are not satisfied, or where the regulations governing the use are contrary to public policy or to accepted principles of morality.

Example: The regulation of use of the CCTM contains rules which are liable to discriminate on the grounds of sex, creed or race
Use of Collective Trade Marks

**Article 70(1) CTMR:**

Use of a CCTM by any person who has authority to use it shall satisfy the requirements of this Regulation, provided that the other conditions which this Regulation imposes with regard to the use of Community trade marks are fulfilled.

- Use by authorised members counts as use by the owner
- What if a TM which is in essence collective has been filed as individual?
The Board of Appeal considered that the use made of the earlier mark in essence corresponded to use as a Geographical Indication and thus was contrary to the nature of the sign which had been filed as an individual mark.

⇒ Filing of CCTMs or GIs as individual marks may prove a dangerous choice!
• Should the particularities arising from the **essential function** of a Community Collective Mark be taken into account when determining its **scope of protection**?

• If yes, in **which sense**?
Consejo Regulador Del Cava

Havana Distribution NV

Opposition Division 21.01.2011:

No Likelihood of Confusion – Dissimilar signs, CAVA is generic for Spanish sparkling wine, recognition of term does not make it a strong origin indicator

⇒ Strict Interpretation
Scope of Protection

Asociación Auténtico Jabugo

Matadero Industrial El Mayorazgo-Jabugo, S.A.

JABUGO

Opposition Division 13.04.2011:

Likelihood of Confusion for several products/services in classes 29, 35 and 40.

⇒ Broad Interpretation
The opposition was successful in view of the similarity of the signs, even if the similarity of the goods (wine v. vinegar) was not particularly strong.

That the opponent is an administrative body and not a wine producer did not prevent the existence of a likelihood of confusion.
61. The absence of a likelihood of confusion cannot be brought into question by the nature of the earlier mark, the function of which is to guarantee the quality of the goods in question […] a collective mark cannot enjoy enhanced protection under Article 8(1)(b), in particular if it has been found that the similarity between the signs was not sufficient to give rise to a likelihood of confusion.
49. Article 66(2) CTMR providing for a derogation from the ground for refusal set out in Article 7(1)(c), must be interpreted strictly (Case T-341/09 - TXAKOLI).

50. Article 66(2) states expressly that a collective mark cannot entitle the proprietor to prohibit a third party from using such signs or indications, on condition that that third party uses them in accordance with honest practices in industrial or commercial matters; in particular, such a mark may not be invoked against a third party who is entitled to use a geographical name.

51. In the light of the need for a strict interpretation of Article 66(2), it is only at the stage of registration that the conditions under which a mark is acquired have been relaxed, in so far as descriptive marks may, in derogation from Article 7(1)(c) be registered.
52. Registration as a collective mark cannot therefore, per se, give rise to a presumption that the mark has average distinctive character, with the result that the Board of Appeal acted correctly in finding that the distinctive character of the earlier mark had to be regarded as being weak.

53. Yet must be borne in mind that, even in a case involving an earlier mark of weak distinctive character, there may be a likelihood of confusion on account of the similarity between the signs (Case T-358/09 (TORO DE PIEDRA), paragraph 45).

54. However, it must be held that, in the light of the fact that there are no phonetic or visual similarities between the signs, there cannot be any likelihood of confusion since the existence of a conceptual similarity, in the case of an earlier descriptive mark, sufficient to give rise to a presumption of such a likelihood.
Can Certification Marks be filed as CCTMs?

- Certification Marks are **not formally available** under the CTM system, although this type of right is known in the jurisdiction of a number of MS.

- The main feature of a certification mark is that it is not used by the proprietor of the mark but instead by its authorized users for the purpose of **guaranteeing** to the relevant public that goods or services possess a particular characteristic.

- The proprietor’s mark merely certifies the presence of the characteristic. It does **not indicate trade origin from the members of an association** but merely distinguishes g&s which are certified from those which are not.
Certification Marks: Examples
The initial draft of the CTMR expressly provided for the inclusion of ‘guarantee marks’ owned by public bodies alongside ‘collective marks’ owned by associations. This draft was modified by adding to the owners of collective marks public bodies, in order to cover collective certification marks (paragraphs 16-17).
Can Certification Marks be filed as CCTMs?

In principle YES, provided:

- Owner is a public law entity (Natural persons or private companies can only file individual marks)
- In such a case the regulation does not need to contain conditions of membership

BUT: Is such a mark likely to be taken to be something other than a collective mark within the meaning of Art. 68 (2) CTMR considering its essential function?

⇒ No case-law yet …

CCTM 3 364 809
Owner: Freistaat Thüringen
Certification Marks as individual marks

R 87/2010-2 DVC Digital Video Calling / DVB Digital Video Broadcasting

- Use as certification mark cannot serve as use of an individual mark
- Mark deemed not to have been duly used.

⇒ Same danger as when CCTMs or GIs are filed as individual marks
Commission Proposal (pt. 63): Adds new Section 2 to Title VIII

Article 74b: Certification Marks

1. A European certification mark shall be a European trade mark which is described as such when the mark is applied for and is capable of distinguishing goods or services which are certified by the proprietor of the mark in respect of geographical origin, material, mode of manufacture of goods or performance of services, quality, accuracy or other characteristic from goods and services which are not so certified.

2. Any legal person, including institutions, authorities and bodies governed by public law, may apply provided that:
   (a) the legal person does not carry on a business involving supply of goods;
   (b) the legal person is competent to certify the goods [...]

New CTMR– Certification Marks
What happens if the wrong type of mark has been filed?

Currently: Changes of the category of mark (collective to individual and vice versa) are not allowed unless as an obvious error if the true intention is apparent from the application documents (Manual, Proceedings, page 61).

- However, this does not cover cases where the change is requested after registration or where there is a need to comply with new legislation.

⇒ Additional (implementing?) rules are required to provide a legal basis for changing between categories of marks.
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