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Per Foss Director General Patentstyret PB 4863 Nydalen 0484 Oslo Norge

Via e-mail to Per Foss (post@patentstyret.no)

Chief Executive Officer

Cc. Bernt Boldvik, Head of Trade Mark and Designs Department (<u>bbo@patentstyret.no</u>); Knut Andreas Bostad, Head of Section, Design and Trademark Department (<u>kab@patentstyret.no</u>)

Re: Comments on the planned amendments of the Norwegian Trademark Act

Dear Director General Foss,

The International Trademark Association (INTA) appreciates the opportunity to provide input on the Draft Amendment of the Norwegian Trademark Act, following the consultation launched by the Norwegian Industrial Property Office (the "IPO").

INTA is a global association of brand owners and professionals dedicated to supporting trademarks and related intellectual property (IP) to foster consumer trust, economic growth, and innovation. INTA's members are more than 7,200 organizations from 191 countries, including 22 in Norway. The Association's member organizations represent some 31,000 trademark professionals and include brand owners from major corporations as well as small and medium-sized enterprises, law firms and nonprofits. There are also government agency members as well as individual professor and student members. Further information about our Association can be found at <u>www.inta.org</u>.

INTA would like to commend the Norwegian Office for its timely and thorough consideration of the implementation of the Directive (EU) 2015/2436 of 16 December 2015 (the "Directive" or "TMD") into Norwegian law, i.e. into the Norwegian Trademark Act ("NTA"). INTA has been engaged from the very beginning on the reform of the EU trademark system and respectfully submits the following comments on the draft amendments to the NTA which aim to implement the TMD.



1) The wording in NTA §4 first paragraph is unclear

The Consultation Paper of the Ministry of Justice and Public security regarding the amendments in the Norwegian Trademark Act and the Norwegian Custom Act Case no. 18/2638 (the "Consultation Paper"), section 17.1 under § 4, second paragraph, stresses that:

"Initially, in the first paragraph, it is emphasized that trademark law affects the use of signs **in relation to goods or services** in business activities, as understood by the practice of the European Court of Justice. It follows from this practice that the sign must be used as a means of communication for its own goods or services in a way that is capable of affecting the brand's function, and in particular the function of acting as a guarantee of the commercial origin of a product or service, cf. Case C-48/05 Opel, Case C-206/01 Arsenal and United Kingdom cases C-236/08 to C-238/08 Google".

(Translation into English from the original Norwegian version. Emphasis added, for the purpose of this submission).

NTA §4 aims to implement Article 10 TMD. The wording of Article 10 TMD second paragraph, first sentence, is the following:

"Without prejudice to the rights of proprietors acquired before the filing date or the priority date of the registered trade mark, the proprietor of that registered trade mark shall be entitled to prevent all third parties not having his consent from **using in the course of trade, in relation to goods or services, any sign where: (...)**"

(Emphasis added, for the purpose of this submission).

The wording of Amendments to NTA § 4 first paragraph is the following (translation from Norwegian into English and Norwegian original wording below):

"The trademark right means that no one without the consent of the **proprietor of the trademark right (trademark holder) for goods or services in the course of trade may use: (...)**" (emphasis added, for the purpose of this submission);

«Varemerkeretten innebærer at ingen uten samtykke fra innehaveren av varemerkeretten (merkehaveren) for varer eller tjenester i næringsvirksomhet kan bruke: (...)»

To implement Article 10 TMD, the amendments to the NTA include a reference to "goods or services" in § 4, first paragraph. We believe that the positioning of the words 'goods or services' in the overall sentence is unclear and confusing, especially when compared with the corresponding Article 10(2) TMD.

INTA therefore suggests the following amendment:

"The trademark right means that no one without the consent of the proprietor of the trademark right (trademark owner) in the course of trade **and for goods or services** may use: (...)"

«Varemerkeretten innebærer at ingen uten samtykke fra innehaveren av varemerkeretten (merkehaveren) i næringsvirksomhet og for varer eller tjenester kan bruke: (...)».

2) NTA § 11 – reference to online translations should be included

NTA §11 regulates requirements of indications when a registered trademark is reproduced in a dictionary, encyclopedia or similar reference work, in print or electronic form, including the means by which the possible necessary corrections should be introduced. Certain amendments to NTA §11 are meant to implement Article 12 TMD.

Explicit reference to electronic publications is welcome. Regarding the reproduction of registered trademarks in various reference works, in print or electronic form, INTA further recommends that online translation tools are explicitly included within this provision's scope. In our opinion, the reproduction of registered trademarks in online translation tools – for instance, the translation of the trademark ROCKWOOL using *Google Translate* – should be regulated. This would be important to avoid that a translation gives the impression that the trademark constitutes the generic name of the goods or services for which it is registered. This is especially an issue for famous marks which are exposed to the risk of dilution and becoming generic.

3) NTA §§ 15 (2) – Introduction of 'Bad faith' as an absolute ground is welcome

INTA supports the introduction of 'bad faith' as an absolute ground of refusal in the new second paragraph of § 15, NTA, in accordance with Article 4 (2) TMD. INTA believes that it is very important that national offices refuse the registration of trademarks applied for in bad faith. Indeed bad faith registered trademarks may give way to abuse and various dishonest practices (e.g. interim injunctions) turned against the rightful brand owners.

4) NTA § 27 – Possibility to suspend oppositions is welcome; administrative revocations should benefit from such possibility

The proposed addition of a fourth paragraph to NTA § 27, allows opposition proceedings to be suspended upon a joint request from the parties, so that negotiation of an amicable settlement may be attempted. This is a welcome change, as many conflicts, given the opportunity, could be resolved through settlements rather than legal proceedings. In our view, this would not only promote conflict resolution but could also aid in alleviating the workload of the IPO and the Board of Appeal. In this sense, we suggest that a similar parallel rule be introduced as concerns administrative revocations.



5) NTA § 29 – Possibility to dismiss an opposition based on an older non-used trademark is welcome

The changes to the first paragraph of NTA § 29 allow the IPO to dismiss an opposition that is based on a previous registration for which the use requirement according to § 37 is not fulfilled when the opposition is filed.

We support this addition as it may be difficult and time consuming for the applicant to overcome an opposition based on older trademark registrations that are not actively used. The proposed change of the law should allow applicants to have their mark registered without having to obtain the cancelation of older rights due to non-use.

6) NTA §37 second paragraph - The vague wording needs to be deleted or amended

NTA §37 aims to implement Article 16 TMD.

The following is stated in the Consultation Paper, section 17.1 under § 37, second paragraph:

"In the second paragraph, first sentence, it is stated that when assessing whether the mark is used in a form that does not change its distinctive character, it does not matter whether the relevant mark that is used is also protected by its own trademark registration, cf. Article 16 (5) (a) TMD".

The wording of Article 16 (5) (a) TMD, is the following:

"(...) use of the trade mark in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, **regardless of whether or not the trade mark in the form as used is also registered in the name of the proprietor**"

(Emphasis added, for the purpose of this submission).

To implement Article 16 (5) (a) TMD, the following wording has been proposed for NTA §37 NTA, second paragraph (translation into English and the Norwegian original wording below):

"As use of the trade mark in accordance with the first paragraph, use of the trade mark in a form that only differs in elements which do not alter its distinctive character, regardless of whether the mark in this form is also registered for the trademark holder"

(Emphasis added, for the purpose of this submission);

"Som bruk av varemerket etter første ledd regnes også bruk av merket i en form som bare skiller seg fra den form det er registrert i ved enkeltheter som ikke endrer dets særpreg, **uavhengig av om merket i denne formen også er registrert for merkehaveren**»

(Emphasis added, for the purpose of this submission).

INTA suggests the following amendment, taken from the Consultation Paper, section 9.3 third paragraph, first sentence:

"...regardless of whether the mark in this form is also protected by a separate registration in the name of the proprietor"

"..uavhengig av om merket i denne formen også er beskyttet ved særskilt registrering i merkehaverens navn»».

We believe that the wording included in the Consultation Paper is clearer and, accordingly, suggest the above modification to the second paragraph of NTA §37.

As an alternative, the addition "**regardless of whether the mark in this form is also registered for the trademark holder**" (may be deleted without being replaced, as it does not imply any substantial change to the NTA.

7) NTA §§ 51, 52 – clarifications on limitation of matters considered by the Board of Appeal and parties' intervention in judicial review of administrative decisions is welcome

We welcome the clarification in § 51 according to which, in appeal proceedings concerning oppositions or revocation requests, the Board of Appeal may only consider matters covered by the opposition or revocation request. This change will prevent parties from bringing forth new facts late in the proceedings, and thus promote time-efficiency and predictability.

The proposed change to § 52 concerning the parties' intervention in court proceedings following administrative cancellation of trademarks is also welcome. According to the rule currently in force, if the trademark owner challenges the cancellation of its trademark in court, subsequent to an opposition or administrative review, the defendant is the Norwegian government and the opponent or claimant does not become a party in the proceedings. With the proposed change to § 52, the trademark owner shall bring its claim against the opponent/claimant.

INTA supports this change as it seems prudent to allow both parties of the previous opposition or administrative revocation proceedings to fairly and accurately present their own cases in court where the administrative decision is judicially challenged. In addition, this change will also ensure that the government is not liable to support legal costs in what is, essentially, a conflict between private parties.



INTA stands ready to support the Norwegian IPO in its efforts towards the implementation of the EU trademark reform. We hope you will find our comments useful. Should you wish to further discuss any of the points we have raised or additional issues, please contact Hélène Nicora, Chief Representative Officer-Europe at <u>hnicora@inta.org</u> and Carolina Oliveira, INTA Policy Officer - Europe at <u>coliveira@inta.org</u>.

Sincerely yours,

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Etienne Sanz de Acedo Chief Executive Officer International Trademark Association

