REFORM OF THE EU TRADEMARK SYSTEM

The reform of the EU Trademark System is already underway in its two fronts: a new Regulation (2015/2424) that amends the former Community Trade Mark Regulation and a new Directive (2015/2436) aimed at harmonizing the national laws of the Member States.

In the short run, the immediate impact will come from the Regulation, which will enter into force next 23 March and, more specifically, from the class heading issue, which will make it necessary to review and eventually adapt class headings for trademarks filed before 22 June 2012, the date on which the CJUE delivered its judgment on the “IP Translator” case.

The new Regulation seeks to adapt the entire TM legal framework to the last marketing tendencies with the introduction of more flexibility for the graphic representation and the subsequent registration of non-traditional marks such as sounds, colors, motion marks, etc. It also addresses the fight against piracy and includes new provisions for counterfeit goods in transit in the EU to third countries, a reduction in both filing and renewal fees and other substantive changes that will give shape to this brand new European Union Trademark (EUTM).

EL CORTE INGLES AND THE ENGLISH CUT: NOT QUITE THE SAME?

To the eyes of any sharp TM practitioner, the potential conflict between these two signs is out of question, but when it comes to consumers (and that is what it is all about in TM disputes), the conclusion may not be the same.

The renowned Spanish chain of department stores El Corte Inglés had to make all the way up to the CJEU (Case C-603/14P) to finally overturn the unfavorable decisions of the OHIM and the General Court of last December 2015 in an opposition proceeding against the application of the Community Trademark “The English Cut” for goods in class 25.

An interesting mixture of aural, visual and conceptual similarity of signs, together with the special status of protection that a renowned TM as “El Corte Inglés” enjoys.
IP FAST PROTOCOL

Barcelona is now the Mobile World Capital and home of the Mobile World Congress, an event that takes place every year in February and where more than 100,000 industry innovators, implementers and manufacturers launch the cutting-edge technological developments that we users shall shortly be very keen to pay for.

When the Commercial Courts of Barcelona launched in 2015 the idea of an Intellectual Property Fast Protocol for the Mobile World Congress in order to deal with urgent preliminary injunctions for Intellectual Property Rights (IPRs) infringements taking place during this event, they probably did not have in mind how IP management issues have influenced the development of this technological landscape, and the fact that Intellectual Property is nowadays the cornerstone of the mobile industry’s future.

To add more complexity to the effectiveness of this procedural tool, the particular nature of the patents involved in many of these legal disputes affects standards of technology, the so called Standard Essential Patents. These controversies may potentially become a playground for establishing how and under which circumstances a patent owner related to any of these standards can be granted an injunction and therefore enforce their IPRs against infringers.

And here is where the basics of any IP legal system, including the Spanish, come into play: the rights of patent owners may somehow affect or restrict the manoeuvring room for implementers infringing such patent rights if they are supported by a court order.

The battle between implementers of technology and innovators in the mobile industry, with the latter seeking to obtain a return for their investments, has extended to the field of IPRs, but it has been taking place out of the eyes of the big audience.

Thus, apart from the obvious requisites of urgency and prima facie infringement, other key issues will have to be dealt with sooner or later by the Barcelona Courts, when deciding about granting these injunctions:

- Interpreting how and when a Standard Essential Patent owner is entitled to seek enforcement of their IPRs against an alleged infringer.
- Determining when an alleged infringer is a willing or unwilling licensee.
- Establishing whether the suggested royalty is Fair, Reasonable And Non Discriminatory for potential licensees, that is, whether it complies with the FRAND standard.
- The role of Non Practicing Entities, enterprises that actually don’t manufacture or sell products, but license IPRs.
- Last but not least, aligning any outcome with the CJEU case law.

On top of that, there are some other contextual issues in relation to these technologies that emphasize the importance of an accurate response to the legal challenges set out not only in Spain but in Europe:

- According to several official studies, companies developing IP in mobile technologies invest 23% of their revenue in research and development, more than any other industry (except biotech).
- This years-long innovation process is also reflected in the evolution of industry standards, which have been crucial for the development of 2G, 3G and 4G technologies, and it will be essential in the roll-out of 5G in years to come.
- The US and Japan are harder jurisdictions for Standard Essential Patent owners who seek to enforce their IPRs, while Europe seems to be providing a balanced view between the interests of implementers and patent owners.
- Europe is currently developing the Unitary Patent System, a single patent jurisdiction covering a market of around 500 million people which is aimed at making Europe a friendlier litigation forum for patent owners.

All these factors may position Europe as an IP hub, not only for obtaining and owning high-quality patents, but also for resolving global patent disputes.