



European
IP Helpdesk

**FACT
SHEET**

Trademarks: The Face of Your Business

www.iprhelpdesk.eu

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Trademarks might be one of the best-known Intellectual Property Rights (IPR). From a consumer perspective, consciously or unconsciously, we are all drawn by our favourite brands and the values associated with it.

From a business perspective, your trademark is the face of your business. A trademark allows customers to distinguish your products or services from those of your competitors, giving your SME the possibility to improve the marketing of its goods/services. Trademarks are also seen as a guarantee of consistent quality. Indeed, if customers had a great experience with your service or enjoyed the quality of the products they purchased, they will be loyal to you and continue to purchase based on the quality expectations.

As you can see, even in the absence of other IPRs, a solid trademark strategy can help business owners shape a distinctive and strong company image on the market. Therefore, you should take great care in choosing and designing an appropriate trademark, protecting it, use it diligently in advertising, and monitoring the market for any potential infringement.

I. Trademark Basics

What is a trademark? A trademark is any sign capable of distinguishing the goods and services of one company from the ones of its competitors.

By sign, we understand letters, words, numbers, colours, drawings or a combination of these. Please take into account that the list of signs that can constitute a trademark may vary from country to country and is, usually, non-exhaustive.

Abstract concepts and ideas or general characteristics of goods are not specific enough to qualify as a sign.

In order to be registrable as a trademark, the sign must meet the following requirements:

Distinguishing character: This refers to the capacity of the sign to distinguish its products or services from the ones offered by competitors. This distinguishing character also requires the trademark to be “non-descriptive”. Hence, the name you choose should not have a meaning that is immediately perceived as providing information about the goods and services in question.

Capable of representation on the register: Please take into account that what is considered “capable of registration” will vary from country to country. In Europe, the European Union Intellectual Property Office (EUIPO) establishes that the trademark can be represented in any appropriate form using generally available technology, as long as it can be reproduced on the Register in a clear, precise, easily accessible and durable manner, in order to make sure that both the examiners and the public can determine the scope of protection of the trademark.

The EUIPO does not admit olfactory, taste and tactile marks for registration because the current state of technology does not allow for a clear and durable way of representing such a mark.

Different types of marks

Individual mark: This is the more “general” kind of trademark that indicates the commercial origin of the protected goods and/or services.

Collective mark: This refers to a mark that indicates that the goods or services protected by that mark originate from members of an association, rather than from just one company. Collective marks may be used together with the individual mark of the producer of a given good

or of the service provider. This allows members of an association to differentiate their own products and/or services from those of competitors.

EU Certification mark: This relates to the guarantee of specific characteristics of certain goods and services. It indicates that the goods and services bearing the mark comply with a given standard set out in the regulations of use and controlled under the responsibility of the certification mark owner, regardless of who actually produces or provides the goods and services. Certification marks can also be found at national level in some EU member states.

Business name, domain name and trademark: What is the difference?

Type of name	What is it used for?	Where do I register?
Trademark	<p>A trademark is used to identify a product or service on the marketplace and to distinguish it from other products and services.</p> <p>A registered trademark must specify the types (or classes) of goods and services in relation to which it is used.</p>	<p>You can register:</p> <ul style="list-style-type: none"> - Before your national IP Office if it is a national TM - Before the EUIPO if you apply for an EU trademark - Through WIPO if you apply for international registration through the Madrid System
Business name	<p>A business name is a name that is used to identify a business, not a product or service.</p> <p>A business name is the official name of the business as registered in its country of incorporation.</p>	<p>Business name registration is handled at a national level by each national trade registry.</p>
Domain name	<p>A domain name is an internet address. Domain names let an internet user visit a specific website.</p>	<p>Supervised by the Internet Corporation for Assigned Names and Numbers (ICANN).</p>

As a part of a company's branding strategy, it is very common for a domain name to be the same, or similar to a trademark or a business name, but these registrations serve different objectives:

- a) A domain name is registered to link a specific IP address to a more "user-friendly" URL, to identify a website.
- b) A trademark is registered to identify a product or service.
- c) A business name is registered to identify the legal entity that owns the business (and that may have many products and services).

Did you know?

Cybersquatting is the practice of registering a name identical or similar to a third party's company name or trademark as internet domains. This is done with the intention to profit from the goodwill of a third party brand, or in the hope of being able to resell the domain name to them at a profit.

II. Applying for a Trademark

Although registration conditions and procedures might differ depending on the jurisdiction, please find below a general description of what to expect when applying for a trademark.

Before filing for application: What can be registered as a trademark?

Word mark, consisting exclusively of words or letters, numerals and other typographic characters

FENTY BEAUTY
015065031

ESTEE LAUDER
000091090

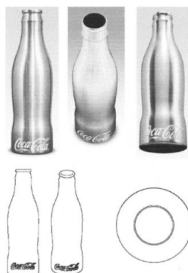
Figurative mark where stylisation, layout, graphic features or colour are used



Figurative mark that contains a word, combining verbal elements and figurative ones



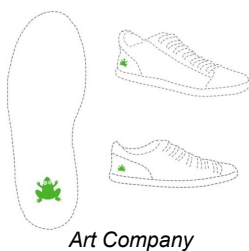
Shape mark, consists of a three-dimensional shape (containers, packaging, product shape, etc.)



Shape mark containing word elements



Position mark, consists of the specific way in which the mark is placed on the product



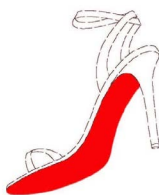
Art Company

Pattern mark, consists exclusively of a set of elements repeated regularly



Skell Inc.

Single colour mark, consists exclusively of a single colour

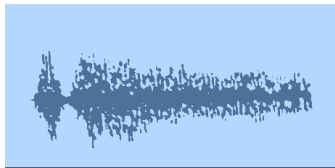


Louboutin

Combination of colour mark, consists exclusively of a combination of colours



Sound mark, consists exclusively of sounds or combination of sounds



The roaring lion from the Metro-Goldwyn-Meyer corporation

Motion mark, consists of movement or a change in the position of the elements of the mark



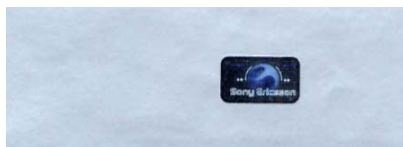
This rotating doll is registered as a motion mark by Galeries Lafayette Champs Elysees

Multimedia mark, combination of image and sounds



Netflix's intro animation is registered as a multimedia mark

Hologram mark, consists of elements with holographic characteristics.



Sony Ericsson's hologram included in their products.

Availability check

If someone else has already registered your mark, for the same territory and for similar or identical goods and services, it is not available for you to register (see below: relative grounds for refusal). You can save time and money by searching for marks that could conflict with yours before filing your application, using existing online trademark databases:

[eSearch plus](#) is the EUIPO's database of EU trademarks and registered community designs. The [TMview database](#) contains information from all of the EU national IP offices, the EUIPO and a number of international IP offices outside the EU on trademark applications and registered marks.

If you want more information on how to perform a trademark availability search, check out our [guide on this topic](#). While it is relatively easy to perform preliminary searches on your own, note that it is always preferable to consult an IP lawyer in order to obtain a definitive legal opinion as to trademark availability, and as to the likelihood of success of your trademark application.

First to file vs. first to use

In first-to-file countries, like Europe, the rights to a trademark belong to the first business to file an application for that trademark. In first-to-use countries, like the US, the owner of the trademark is the person who is the first to use the trademark on the market place, irrespective of whether the trademark has been registered. Don't wait to get your trademark registered!

Deciding which class to file under

The [Nice Classification](#), established by the Nice Agreement in 1957, is an international classification of goods and services applied for the registration of marks.

There are 45 total Nice classes for trademarks. Classes 1 to 34 are dedicated to goods and classes 35 to 45 are dedicated to services. Each Nice class has a class heading and explanatory notes. Class headings broadly describe the nature of the goods or services that can be found in that class, while explanatory notes for each class go into more detail about the types of products or services included in that particular class.

When deciding which classes to file under, think about your business strategy in the long term. Indeed, registering your trademark under the right class/es is a key element of your trademark strategy since this will determine the scope of protection granted by the trademark.

Where can you register your trademark?

Trademarks, like all other IPRs, are territorial rights. Hence, the protection that they will grant you will be limited to the territory of registration. This is why it is important to consider the geographical factor when drafting your trademark protection strategy. Indeed, the appropriate filing route for you and the related costs will depend on how many countries you are interested in and which ones.

These are the available filing routes:

National: You can file your application before a [national Intellectual Property Office](#), which would grant your trademark protection only in the territory of the country where you are filing for registration. This route will be relevant if you are interested in filing only in a small number of countries.

European: You could also decide to apply for an EU trademark before the European Union Intellectual Property Office ([EUIPO](#)). In this case, you will be granted a trademark that is protected in all EU member states. For more information on the registration process for an EU trademark, check our [IPR Chart](#).

Seniority claim

By claiming seniority, the owner of an EU trademark registration may be able to claim prior rights based on existing national trademark registrations in EU member countries.

Seniority can be claimed when filing the EUTM application, up to two months after filing, or at any time after registration of the EUTM.

International: In order for you to be able to file an international application, you need to have a registered trademark or filed an application before the “home” IP Office (national, regional or European). Your “home” IP office will then forward your application to the World Intellectual Property Organization ([WIPO](#)), which is in charge of managing international applications. In this case, your trademark will be protected in all the countries designated in your application. This is known as the [Madrid System](#). Please take into account that there is no unitary international trademark. Instead, you will be the owner of a bundle of national trademarks. This route is relevant if you are planning to file for protection in many jurisdictions worldwide, beyond EU borders, as it will allow you to reduce individual filing costs.

Priority claim

The priority right allows the claimant to file a subsequent application (in the 6 months period following the date of first filing) in another country for the same trademark, effective as of the date of filing the first application. When filing the subsequent application, the applicant must claim the priority of the first application in order to make use of the right.

Registration process

The registration process is divided in two phases:



Examination period

During the examination period, the receiving office will examine if your application complies with the following criteria: Has the trademark been applied for the appropriate classes of goods and services according to the Nice Classification? Does your application comply with all formal requirements (have you submitted all necessary information)? Is there any absolute ground for refusal?

Grounds of absolute refusal

Once you have filed your application, only minor alterations can be made.

These are grounds raised by the IP office itself that will then initiate a dialogue with the applicant and consider its observations (if any is submitted) before taking a final decision.

Non-distinctive trademark: When the sign for which you are seeking registration does not serve to distinguish your products/services from other, for example, because the sign you choose is a common feature for this specific category of goods/services or it is commonly used to refer to the product and/or services covered by your trademark.

For example, a white rectangular tetra brick could not be registered as a 3D mark since it lacks distinctiveness.

Descriptive trademark: A sign will be considered “descriptive” if it has a meaning that is

Names and surnames of individual persons are considered distinctive, regardless of their frequency.

immediately perceived as providing information about the goods and services applied for regarding quantity, quality, characteristics, purpose, kind and/or size of the goods or services. For example, the term “RESTORE” is considered descriptive by the EUIPO for surgical and medical instruments and apparatus; stents; catheters; and guide wires.

Customary signs or indications signs: These are signs that consist exclusively of words or indications that have become customary in the current language or in the established practices of trade at a relevant point in time. For example, the sign below is internationally recognised as the “high voltage” symbol and therefore cannot be registered as a trademark.

Shapes or other characteristics with an essentially technical function, substantial value



Acquired distinctiveness through use

A trademark could still be registered despite the fact that it is **non-distinctive**, **descriptive** or it consists of **customary signs**, provided that it “has become distinctive in relation to the goods or services for which registration is requested as a consequence of the use that has been made of it”.

or resulting from the nature of goods: Such signs are those which consist exclusively of a.) the shape or another characteristic that results from the nature of the good; for example, the realistic representation of a banana for bananas

or b.) the shape or another characteristic of the good that is necessary to obtain a technical



result; for example, the 3D shape of this building block for construction toys.

Trademarks considered contrary to public policy or acceptable principles of morality:



This absolute ground does not apply to services.

Public policy is the body of all legal rules that are necessary for the functioning of a democratic society and the state of law. For example, trademarks that violate human dignity, freedom, equality or trademark glorifying terrorism cannot be registered.

Principles of morality will exclude from registration marks that are blasphemous, racist, discriminatory or insulting words or phrases, but only if that meaning is unambiguous. For example “[¡Que bueno ye! HIJOPUTA](#)” or “Bin Laden” cannot be registered as trademarks.

This ground is not concerned with bad taste or the protection of individuals' feelings.

Deceptive trademarks: Marks that can deceive the public regarding, for example, the nature, quality or geographical origin of the goods or services, will not be registered. For example “LactoFree” used to sell products that are not actually lactose free, is a misleading and deceptive trademark that will not be granted registration.

Trademarks in conflict with flags and other symbols: Trademarks that are identical or similar to state emblems, official signs and hallmarks indicating control and warranty or the emblems, abbreviations and names of intergovernmental organisations will not be granted registration. For example, trademarks that incorporate the coat of arms of

Spain



or the signs of warranty for platinum



would not be granted

registration.

Trademarks in conflict with traditional terms for wines (TTWs): EU trademarks that are in conflict with TTWs protected by either EU legislation or international agreements to which the EU is party will not be granted registration. For example, “Gran Reserva de Fondillón” for wine of overripe grapes of PDO Alicante or “Cru bourgeois” for wine from PDO Médoc cannot be registered as trademarks.

Trademarks in conflict with traditional specialities guaranteed (TSG): EU trademarks that are in conflict with registered TSGs protected by either EU legislation, or international agreements to which the EU is party, will not be granted registration. For example, “Kriek” or “Mozzarella” cannot be registered as trademarks.

Trademarks in conflict with earlier plant variety denominations: EU trademarks consisting of an earlier plant variety denomination (PVD) (registered in accordance with EU legislation, national law or international agreements) and that are filed in respect of plant varieties of the same or closely related species will not be granted registration. For example, RUBY is a PVD

registered for “Prunus”, hence, the application for “Ruby” for a company selling plums would be denied.

Geographical indications: Trademark applications consisting solely of or comprising a registered geographical indication (GI) or designation of origin (DO) will be rejected. This applies to GIs or DOs protected through EU legislation or international agreements. For example, a trademark application for “champagne veuve devanlay” would be rejected because the name “champagne” is registered as a GI.

In some cases, even unregistered trademarks may benefit from some protection. In this case, protection is guided by national legislation on unfair competition laws.

Opposition period

Upon acceptance of a trademark application, the registry will publish the new trademark, triggering a period within which third parties can raise objections, generally by way of an opposition. This is the process by which trademark owners and other third parties can challenge trademark applications conflicting with their business and earlier rights. Objections are usually raised when new trademarks are identical or confusingly similar to previous rights.

Grounds for opposition: relative refusal

Unlike absolute grounds for refusal, which are examined automatically, or ex officio by the IP Office, relative grounds for refusal are based on potential conflicts with earlier rights. Such relative grounds of objections are raised by the owner of the earlier right who should be actively vigilant and monitor new trademark applications.

Although they may vary depending on the territory of registration, these are the usual grounds on which the owner of an earlier right can base its opposition:

Double identity: requires identity between both the signs and the goods or services offered. If double identity is confirmed after a direct comparison of the two conflicting signs as well as the goods/services in question, there will be no need to examine if there is likelihood of confusion, and the opposition will be automatically upheld.

Likelihood of confusion: In cases of mere similarity between the signs and the goods/services, or identity of only one of these two factors, an earlier trademark owner may successfully oppose an application in case of likelihood of confusion. When we talk about **likelihood of confusion**, we refer to confusion as to the origin of goods/services or the risk that consumers believe that the goods/services come from the same undertaking or that both undertakings are somehow related. The rightful owner has the right to oppose applications filed without its authorisation by its own agent or representative.

The owner of an earlier **reputed registered trademark** (such as Apple or Chanel) is allowed

to oppose registration of a trademark not only for identical/similar goods/services but also in relation to dissimilar goods/services, if the use of the trademark applied for would entail an unfair advantage of, or be detrimental to, the distinctive character or reputation of the earlier mark.

If the notice of opposition is accepted, both parties are then notified and a time limit for the proceedings will be set. At an EU level, the proceedings start with the 'cooling-off' period, a period during which the parties are invited to reach an agreement. Once the cooling-off period has expired (usually two months from the date of admission of opposition), the adversarial part of the proceedings begins.

The parties are then invited to send additional information and evidence to support their positions. First, the opponent is given the opportunity to complete their file (with facts, arguments and evidence considered necessary). Then the applicant is given time to reply. Finally, the opponent is given the opportunity to comment on the observations submitted by the applicant.

The adversarial part of the proceedings comes to an end when EUIPO informs the parties that no more observations will be allowed. When the EUIPO issues a decision there are various possible outcomes:

- a.) the trademark application does not conflict with the earlier right;
- b.) the trademark application conflicts with the earlier right and the application then fails;
- c.) the trademark application partially conflicts with the earlier right and the goods or services in conflict are then removed from the list and the application proceeds to registration.

If nobody files an opposition or third-party observations, your trademark is registered and the registration is published. This is done so that both other trademark owners and the public are aware that this particular trademark is now registered.

The publication of the registration is free of charge and a certificate of registration is issued.

Term of protection

The term of trademark registration can vary, but is usually ten years. It can be renewed indefinitely upon payment of additional fees for an additional ten-year period.

III. Managing a Trademark

Renewal

Generally speaking, trademark registrations must be renewed every ten years. A trademark should be renewed within the six months preceding its expiration. However, IP offices usually grant a “grace period” of six months after the expiry date during which the renewal can still be achieved, although it will usually entail an additional fee.

If no request for renewal is submitted, or if it is submitted after the grace period has expired, the trademark will be cancelled.

Conversion

Conversion, or transformation, is a procedure that can be applied to EU trademarks and to international registrations. Through this procedure, although an EU or international trademark might stop existing, it can still be converted into different national trademark that will only be valid in certain member states or countries (for international applications). You should consider conversion, if your EU trademark faces registrability issues in only one or certain member states (for example, based on an earlier right valid in only one country). In doing this, you will convert your EU trademark into national/s one/s where there is no registrability problem.

As mentioned above, international registrations can also be converted into national trademark applications of any of the contracting parties to the Madrid Agreement or the Madrid Protocol (of which the EU Member States are part). The transformation will have the same effects as the one described above.

Revocation

Revocation implies that it is accepted that the trademark was initially registered correctly but should no longer remain on the register due to one of three main reasons:

- a.) absence of genuine use (the trademark has not been used in five years);
- b.) if, as a consequence of the acts of the owner, the trademark has become generic or the common name for a product or service for which it is registered and the owner has not taken sufficient measures to prevent this;
- c.) if, as a consequence of its use by the owner, the trademark has become misleading as to the nature, quality or geographical origin of the goods and services for which it is registered.

Invalidation

Invalidity, on the other hand, is a claim for cancellation of a trademark registration on the grounds that the trademark should not have been accepted for registration in the first place. The invalidation can affect the entire registration or only some of the goods or services covered by it. Generally speaking, a trademark can be invalidated when:

- a.) it was registered despite the existence of absolute grounds for its refusal (for example, because the mark is non-distinctive);
- b.) the applicant acted in bad faith when filing the application (for example, in the case of trademark squatting or where one person intentionally files a trademark application for a third party's registered trademark in a country where the third party does not currently hold a trademark registration);
- c.) for the same reasons as those for which an opposition claim may be filed; or
- d.) where another earlier right exists in the European Union or in an EU member state that permits the use of the trademark in question to be prohibited (in particular, a right to a name, a right of personal portrayal or a copyright).

Surrender

A trademark registration can be surrendered in respect of some or all of the goods or services for which it is registered. This can only be done by the owner (or his/her authorised representative).

If you try to file for surrender after a claim for revocation or invalidity has been filed, your surrender will only be accepted if these revocation or invalidity claims are dismissed.

In any case, surrender can be entered only with the agreement of the trademark owner. However, if a licence or other right has been registered, the licensee has the right to be informed of the situation.

Coexistence agreement

A coexistence agreement is the agreement between two (or sometimes more) parties according to which, when they carry on their business activities, one or both of them can do so without fear of infringing the other's IPR.

In the case of trademarks, it implies that people who have the same or similar names can keep carrying on their business activities without worrying that they will be sued for trademark infringement.

For a coexistence agreement to be legally enforceable, the holder of earlier rights must expressly consent to the registration of the conflicting sign.

Licence or transfer of a trademark

Trademarks, like other IPR, are assets that can be licensed or transferred to third parties.

In **trademark licensing**, a trademark owner (licensor) grants permission to a third party (licensee) to use that trademark on mutually agreed terms and conditions. The licensor receives a certain amount of money or royalties, a percentage of all sales, in exchange for sharing the trademark.

Please take into account that in some countries, you will have to register a trademark licence against the registration of the trademark on the national trademark register (for example, in Spain). In other countries, it is not possible to register a trademark licence (for example, in Germany). Most countries lie somewhere in between: it is possible, yet not compulsory to register the licence.

If you want to learn more about licensing, check our [fact sheet](#) on the topic.

On the other hand, a **trademark assignment** is a document signed by the original owner (“assignor”) transferring ownership of the trademark to a new owner (“assignee”). The transfer could be total or partial (transferring the trademark only for a specific class of goods or services while retaining ownership over the other classes).

Since a change of ownership takes place, the office of registration should be notified and the notification should include proof of transfer.

Take into account that in the case of international trademarks, in order to be entitled to own the international registration, the new owner must have a business or domicile in a [contracting party](#) of the Madrid System or be a national of a contracting party.

Useful documents

- [Fact Sheet “Licensing Agreements”](#)
- [Guide “Trademark Searches”](#)
- [IPR Chart “EU Trademark”](#)
- [IPR Chart “International Trademark”](#)

Our main goal is to support cross-border SME and research activities to manage, disseminate and valorise technologies and other IP rights and assets at an EU level. The European IP Helpdesk enables IP capacity building along the full scale of IP practices: from awareness to strategic use and successful exploitation.

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The heart of our service portfolio to keep you updated



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PDF: Catalogue n° EA-02-20-679-EN-N
ISBN 978-92-9460-224-4
DOI 10.2826/650171

Print: Catalogue n° EA-02-20-679-EN-C
ISBN 978-92-9460-225-1
DOI 10.2826/494280

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