

WEEKLY NEWS - MARCH 03, 2009 CTM fee cut confirmed

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Representatives of EU member states have agreed to cut Community trade mark fees by 40% as part of a compromise solution to deal with OHIM's budget surplus

The so-called Comitology Committee yesterday confirmed a combined application and registration fee of €1050 (€900 if filed electronically), which is a 40% reduction on existing fees.

The changes are due to come into force by July 1 this year, but “the precise date and transitional arrangements are still to be confirmed”, according to Andrea Di Carlo, director of institutional affairs and external relations for OHIM.

The reduction is one element in the **compromise solution** to the problem of OHIM's budget surplus. The compromise was agreed last September at a **joint meeting** of the OHIM Administrative Board and Budget Committee.

As part of the agreement, 50% of renewal fees will be diverted to national trade mark offices. Before this income stream is established, a cooperation fund of €50 million will be established to distribute part of OHIM's surplus to the national offices. OHIM's administrative board, **which MARQUES recently joined**, will administer the fund. Di Carlo told *Managing IP* that the fund could be set up by 2010.

The meeting also clarified that businesses applying for a CTM filed using the Madrid Protocol will get a similar reduction to those that apply directly. The initial proposal did not deal with applications filed using that system.

“Everyone has had to compromise here. We are happy with what was agreed yesterday,” said Tove Graulund of Zacco and former president of MARQUES. Graulund will represent MARQUES on the administrative board.

The changes still need to be formally verified before coming into effect. The next stage is that the official regulation has to be signed by the EU Commissioners and then be published. This regulation will state exactly when the new fees will come into force.

OHIM **announced last month** that applications for Community trade marks fell sharply in the last quarter of 2008, with US and UK businesses showing the biggest drops