

# The Trademark Prosecution Review

2024

Specialist Chapter: Benelux Sees Surge in Post-Pandemic Trademark Filings

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The first edition of the *WTR Trademark Prosecution Review* takes a wide-ranging view of best strategies for securing trademarks in the key regions of the Americas, the Asia-Pacific, and Europe, the Middle East and Africa. The review combines on-the-ground knowledge and analytic insight to offer an unparalleled deep dive into the prosecution landscape in specific key markets.

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## Specialist Chapter: Benelux Sees Surge in Post-Pandemic Trademark Filings

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#### **IN SUMMARY**

This article provides an overview of all relevant aspects of Benelux trademark law as well as filing statistics over the past years. The chapter shows that the Benelux trademark field is holding strong and has seen a considerable rise in trademark filings over the period 2020–2022.

#### **DISCUSSION POINTS**

- · What can be filed and what not to file
- How to enforce IP rights in the Benelux both court and office proceedings
- Filing statistics

#### REFERENCED IN THIS ARTICLE

- Benelux Office for Intellectual Property (BOIP)
- Benelux Convention on Intellectual Property (BCIP)
- · Paris Convention
- Dutch Domain Name Authority (SIDN)
- · Belgian Center for Arbitration and Mediation (CEPANI)
- Luxembourg Domain Name Registry (Restena)
- District Court of The Hague
- Benelux Trademark and Design Association (BMM)

#### **LEGAL FRAMEWORK**

The three countries of the Benelux (the Netherlands, Belgium and Luxembourg) are not governed by separate trademark laws. Instead, Benelux trademark law is governed by the Benelux Convention on Intellectual Property, the current version of which entered into force on 1 March 2019. This replaced the Benelux Trademark Law 1971, which was the first law to provide uniform trademark protection across multiple EU member states. The convention is in line with the EU Trade Marks Directive (2015/2436) and is therefore similar in its material aspects and provision of rights.

In addition, the Benelux is a member of all major international trademark treaties and agreements, including the Paris Convention, the Agreement on Trade-Related Aspects of Intellectual Property Rights, the Madrid Agreement and Protocol, the Nice Agreement and the Locarno Agreement. The EU IP Enforcement Directive (2004/48), which provides specific remedies for IP rights infringement, has been implemented in the national laws of the Benelux countries.

#### **UNREGISTERED MARKS**

The Benelux Convention on Intellectual Property does not provide for the protection of unregistered trademarks. The only exceptions to this are well-known marks as prescribed

by the Paris Convention. When no registration exists, no trademark rights can be invoked. Timely registration is therefore essential.

#### **REGISTERED MARKS**

#### Who Can Apply?

As a rule, anyone can apply for trademark protection in the Benelux. However, special requirements exist with respect to ownership of collective marks and certification marks. The representative's place of residence or registered office should be in the European Economic Area.

#### Formal Requirements

No power of attorney is required to file for trademark protection in the Benelux (or the European Union). This is required in the case of a request for withdrawal or limitation of a trademark, however. A priority claim must be substantiated, but this can be done with a scan or photocopy of the priority document.

#### What Can And Cannot Be Protected?

The legal definition of a 'trademark' in the Benelux is quite broad and the requirement of graphical representation has been abolished. Benelux legislation and practice regarding the admissibility of trademarks are largely in line with European practice. Despite changes to the law on 1 June 2018 and 1 March 2019, non-traditional trademarks, especially three-dimensional trademarks, are generally difficult to obtain.

#### Costs

The Benelux has a fee-per-class system. As of January 2022, the official fees are:

- €244 for an application in one class;
- €27 for the second class; and
- €81 for each additional class.

There are no official publication or registration fees. Renewals are calculated in a similar manner:

- €263 for the first class;
- €29 for the second class; and
- €87 for the third and subsequent classes.

Additional fees are due for expedited applications (ie, to obtain registration within 48 hours) as well as collective and certification trademark applications.

#### **PROCEDURES**

#### **Examination Procedure**

The Benelux Office for Intellectual Property (BOIP) maintains the Benelux Trademarks Register. The registration procedure is fairly efficient and is completed almost entirely electronically. An application is checked first on formal grounds and then on absolute grounds. No check on relative grounds is conducted. After publication, an opposition period lasting two months commences. This term is not extendible.

If there are no objections, the application proceeds to registration after approximately four months. If an Office Action or refusal is issued, the applicant is granted an initial term of one month within which to overcome such objections. This may be extended to a maximum of six months. If an expedited registration is requested (following payment of the above-mentioned additional fee), an accelerated check on formalities is conducted. If no objections arise, the mark is registered within a few working days. With this type of application, the check on absolute grounds and publication takes place after registration, implying that the registration may eventually be cancelled.

#### Opposition

An opposition can be lodged based on a prior identical or similar trademark application or registration for identical or similar goods. Opposition may also be filed based on a mark with a reputation against a mark applied to dissimilar goods, provided that the younger mark takes unfair advantage of, or is detrimental to, the distinctive character or reputation of the earlier mark. In line with article 6*bis* of the Paris Convention, an opposition may also be filed based on a mark being non-registered but well known. Recently the grounds for opposition have been extended to unauthorised filings by agents and protected designations of origin and geographical indications.

The opposition grounds do not need to be substantiated within the opposition form, meaning that it is possible merely to file a formal opposition. An opposition must be filed before the end of the two-month publication period, or the next working day if the term ends on a day that is not a working day.

Opposition fees are €1,045. This is a relatively large amount, but only 40 per cent is due when the opposition is filed. The remaining 60 per cent is only payable if a case is not settled within the regulatory cooling-off period.

The opposition procedure for the BOIP is similar to that for the EU Intellectual Property Office. The statutory two-month cooling-off period begins when the opposition is deemed admissible. This term can be extended with the consent of both parties for four month-long terms until an amicable settlement has been reached. If no extension is applied for, the opponent must file its arguments and further evidence within two months. The defendant or applicant is then granted a further two-month period in which to file counterarguments and request proof of use (where applicable). When both parties have filed arguments (and, where applicable, have exchanged proof of use and comments), the BOIP will issue a decision.

The opposition proceedings are conducted in the language in which the application was filed (ie, Dutch, French or English). This standard language can be changed, but only with the consent of the trademark applicant. If the application was filed in English, however, the language of the proceedings may be chosen by the opponent.

If the opposition is awarded or rejected in full, the opposition fees of €1,045 must be paid by the losing party. The cost decision is an enforceable judgment.

#### Appeal

Appeals against BOIP decisions must be brought before the second chamber of the Benelux Court of Justice. The appeal deadline is two months after the notification of the final BOIP decision.

#### **Registration Term**

Registrations are valid for 10 years from the application date. The use requirement begins five years after the date of registration.

#### Removal From The Register

Any interested party, including the public prosecutor, may invoke the invalidity of the registration if the mark:

- · is a sign that is not distinctive;
- · is misleading;
- · has become the usual denomination for the goods or services involved;
- · was filed in bad faith;
- · is contrary to public order or morals;
- conflicts with article 6ter of the Paris Convention; or
- conflicts with international or EU legislation providing protection for geographical indicators on wines, traditional specialities or plant species.

In addition, invalidity on relative grounds may be requested by any interested party as long as the older trademark rights owner is part of the procedure. This applies if the trademark:

- · conflicts with a geographical indication or constitutes an agent mark;
- is similar or identical to a prior trademark registered for similar or identical goods or services; or
- is similar to a trademark with a reputation in the Benelux for dissimilar goods or services, or is similar to a well-known trademark (in the sense of article 6*bis* of the Paris Convention).

Finally, revocation may be requested by any interested party if the mark has not been put to genuine use within five years of registration. Use by a licensee (and indeed any genuine use with prior authorisation from the mark owner) is sufficient to maintain rights in a Benelux mark.

#### Removal From The Register

Any interested person can apply to the BOIP for invalidity (on the basis of absolute grounds) or revocation (on the basis of a prior right). Invalidity based on relative grounds can be filed by prior trademark owners or licensees. Proceedings with the BOIP are generally swifter and less expensive than court proceedings. Moreover, they generally follow the same structure as Benelux opposition proceedings and EU cancellation proceedings.

#### **Search Option**

The BOIP does not carry out an examination on relative grounds during the registration procedure. However, it does provide a useful and comprehensive search tool (also available in English), which can be accessed at <a href="https://www.boip.int/en/trademarks-register">www.boip.int/en/trademarks-register</a>. If this search tool is not sufficient, the TMview trademark search engine is also useful (-www.tmdn.org/tmview/welcome).

#### **ENFORCEMENT**

Registered trademark rights in the Benelux are efficiently enforced. While there is no single specialist court for general trademark disputes, most district courts and courts of appeal have judges who focus on IP matters. The District Court of The Hague has highly specialised judges thanks to its exclusive jurisdiction over European trademark and design matters.

Most infringement actions will relate to the use of an identical or similar sign for identical or similar products or services. An action can also be brought for an infringement of a well-known trademark. The remedies available can first consist of an injunction. After this, a recall of infringing products can be demanded, as well as the surrender or destruction of the infringing products. The infringer may also be required to provide all the relevant information to enable the plaintiff to calculate the damages caused by the infringement. This information may include the number of infringing products bought, sold and still in stock, along with the profits made. In addition, the infringer can be ordered to provide the contact details of the supplier of the infringing goods. In both summary and main proceedings, a claim may be brought for the legal costs incurred to end the infringement. This works both ways. If the defendant prevails, he or she may also request compensation for their legal costs. It is not possible to claim punitive damages in the Benelux.

In the case of a trademark infringement, a rights holder may bring a claim for the surrender of profits made by the infringer from the sale of the infringing products. A claim for compensation of damages, however, can only be brought in proceedings on the merits.

Interim relief is available. Under certain circumstances (particularly a threat of irreparable damage to the trademark owner), *ex parte* injunctions are also available. An application for an *ex parte* injunction is granted only if the plaintiff can make a *prima facie* case of infringement. Additional claims – such as a request for compensation of damages – cannot be granted in *ex parte* cases. As a rule, interim relief can be obtained provided that the infringement persists. The trademark owner must continue to pursue proceedings on the merits so that an interim injunction retains its effect.

#### Acquiescence

The holder of a prior trademark that has acquiesced for a period of five successive years in the use of a registered later trademark, while being aware of such use, will no longer be entitled to prohibit the use of the later trademark (article 2.30 of the Benelux Convention on Intellectual Property). This rule does not apply when the younger mark was filed in bad faith.

The timeframe for the resolution of an enforcement action will depend on the type of remedy sought. If the case is sufficiently urgent, *ex parte* injunctions and interim relief can be obtained almost immediately. As a rule, interim relief cases will be decided within approximately 14 days. Cases on the merits are commonly decided in six to 12 months.

Finally, although trademark infringement is mentioned in the Dutch Penal Code, public prosecutors have not shown a great interest in pursuing common IP cases in the Netherlands. An exception may be IP infringement that is related to large criminal cases.

#### **OWNERSHIP CHANGES AND RIGHTS TRANSFERS**

Assignment is possible without the goodwill of the business. However, it must be made in writing. The recording of assignments, licences and liens with the BOIP is efficient and straightforward. A scan or photocopy of the underlying document is usually sufficient. To record a licence, lien or limitation, an executed power of attorney of all parties concerned is

required. Again, a scan or photocopy of the document is usually enough. No notarisation or legalisation is required.

#### **RELATED RIGHTS**

In the case of service marks that also constitute the company name, it is likely that trade name rights apply. These rights are governed by the respective Dutch, Belgian and Luxembourg trade name laws. Under certain circumstances, device marks, or combined word or device marks, may also be protected under the copyright laws of the Benelux countries. This is because the scope of protection under such laws is not limited to artistic works and the threshold for copyright protection in the Benelux is considered to be fairly low.

Design rights are governed by the design chapters in the Benelux Convention on Intellectual Property, as well as European legislation. When it comes to unfair competition, various national laws against unfair competition come into play. In the Netherlands, for example, slavish imitation may be considered a form of tort. As a rule, however, a claim of unfair competition will require additional circumstances. As such, slavish imitation is commonly claimed only in conjunction with a claim of infringement of other IP rights.

#### **ONLINE ISSUES**

On the basis of registered trademark rights, among other things, the trademark owner can object to unauthorised use in domain names, websites, hyperlinks, online ads and metatags. Benelux legislation provides no specific provisions regarding online IP matters. Apart from dispute resolution policy options, the courts have exclusive jurisdiction over these proceedings.

The '.nl' Dispute Regulation Policy (2008, amended in 2010) provides the legal framework for taking action against a conflicting '.nl' domain name. In this instance the WIPO Arbitration and Mediation Centre is the administrative body. It may order the transfer of a domain name when:

- it is identical or confusingly similar to a trademark or trade name protected under Dutch law in which the complainant has rights;
- it is identical or confusingly similar to a personal name registered in the General Municipal Register in the Netherlands, or the name of a Dutch public legal entity, association or foundation registered in the Netherlands under which the complainant undertakes public activities on a permanent basis;
- the registrant has no rights to or legitimate interests in the domain name; or
- the domain name has been registered or is being used in bad faith.

The WIPO arbitration system works very efficiently and Dutch arbiters are considered experts in their field. As a result, UDRP proceedings will generally form a cost-effective solution for '.nl' domain name conflicts. The legal situation in Belgium is comparable. Alongside court proceedings, it is possible to initiate alternative dispute resolution proceedings at the Belgian Center for Arbitration and Mediation (CEPANI). In Luxembourg, however, legal proceedings are necessary in the event of a dispute regarding a .lu domain name. The range of action available to the .lu registry, Restena, is limited to enforcing court decisions.

#### **STATISTICS**

Trademark and design filings in the Benelux remained strong throughout the recent pandemic years. In fact, the number of filings with the BOIP rose between 2020 and 2021 to 24,000, an increase of approximately 14 per cent. Similar figures for 2022 show a drop back down to pre-pandemic levels. The only IP right that does not follow this pattern is the Benelux design right, which has been almost fully supplanted by the European Design Registration. Interestingly, the number of provisional trademark refusals made by the BOIP has risen between 2020 and 2022, from 3.6 per cent to 5.7 per cent. It will be interesting to see whether this trend will continue, or whether it will also drop to pre-pandemic levels.



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