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# OHIM: A year of change

**This year will be remembered as an important one for OHIM. Examination times are likely to start falling significantly and the promised cut in fees seems to be on the horizon at last. Although justifiably proud of its achievements this year, the management at OHIM is well aware that more needs to be done**

Since the creation of the Office for Harmonization in the Internal Market (OHIM), its performance has been under intense and constant scrutiny. Yet far from deflecting attention away from itself, OHIM tries to be as transparent as possible. Each year, the office publishes a service charter setting out concrete and measurable standards to define its objectives in three key areas: accessibility, timeliness and quality of decisions. OHIM rates its performance against those standards on a quarterly basis and the results are published on its website. The standards are revised regularly based on feedback from users.

In addition, OHIM invites all users who have professional dealings with it to participate in its annual user satisfaction survey, the third of which was carried out at the beginning of this year. The surveys have shown a continued rise in user satisfaction at a general level, while at the same time highlighting some of the weaknesses of the system. OHIM is rightly proud of its achievements and should be applauded for its openness, but this transparency is also a double-edged sword as it can allow some people to focus only on issues for improvement rather than celebrating the office's accomplishments. "I suppose this is only natural," says Tove Graulund of Zacco in Copenhagen. "Even so, it seems to be very fashionable at the moment to pick on OHIM and point out its flaws. Maintaining the CTM system is a huge operation and there will always be room for improvement, but I believe that the office has always acted in good faith when it comes to its stakeholders and the many positive changes put in place should receive wider attention."

There can be no doubting the popularity of the system with rights holders. In 2007 OHIM received almost 90,000 CTM applications (up 13% on the previous year) and almost 80,000 Community design (RCD) applications (up 10%). It is well on the way to reaching similar levels this year, having received 44,500 CTM applications and 37,000 RCD applications during the first six months of 2008.

The past 12 months have been among the busiest yet for OHIM, but it has still managed to reduce, on average, the time taken to register a mark. This is set to improve further during the second half

of the year following a change to the rules on national searches for trademarks. These became optional from March 10 2008 and since most users are unlikely to take up the option, the timeframe for registration is expected to fall significantly.

## On the fast track

Along with accessibility and quality of decision-making, timeliness is one of the key criteria for improvement set out in OHIM's annual service charter. The advances that have taken place in this area during the past few years have been remarkable. "Four years ago, it took around 18 months to register a CTM," says João Miranda de Sousa, Director of General Affairs and External Relations at OHIM. "It now takes around 13 months and I am confident that we will get this down to around six months by the end of next year."

This is welcome news for practitioners and rights holders, particularly those based in the United Kingdom. "Timeliness has been the biggest problem with the examination department from our perspective," says Jane Collins, in-house counsel at agrochemical company Syngenta. "We tend to file in the United Kingdom at the same time as bringing an application before OHIM. The UK procedure is so quick that it gives us the opportunity to gauge whether there will be any opposition in the European Union. If OHIM manages to reduce the timeframe for registration to the level it says it will, then we probably won't need to do this."

OHIM is fully aware that its UK users are not as satisfied as other nationalities. "The UK Intellectual Property Office is one of the benchmark national offices and it is a model that OHIM hopes to emulate," explains Miranda de Sousa. "Six months compares favourably with most national practices, including in the United Kingdom. However, it is important to remember that we need to work in 22 languages and inevitably this will always slow us down."

## Methodology for tables

OHIM data lists separately the filings from each office of the same firm. To obtain a clearer reflection of the market, WTR compiled the tables in this article using data provided by OHIM and adding the filings of all the offices of a single firm for the whole of the European Union. WTR took into consideration only applications filed by law firms or patent and trademark attorney firms. While every care has been taken to guarantee that all relevant figures were considered, WTR accepts no responsibility for any errors in the tables.

## Key decisions from the past 12 months

During the past 12 months OHIM has issued a significant number of decisions. The following represents a small selection of cases that merit further attention. They include rulings on the requirements for validity of sound and tactile trademarks, and clarification of certain procedural aspects.

### Sound and tactile marks

According to Article 4 of the Community Trademark Regulation (40/94), two conditions must be fulfilled before a sign can constitute a trademark: the sign must have distinctive character and be capable of graphical representation. The latter condition has raised certain issues with regard to tactile and sound marks.

In 2007 OHIM's Board of Appeal issued its first-ever ruling on a tactile mark (Case R 1174/2006-1, October 30 2007). The case involved an application for the registration of the tactile impression of a car seat mechanism as a CTM.

The board first noted that a tactile mark will satisfy the criterion of graphical representation if it meets the requirements set out in the well-known *Sieckmann Case* (C-273/00) – the graphical representation should be clear, precise, self-contained, easily accessible, intelligible, durable and objective. In the case at hand, the application was represented by a picture and a description, which, in the board's opinion, did not satisfy the requirements for graphical representation. The applicant had failed to specify with precision certain important elements determining the mechanism's tactile impression, in particular its size and the type and flexibility of the material used. The board refused to accept a sample as a graphic representation and rejected the application.

Case law on sound marks takes a similarly strict approach. A sign will not satisfy the requirements of the *Sieckmann Case* when it is represented graphically by way of a written description, a sequence of musical notes, a cry of an animal or simple onomatopoeia.

In the *Tarzan Yell Case* (R 708/2006-4, September 27 2007), the board was faced with the question of whether a spectrogram and associated text amounted to graphical representation of a sound mark. The applicant filed an application with a spectrogram of the relevant sound and the following text description: 'The yell of the fictional character Tarzan'.

The board reasoned that the spectrogram was not clear, self-contained or easily accessible. In particular, it said that "nobody can read a spectrogram as such". Therefore, it upheld the examiner's decision to refuse the application.

### Procedural issues

Pursuant to Article 74(2) of the Community Trademark Regulation, OHIM "may disregard facts and evidence which are not submitted in due time by the parties concerned". In March 2007 the ECJ rendered an important decision on this issue (*ARCOL/CAPOL* (C-29/05)). The upshot of this ruling was that the Opposition Division and the Boards of Appeal have discretionary power and, unless otherwise stated, can accept or refuse to take into account documents submitted late. However, they must not refuse them automatically.

OHIM's decisions on whether to accept or reject evidence filed out of time must be justified. Notably, OHIM must determine whether:

- the documents are likely to be relevant to the outcome of the opposition; and
- the stage of the proceedings at which submission takes place and the circumstances surrounding it suggest that the evidence should not be taken into account.

The Opposition Division and the Boards of Appeal have since issued a number of decisions applying the principles set out in *ARCOL/CAPOL*.

In one such case, the opponent failed to submit documents in the language of the proceedings evidencing that the invoked trademarks were still in force. The Opposition Division rejected the opposition since it was not substantiated.

On appeal, the opponent submitted complementary documents regarding the renewals of the trademarks on which the opposition was based. The Board of Appeal decided that even though the Opposition Division was correct to reject the opposition as unsubstantiated, the additional evidence submitted by the appellant in the appeal proceedings was acceptable (*KOTI/COTY* R 1536/2006-1, December 4 2007). The board based its decision on the following grounds:

- OHIM can take into account facts and evidence that have been submitted out of time;
- The documents filed at the appeal stage were relevant and may have been decisive for the final outcome of the case;
- The opponent in its statement of grounds explained in the language of proceedings that it was enclosing copies of documents from the Spanish Trademark Office showing that the invoked trademarks were in force; and
- The applicant did not object to the missing translation before the Opposition Division, which led the board to conclude that the applicant had understood the documents, even though they were not in the language of the proceedings.

The board annulled the decision and sent it back to the Opposition Division for further consideration.

On reconsideration, the Opposition Division held that since some of the contested goods were different from the opponent's goods, there was no likelihood of confusion in the relevant territory, despite evidence showing that the opponent's marks were well known at the time of filing of the contested CTM application (*KOTI/COTY* B 582 728, July 28 2008).

This decision is likely to be appealed.

A second case worth mentioning in the same context is *redENVELOPE/RED LETTER* (R 1117/2005-1, September 14 2007). Here, the opponent submitted fresh evidence before the Board of Appeal showing the reputation of the invoked trademark. Thus, some of the evidence on reputation had not been seen by the Opposition Division at first instance. The board had to consider whether this evidence should be taken into account pursuant to Article 74(2) of the Community Trademark Regulation. The board concluded that since the submitted evidence completed and confirmed the earlier evidence filed in the course of the opposition proceedings, it was admissible.

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Top filers of CTMs between April 1 2007 and March 31 2008

Position	Representative name	Representative country of origin	CTM filings
1	Marks & Clerk	United Kingdom	1,075
2	Bureau Gevers	Belgium	990
3	Novagraaf	Netherlands	649
4	Jacobacci & Partners SpA	Italy	562
5	Field Fisher Waterhouse LLP	United Kingdom	535
6	Elzaburu	Spain	481
7	Lovells	United Kingdom	473
8	Clarke Modet y Cia SL	Spain	467
9	Murgitroyd & Company	United Kingdom	451
10	Ungria López	Spain	449
11	Boult Wade Tennant	United Kingdom	431
12	Perani Mezzanotte & Partners	Italy	419
13	Barzanò & Zanardo	Italy	415
14	Udapi & Asociados	Spain	387
15	FR Kelly & Co	Ireland	378
16	Kilburn & Strode	United Kingdom	362
17	Herrero & Asociados	Spain	355
18	Jeffrey Parker and Company	United Kingdom	348
19	Pons Patentes y Marcas Internacional SL	Spain	347
20	RGC Jenkins & Co	United Kingdom	335
21	Withers & Rogers LLP	United Kingdom	334
22	J Isern Patentes y Marcas	Spain	319
23	Gill Jennings & Every LLP	United Kingdom	309
24	Barker Brettell LLP	United Kingdom	306
25	Harmsen & Utescher	Germany	304
26	Forrester Ketley & Co	United Kingdom	286
27	D Young & Co	United Kingdom	284
28	Bugnion SpA	Italy	284
29	Cabinet Germain & Maureau	France	271
29	Mewburn Ellis LLP	United Kingdom	271
31	Grünecker, Kinkeldey, Stockmair & Schwanhäusser	Germany	267
32	Merkenbureau Knijff & Partners BV	Netherlands	265
33	Frank B Dehn & Co	United Kingdom	255
34	Shield Mark BV	Netherlands	254
35	Baker & McKenzie LLP	United States	253
36	Mitscherlich & Partner	Germany	241
37	Boehmert & Boehmert	Germany	238
38	Potter Clarkson LLP	United Kingdom	236
39	FJ Cleveland	United Kingdom	234
40	Page White & Farrer	United Kingdom	227
40	Bureau DA Casalonga-Josse	France	227

Therefore, it is unlikely that OHIM will be able to reduce the time frame further unless changes are made to the rules. "We could eventually cut the period for opposition down from three months to two months, but any move to amend the rules ultimately falls on the European Commission, and not OHIM," notes Miranda de Sousa.

Top 10 filers of CTM applications in Benelux between April 1 2007 and March 31 2008

Position	Representative name	Country of origin	CTM filings
1	Bureau Gevers	Belgium	990
2	Novagraaf Nederland BV	Netherlands	365
3	Merkenbureau Knijff & Partners BV	Netherlands	265
4	Shield Mark BV	Netherlands	254
5	Elzas Noordzij BV	Netherlands	210
6	Nederlandsch Octrooibureau	Netherlands	152
7	Vereenigde	Netherlands	130
7	Office Ernest T Freylinger SA	Luxembourg	130
9	Merk-Echt BV	Netherlands	126
10	Denemeyer & Associates	Luxembourg	101

"Any move to amend the rules ultimately falls on the European Commission, and not OHIM. The general feeling we have from users is that a six-month examination period would be acceptable." For designs, the target is even more ambitious. Miranda de Sousa predicts that OHIM will examine straightforward RCD right applications within two days.

The significant reductions in the time taken for CTM registration this year are a direct consequence of the decision to make national searches optional. "These national searches were a serious problem," says Clarke Graham of Marks & Clerk in London. "We would end up with a huge stack of paper, which we were obliged to forward on to the client. In most cases, the client would resent having to deal with, and pay for, all this information, which in most cases was completely redundant." Thus, it seems fair to say that most users have been looking forward to March 1 2008 for a number of years. "We thought that the national searches were a complete waste of time and we certainly won't be taking up the option of receiving them in future," says Collins. It seems that the vast majority of users are in agreement, as only about 4% of applications filed since March 1 have requested the optional searches. (See "Keeping it together" on page 43 for some comments from national offices on the decision to make national searches optional.)

While practitioners and rights holders are delighted that the time taken for examinations is decreasing at such a rapid rate, many would like to see the same happening for oppositions and appeals. "In my experience, the timeframe for oppositions remains unpredictable," says Sylvain Rousseau of Jacobacci & Partners in Turin. "In some cases, it takes only a month for opposition examiners to decide whether a notice of opposition based on a number of grounds is acceptable, whereas on other occasions it can take six months or more to obtain a similar decision. There is a huge discrepancy here, which is very difficult to explain to clients."

Users are even more critical of the timeliness of the appeals process. This is one of the few areas where the results of the most recent user satisfaction survey showed little or no improvement on the previous year. "If I recall correctly, the survey showed that only 35% of practitioners and 30% of rights holders were satisfied with the timescales for *ex parte* procedures, while only 21% of practitioners and 18% of rights holders were satisfied with the timeframes for *inter partes* proceedings," says Carles Prat of Baker & McKenzie in Barcelona. "I have to say that this reflects our firm's experience on the appeals side."

## Overview of recent Community Trademark Court cases

The Spanish Community Trademark Court and Tribunal – the Alicante Mercantile Court at first instance and Section Eight of the Alicante Provincial Court at second instance – have exclusive jurisdiction over:

- all infringement actions;
- all actions brought as a result of acts referred to in Article 9(3) of the Community Trademark Regulation (40/94); and
- counterclaims for revocation or for a declaration of invalidity of a CTM pursuant to Article 96 of the regulation.

The Alicante Mercantile Court expressly stated that it has jurisdiction to order interim or precautionary measures with regard to CTMs in *WV Beheer BV v Arfasy SL* (Order 243/07, Case 553/2007, November 5 2007). The plaintiff, the owner of the CTM COOLDOWN CAFÉ, alleged that the defendant was using the expressions ‘cooldown crocs’ and ‘cooldown’ for similar or identical goods and services. The court ordered the defendant to:

- refrain provisionally from using the expressions presumed to be confusing; and
- remove all publicity or elements containing such expressions from the market.

The court also ordered the precautionary suspension of the domain name ‘cooldownsalou.com’. However, the court did not grant the requested compensation or the exhibition of the documents, as neither was a precautionary measure.

In *Intelligence SL v New Gevicar SL* (Order 94/07, Case 213/2007, April 13 2007), the court declined jurisdiction with regard to the prosecution of an action for recovery of possession of two CTMs filed in violation of a shareholders’ agreement, as:

- Article 18 of the regulation contemplates the recovery of possession only where the trademark is registered in the name of an agent or representative without the proprietor’s authorization; and
- aside from this case, national CTM courts are not competent to judge actions based on fraudulent acts.

In *L’Oréal Société Anonyme v Sociedad Uniexva SL* (Order 237/07, Case 500/2007, October 26 2007), the court ordered the defendant to cease temporarily the sale of products or testers bearing the trademarks at issue and ordered the consignment of the products. However, it did not order the provisional prohibition of advertising or sale on the Internet of the products bearing the marks at issue, as the plaintiff had failed to prove that use of its marks on the defendant’s web pages constituted an exception to the exhaustion of rights conferred by a CTM – namely, that such use causes a detriment to the reputation of the marks. This situation was expressly admitted as an exception to the exhaustion of rights by the ECJ in *Parfums Christian Dior* (C-337/95).

In *France Telecom España SA v Autocity Espacios Comerciales SL* (January 18 2007), as a court of first instance, the court established the following:

- The main or sole shareholder or the managing director of a company cannot be held personally responsible for the acts carried out by the company.
- The owner of a later national trademark is not excluded from the scope of application of Article 9 of the regulation.
- The similarity between the CTM and the sign used by the defendant (which both had the same dominant element ‘auto city’) was not negated by the fact that the term ‘auto city’ was a suggestive term for the goods and services at hand, as this could restrict its distinctive character, but did not impede it from being considered the dominant element or invalidate it as a mark that could be opposed by third parties.
- The comparison was to be made between the plaintiff’s goods and services as they appeared on the register (whether marketed or not), and the goods and services actually used on the market by the defendant.

- The concept of ‘agent’ or ‘representative’ under Article 18 of the regulation is a broad concept which includes not only the ‘agent’ as described in the Commercial Agents Directive (86/653/EEC) but also, as a representative, any person having a commercial relationship with the proprietor of the trademark in relation to identical or similar goods and services, where there is a relationship based on trust, with the inherent duty of integrity and fair and just behaviour and, as a consequence, of respect for the proprietor’s rights.
- For Article 18 of the regulation to apply, a double identity of signs and goods and services is not necessary.

In *Christ Juweliere und Uhrmacher seit 1863 GmbH v Jeswani* (February 2 2007), the court held that use of a name in trade does not lead to its prescriptive acquisition as a trademark or similar right. Neither does it confer upon the user a right of pre-use, which is contemplated in Spanish or EU trademark legislation, or applicable by analogy with Spanish legislation on patents, according to the Spanish jurisprudence. The court also stated that a CTM’s validity cannot be questioned by the national court, except through a counterclaim for revocation or for a declaration of invalidity.

In *Les Éditions Albert René SARL v Las Tabernas de Asterix SL* (March 15 2007), the court found that the CTM ASTERIX had been infringed by the defendant’s use of the business sign ‘La Taberna de Asterix’ for a bar restaurant and of the trade or company name Las Tabernas de Asterix SL, as the signs were considered to be similar overall. The fact that the trademark was well known added to the likelihood of confusion and made the risk of association almost inevitable. The court ordered the defendant to change its company name to exclude the plaintiff’s trademark, as a company name is protected only inasmuch as it is used in accordance with honest practices in industrial or commercial matters, as defined by the ECJ in *Anheuser-Busch* (Case C-245/2002). In the present case, the court found that the defendant had changed its trade name on purpose to benefit from the reputation of the trademark.

In *Fibertex AS v Fibras Fibertex SL* (July 2 2007) and *Enterprise Rent-A-Car Company v Enterprise Rent-A-Car SL* (July 12 2007), the court held that:

- the use by the defendant of a trade name and domain name similar to a CTM infringed the plaintiff’s exclusive rights with regard to its trademark; and
- the addition of descriptive terms, indications of the corporate form or top-level domain names did not exclude the likelihood of confusion.

In *Sogico SA v Bambus 2000 SL* (July 13 2007), the court declared the invalidity of the extension of the defendant’s national trademarks under Article 52(1) in relation to Article 6(1) of the Spanish Trademark Act (17/2001). The court found that the defendant’s use of the sign HIDROSTAR infringed the plaintiff’s CTM HYDROSTAR and ordered him to cease using the sign. However, it did not, as the plaintiff requested, order the defendant to cease using any other signs that could be confused with the trademark HYDROSTAR, as this generic formula, already rejected by the Spanish Supreme Court, would be an unacceptable penalty (as it referred to a hypothetical situation or, at best, an unnecessary generic declaration that served no purpose).

In *L’Oréal SA v Yesensy España SL* (December 4 2007), the court established that differences in the price and distribution channels of the goods are secondary factors which cannot *per se* exclude a likelihood of confusion, although they may have a varying degree of relevance in cases where:

- the marks are neither well known nor notorious; and
- there is no absolute identity of signs and goods and services.

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Prat also wonders whether so many layers of appeal are needed. “An application can potentially go through the hands of an examiner, the Opposition Division, the Boards of Appeal, the European Court of First Instance and the European Court of Justice. Of course, trademarks are often highly important and valuable, but if one considers the number of people, both at OHIM and in the courts, who may be involved in deciding whether a mark should be registered, I am not sure the current system strikes the right balance in most cases.” Collins agrees, noting that under the present system, it can take years for an applicant to obtain closure on a particular matter: “I would certainly be in favour of a more streamlined appeal procedure.”

### Questions of quality

The quality of decision-making is another of the three pillars set out in OHIM’s service charter. The high volume of rulings, added to the differing linguistic and cultural factors at play, means that consistency is, and will probably remain, an issue for users. Miranda de Sousa admits that OHIM is not satisfied with the current level of consistency, particularly at the opposition and appeal levels, but stresses the importance of measuring consistency rates as objectively as possible so as to avoid unhelpful, abstract criticism.

“While I haven’t noticed any dramatic improvement in quality on the examination side over the past 12 months, I would say that as the office matures, the various processes at all levels are generally improving,” says Graham. “The body of case law that has developed makes things easier for examiners and there are now far fewer obvious mistakes.”

As part of its action plan under the service charter, OHIM implemented at the beginning of 2007 an intensive quality-checking system to assess error rates, particularly in terms of the drafting and reasoning of decisions. “Each week, a number of experienced examiners or heads of service take a statistically relevant sample of decisions issued and judge them against the guidelines provided to examiners,” explains Miranda de Sousa. The guidelines are grouped together in the form of manuals, which are now available on OHIM’s website. OHIM hopes that by allowing access to the manuals, users will have a better chance of predicting whether a trademark will survive the examination stage.

Despite the great strides made by OHIM in improving the quality of decision-making, some suggest that consistency is dependent on the level of continuity of its staff. “What OHIM needs to do is get more people in on a long-term basis so that there is greater continuity at a junior level,” says Graham. “Continuity exists at the more senior level, with people such as Hans Jacobsen, director of the Trademarks and Register Department, and Vincent O’Reilly, director of the Administration of Trademarks and Designs Department, who have overseen the process from the beginning; but there does not seem to be the same level of continuity at the lower levels.”

Graham points out that a significant number of OHIM employees are on short-term contracts, which can lead to higher rates of staff turnover. While he applauds OHIM’s determination to ensure that its staff are performing to the highest possible standards, he feels that the offer of longer-term contracts across the board could significantly boost levels of consistency.

“We did change the employment contract model a few years ago so that around 20% of staff are on temporary contracts,” explains Miranda de Sousa. “Previously, all our staff were what we term ‘officials’, which means they had a job for life. Having some staff on temporary contracts gives us greater flexibility and allows us to incorporate people from the new member states without increasing

the total number of employees.” He believes that this makes OHIM more streamlined, which fits in with the principles of efficiency espoused by OHIM’s president, Wubbo De Boer.

### Access all areas

The last of the key pillars in OHIM’s service charter is accessibility, which measures ease of communication with office staff. Both the charter and the latest user satisfaction survey show clear improvements in this area, but anecdotal evidence from practitioners suggests that a number of important issues need to be addressed.

“We still have problems accessing examiners,” notes Collins. “I understand that OHIM has a lot of part-time examiners and also allows large numbers of people to work from home. I appreciate that there is a general trend towards increased flexibility in the workplace, but if this means that users cannot contact examiners because they are out of the office, it causes numerous difficulties and delays. While the enquiry centre is good at handling general queries, there are occasions when users need to speak to the person examining the file.”

Miranda de Sousa confirms that OHIM does have a significant number of ‘teleworkers’, but stresses that this should have no effect on accessibility. “We have about 140 people working from home, but this has certain benefits and is encouraged by the office. Trademark examination is not the most exciting job in the world and therefore

### Top 10 filers of CTM applications in France between April 1 2007 and March 31 2008

Position	Representative name	CTM filings
1	Cabinet Germain & Maureau	271
2	Bureau DA Casalonga-Josse	227
3	Novagraaf France	176
4	Inlex IP Expertise	159
5	Bredema	156
6	Sodema Conseils SA	136
7	Lavoix	117
8	T Mark Conseils	114
9	Cabinet @mark	112
10	Gilbey Delorey	94

### Top 10 filers of CTM applications in Germany between April 1 2007 and March 31 2008

Position	Representative name	CTM filings
1	Harmsen & Utescher	304
2	Grünecker, Kinkeldey, Stockmair & Schwanhäusser	267
3	Mitscherlich & Partner	241
4	Boehmert & Boehmert	238
5	Graf von Westphalen	204
5	Meissner, Bolte & Partner	204
7	Mayer Brown LLP	197
8	Beukenberg Rechtsanwalte	136
9	Wuesthoff & Wuesthoff	134
10	Bardehle Pagenberg Dost Altenburg Geissler	121

it helps to keep staff motivated if they can work in an environment in which they feel comfortable and at a time that suits them." This seems to help productivity, as Miranda de Sousa points out that the output of teleworkers is higher on average than that of office-based. "The teleworker system also reduces costs as it obviates the need for additional office space," he adds.

The service charter shows that 90% of telephone enquiries are now answered within 20 seconds, but it is when users go beyond the first point of contact that they start to encounter difficulties.

"According to our people on the frontline at Marks & Clerk, when an issue arises it is still very difficult to get through to an English-speaking member of staff," says Graham. "There is no problem at the initial enquiry stage – there's usually someone who speaks English at the first point of contact. It's at the next stage when one is put through to the appropriate person that one faces problems." This view is shared by everyone interviewed.

OHIM must have representatives on its staff from all member states; however, OHIM management is aware that certain language profiles are under-represented. "It's quite clear that we will always need more English and German-speaking staff than those with other language profiles," says Miranda de Sousa. "We are looking at ways of tackling this issue, but it is worth noting that we have already made significant progress by offering to our staff an ambitious language training programme."

Attracting higher numbers of English-speaking staff in junior positions may continue to prove a challenge, according to some

commentators. "I think OHIM still struggles to persuade quality Anglophone staff to move out to Alicante," says Graham. "We had a local office there for a number of years and one of the reasons we closed it was because very few people in our UK offices had any interest in relocating to Spain. I think that's the case for high-calibre people from the United Kingdom generally; they are probably a little bit suspicious of working in what is viewed by many as a 'holiday town'."

**Top 10 filers of CTM applications in Italy between April 1 2007 and March 31 2008**

Position	Representative name	CTM filings
1	Jacobacci & Partners SpA	562
2	Perani Mezzanotte & Partners	419
3	Barzanò & Zanardo	415
4	Bugnion SpA	284
5	Giambrocono & C SpA	216
6	Dott Prof Franco Cicogna	198
7	Modiano	180
8	Società Italiana Brevetti SpA	166
9	Signus SRL	157
10	Porta Checcacci & Associati SpA	125

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**Top 10 filers of CTM applications in Spain between April 1 2007 and March 31 2008**

Position	Representative name	CTM filings
1	Elzaburu	481
2	Clarke Modet y Cia SL	467
3	Ungria López	449
4	Udapi & Asociados	387
5	Herrero & Asociados	355
6	Pons Patentes y Marcas Internacional SL	347
7	J Isern Patentes y Marcas	319
8	Abril Abogados	204
9	Ipamark Patentes y Marcas	128
10	Henson & Co	124

**Building e-Business**

OHIM's e-Business system is covered by the accessibility head of the service charter and there have been a number of important developments in this area over the past 12 months. Perhaps the most visible change was the launch of a new-look website on July 1 this year. The site is designed to make the tools needed to register trademarks and designs more accessible to professional users, while also providing a user-friendly environment for newcomers. The website includes new communication tools such as online discussions, email alerts and polling. OHIM plans to introduce advanced multimedia services progressively over the coming years to open up a wide range of meetings to virtual participation.

The new site was the result of lengthy consultation with users and is part of OHIM's commitment to improving user experience, and making greater use of the Internet for consultation and cooperation. The changes have been very well received by users. "Everybody at our firm is happy with it," says Graham "It's far more user-friendly than the previous website and it's now much easier to access the relevant forms." Graulund agrees, noting that the site has a good feel and a modern look. "It's interesting to see how visible the service charter is at the moment on the front page," she says. "I also think that the prominent position of the 'Quality' tab, which links through to a detailed breakdown of OHIM's initiatives for improvement, is a particularly positive move."

This commitment to continuous improvement also extends to other areas of the e-Business system, which will be welcome news to

many users. "The e-Filing system, for example, is an excellent tool, but it is often a real source of frustration," says Prat. As some of the heaviest users of the system, as indicated by our table on page 34, practitioners at Marks & Clerk share that view. "Our main criticism of OHIM relates to the speed and reliability of the e-Filing system," says Graham. "It appears to be very temperamental and regularly crashes when we are in the middle of the filing process. We have ensured that the problem is not at our end and when one looks at the enormous surplus that has been built up, I think it is strange that nothing has been done to remedy this extremely serious problem more quickly."

The improvements may not be coming as soon as some users would like, but Miranda de Sousa asserts that they are on the way. "We are aware that some users continue to experience difficulties with the e-Business tools and we have shadow users in place to assess how the system is performing at any given location at a particular time. We have clear indicators as to where the main problems are occurring and we are working hard to improve things."

Miranda de Sousa adds that users can expect, by the end of this year and the beginning of next, an enhanced system for e-Filing for both the CTM and the RCD. The e-Filing system is being overhauled to eradicate some common problems. The change to the design filing process is of particular importance as there are technical limitations within OHIM's system. Applicants need to file attachments with their design applications, which are often very large files. The present e-Filing system struggles to cope with such files, but OHIM hopes these problems will be resolved by the turn of the year.

In parallel, OHIM expects to extend its e-Communication programme, allowing users to monitor different stages of trademark applications. There are still a couple of areas which are not fully electronic. Once an application is filed electronically the applicant receives an email, but interaction after that is typically by fax. By the end of 2008, the e-Communication system will allow all correspondence between the office and users to be entirely via the Internet. Under the new system, documents, replies and briefs can be sent and processed electronically. "This means that we are

**Top 10 filers of CTM applications in the United Kingdom between April 1 2007 and March 31 2008**

Position	Representative name	CTM filings
1	Marks & Clerk	1,075
2	Field Fisher Waterhouse LLP	535
3	Lovells	473
4	Murgitroyd & Company	451
5	Boulton Tennant	431
6	Kilburn & Strode	362
7	Jeffrey Parker and Company	348
8	RGC Jenkins & Co	335
9	Withers & Rogers LLP	334
10	Gill Jennings & Every LLP	309

**Boulton Tennant**  
European Patent and Trade Mark Attorneys  
Chartered Patent Attorneys

**Continued Growth for Boulton Tennant's Trade Mark Practice**

Boulton Tennant's Trade Mark and Domain Name Group is one of the largest practices in the UK and we continue to increase our annual OHIM filings. In 2007 the firm achieved top rankings in *The Legal 500* (for patents, trade marks and regional offices) and was also awarded "UK Patent and Trade Mark firm of the year" in the Global IP Awards 2007 run by *Managing Intellectual Property* magazine. In 2008 we are the only UK firm to be in the top tier for both patents and trademarks.

Our attorneys are experienced in the management and development of substantial trade mark portfolios and have extensive expertise in the conduct and resolution of trade mark disputes. This includes submitting CTM applications on behalf of several major brands.

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## Recent OHIM design decisions

Having now received over 320,000 applications for registered Community designs (RCDs), the Office for Harmonization in the Internal Market (OHIM) has issued over 350 decisions on validity and the Third Board of Appeal has determined over 70 appeals. The growing jurisprudence of the board is particularly welcome, although some decisions remain worryingly disconnected from OHIM's practice.

Some of the procedural decisions are interesting for their attempts to pull both OHIM and practitioners into line. The board does not recommend posting applications for RCDs to OHIM ("the applicant should not have relied on the ordinary postal service"), but rather suggests fax or courier. An application lost in the post cannot be revived (*Cleaning Sheet* (Case R 893/2006-3)).

The board applies the same rules to OHIM, which must be able to prove that an application for invalidity posted to the RCD holder was actually delivered (*Generator* (Case 1351/2006-3)). The board also reminded practitioners of the need to keep an incoming fax log or risk being unable to prove that a fax was never received (*Toothbrush* (Case R 1303/2007-3)). However, if FedEx sends priority documents from Paris to Algeria rather than to Alicante, the board will remedy the problem (*Dishwasher* (Case R 1126/2007-3)).

The board also described as "excessively strict" OHIM's approach to the presentation of images of designs as part of an electronic filing. The board annulled OHIM's decision not to receive an electronic application where the two views of the design were presented in the same attachment and numbered, instead of being unnumbered and in separate attachments, as OHIM had requested. The board recognized the disproportionate penalty inflicted on the RCD owner for this minor breach of OHIM's rules (Case R 1493/2006-3).

In a case of some practical significance, the board also disallowed OHIM's practice of unilaterally amending the part of a RCD application where the product to which the design is to be applied is specified. While the product specified is not supposed to impact on the scope of protection of the RCD, the board recognized that there will be times when it matters (eg, determining who the 'informed user' might be). Therefore, RCD applicants are entitled to their indication of product as filed, so long as it indicates clearly the nature of the products and enables them to be classified (*Cash Register* (Case R 1421/2006-3)).

Turning to substantive issues, there is an increasingly obvious dislocation between OHIM's Invalidity Division, the Board of Appeal and the growing jurisprudence of member states on two of the key legal aspects of design invalidity:

- who the informed user is; and
- how to assess different overall impression.

These two tests will decide most cases. Therefore, having clear, objective tests is important to designers and practitioners.

The board takes a descriptive approach to the concept of 'informed user', describing this legal fiction as:

- "anyone who regularly attends conferences or formal meetings at which the various participants have a conference unit with a microphone on the table in front of them" (*Communications Equipment* (Case R 1437/2006-3));
- "a dog owner who buys dog foodstuffs and treats and has become informed on the subject by visiting pet stores... [or] downloading information from the Internet" (*Animal Foodstuffs*

(Case R 1391/2006-3)) – at least answering the question of whether the informed user of a dog chew is a dog; and

- "someone who regularly consumes meat products, and especially hamburgers, and is informed about their ingredients, how they are cooked and served, as well as their overall appearance" (*Meat Foodstuffs* (Case R 1214/2006-3)).

Giving specific personality to a legal fiction has some dangers, including the risk that the tribunal will assume itself into the position of the informed user, rather than concentrating on the evidence. The board has also been too willing to accept the RCD owner's narrower specifications of what the product is for – the informed use of 'animal foodstuffs' is not the same as the informed use of the narrower 'dog chew'. This may be why the Invalidity Division has persisted in its alternative (and preferable) approach, in defiance of the board, of saying merely that "the informed user is familiar with the basic characteristics of [the subject of the design]".

National courts (sitting as RCD courts) have taken a different approach again, preferring to list all the things that the informed user is not. It is hoped that the ECJ will provide clear guidance in a way that maintains the important role of the informed user, without making decisions more subjective or harder to predict.

The approach to assessing overall impression also differs between the board and the Invalidity Division. The Invalidity Division has developed a standardized approach which seeks not to state what the overall impression of each design is, but rather, having noted the differences, to decide whether these are sufficiently significant to create a different overall impression. On the other hand, the recent decisions of the board could be seen as confused, apparently adding a range of glosses or additional tests to what should be a reasonably straightforward comparison:

- "A close examination – going much further than the general comparison required by the regulation – would be needed before the informed user could distinguish the two devices" (*Inverter Generator* (Case R 860/2007-3)); and
- "Since the informed user's fundamental concerns are to factors such as taste, cooking time and percentage of meat content, s/he will not consider the precise extent to which the groove, the ridges and the stripes on the surface of the RCD differ from the [prior] design" (*Meat Foodstuffs*).

Four cases (referred by the Alicante Mercantile Court on the issue of ownership of the designer's rights) are pending before the EU courts. It is hoped that greater clarity will be provided shortly on these and other issues, to assist designers and practitioners in determining which RCDs are likely to be valid and how broadly they may be enforced.

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Position	Representative name	Country of origin	CTM filings
1	Torggler & Hofinger	Austria	55
1	Sandel, Løje & Wallberg	Denmark	153
1	Berggren Oy Ab	Finland	87
1	FR Kelly & Co	Ireland	378
1	J Pereira Da Cruz SA	Portugal	122
1	Albihns AB	Sweden	131

facilitating direct contact between trademark owners and the office, making it far more accessible,” says Miranda de Sousa.

Other e-Business tools are scheduled to be unveiled by 2010. These include plans to launch an e-Appeal procedure, which ties in with OHIM’s policy of becoming a completely paperless office.

Miranda de Sousa stresses that plenty of funds are available to make the necessary enhancements to the e-Business systems and the current weaknesses should not be used as an argument to keep filing fees at their current levels. “I’ve heard people asking how we can contemplate cutting fees when the e-Business system is not performing to expected levels. They argue that the extra income would be better spent on improvements. There is absolutely no correlation between the two. We have the funds in place to update the system and we do not need to keep fees artificially high to do this.” (For further discussion on the proposed cut in fees and OHIM’s surplus see “Escaping the money trap” on page 25.)

Collins hopes that some of this money will be spent on improving the compatibility of the e-Filing system. “We cannot use it as it does not appear to be compatible with our docketing system,” she says. “There cannot be that many docketing systems in use by rights holders and law firms, and ours is a standard one supplied by CPA Memotech.” It would make sense for OHIM to forge closer ties with the main docketing software providers to make sure that the systems are compatible. Many users want to be able to enter all the information into their docketing systems, which can then feed automatically into OHIM’s system. Without this link, users are forced to enter duplicate information into each system separately, which is a waste of time and resources.

### An important year

This year will be remembered as a period of significant progress for OHIM. Making national searches optional could cut examination times in half. This should also be the year that sees a substantial reduction in fees and perhaps, at last, a decision on what to do with OHIM’s enormous surplus – a by-product of the office’s efforts to perform as cost effectively and efficiently as possible.

The surplus seems to have given some people greater impetus to criticize OHIM. “It seems to me that the fact that OHIM has a surplus makes it unacceptable to some that it has not fixed all the problems immediately,” says Graulund. “People forget that money is not the answer to all problems and spending more does not mean that the problem will go away. For instance, paying higher salaries does not in itself make people happier in their job.”

The CTM system is a huge operation and there will always be some services or elements that can and should be improved. However, OHIM is made up of a group of highly motivated professionals who are aware that the system is not perfect, but are striving to bring it up to the level of service that users expect. “We are at least honest and try to be as transparent as possible so everyone can see where we are succeeding and where we are failing,” says Miranda de Sousa. “We encourage criticism, but this criticism should be framed in a way that is measurable and intelligible, so the office can make changes which are relevant to the majority of users.”

OHIM wants to distance itself from the common perception of EU institutions as inefficient and obsessed with unnecessary bureaucracy, and where the inner workings are hidden from view. At a time when EU institutions are making headlines for all the wrong reasons (the seemingly unnecessary drain on resources caused by moving the seat of the European Parliament to Strasbourg 12 times a year being a notable example), perhaps OHIM should be given more credit for its obvious commitment to improvement and to driving down the cost of EU trademark protection. [WTR](#)

