

The **i**NTERPATENT newsletter



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IT'S NEVER TOO LATE: THE IMPORTANCE OF TRADEMARK SEARCHING IN THE LIGHT OF INVALIDITY ACTIONS

What happens when the owner of an Italian trademark application or registration becomes aware of the existence of third parties' identical or similar trademarks which were filed later than their own, but the term for filing opposition has already expired?

As you may know, Italian trademark applications, after having been examined by the Italian Patent and Trademark Office, are published in the Italian Trademark Bulletin. Publication of the trademark application triggers a three-month period in which owners of prior identical or similar trademarks can file opposition requesting the Office to reject the application.

Non-submission of oppositions within this term results in the trademark being registered (provided, of course, that there are no absolute grounds for refusal).

If no watch service is in place, the owner of the prior trademark may not even become aware of the new filing and therefore the three-month term for opposition may expire unnoticed, thereby depriving them of the possibility of contesting registration of the later trademark identical or similar to their own.

In such cases, **until about one year ago, the only**

available solution in Italy was to take legal action before the competent court, which implied remarkably long times and extremely high costs. For this reason, many companies found themselves forced to tolerate the coexistence of signs similar to their own on the market in order to avoid the delays of the Italian judicial system and related lawyer fees.

However, **nowadays it is possible to challenge the validity of a registered trademark also before the Italian Patent and Trademark Office, by means of an administrative procedure** involving a shorter handling time and significantly lower costs.

If, indeed, the trademark owner detects the existence of a registered trademark filed after their own, they can file a so-called invalidity action based on the identity or similarity of the sign for the goods and/or services identical or similar to those of their trademark.

Therefore, if the trademark owner becomes aware of a third party's use of such sign, it is possible to check whether any trademark has been applied for and registered for that sign and – on condition that the third party owns no prior trademarks – to contest registration by bringing an invalidity action.

In this respect, however, the so-called foreclosure by

tolerance – or otherwise called acquiescence – a principle laid out in the Italian Intellectual Property Code, should be taken into account, according to which registration of a third party's trademark cannot be contested if the owner of the prior trademark, being aware of the use of the later trademark identical or similar to their own, has tolerated such use for a period of five consecutive years, unless the later trademark has been filed in bad faith. It is therefore evident that, once the owner of the prior trademark becomes aware of a later trademark, it is advisable to take action as soon as possible.

But what if the trademark is not being used or there is no way to detect its use?

In this case, **targeted investigations can be conducted** to check whether identical or similar trademarks have been filed since the searched one.

Such investigations consist in **similarity searches with a determined timeframe target**: from the filing date of the Client's trademark on. In this way, Clients may

become aware of potential trademarks identical or similar to their own and, having ascertained the existence of a likelihood of confusion, file an invalidity action, thereby safeguarding their trademark monopoly in a specific field.

Hence, should your Clients be active on or potentially interested in the Italian market, such time-spanned searches may be the most effective way to ensure their brand's exclusiveness in Italy, especially if they have carried out substantial economic and advertising investments to secure their position in our country.

Moreover, the fact that the invalidity action that may follow such searches can be filed directly before an administrative body is an important milestone both for the Italian Patent and Trademark Office, which is finally harmonizing its procedures to those already in place before the EUIPO, and for Clients, given the reduced costs and timing.

We at INTERPATENT remain at your disposal to assess the opportunity to conduct said searches and carry out any further actions.

REDUCED EPO FEES FOR MICRO-ENTITIES: A NEW OPPORTUNITY AVAILABLE TO SMALL APPLICANTS

As you are probably aware, **reduced fees intended to promote and support the growth of small, less-experienced companies** by allowing them to have easier access to the European Patent System **have recently become applicable at the European Patent Office (EPO).**

The new fee regimen is in force as from 1 April 2024 and provides for substantial fee reduction for applicants within the following categories, which are referred to as a whole as 'micro-entities':

Microenterprises are companies that qualify as SMEs (Small and Medium-sized Enterprises), employ fewer than 10 persons and have an overall annual turnover or balance sheet not exceeding 2 billion euros.

Non-profit organisations are organisations which, by virtue of their legal form or statute, are not permitted under the relevant law to be a source of income, profit or other financial gain for their owners, or, where they are permitted to make a profit, are legally or statutorily obliged to reinvest the profits made in the interest of the organisation.

Universities are universities in the strict sense of the word, i.e. institutions of higher education and research, pursuant to the relevant laws. Similar entities such as secondary or higher education establishments shall also be considered as universities.

Public research organisations are entities such as universities or research institutes which are organised under public law and which, irrespective of the way they are financed, have as their primary goal the conduct of fundamental research, industrial research or experimental development and the dissemination of the results by way of teaching, publication or technology transfer. All profits must be reinvested in carrying out these activities, in the dissemination of the results, or in teaching.

It is worth noting that **also applicants from countries that are not EPC contracting states are entitled to**



benefit from the aforesaid fee reduction, provided they meet the criteria listed above and have filed fewer than 5 European patent applications or EPO regional phases of International PCT applications in the last five years preceding the application in respect of which fee reduction is requested.

The reduction amounts to 30% of several fees, including:

- filing fee;
- search fee, both for a European search and a supplementary European search in case of a Euro-PCT application for which the search is carried out by an International Searching Authority (ISA) other than the EPO;
- examination fee;
- designation fee;
- grant fee;
- renewal fees of the European patent application.

The reduction applies to fee payments effected as from **1 April 2024**, irrespective of whether the applications to which such payments refer were filed before or after said date.

In the case of **several applicants** jointly filing a European patent application or a Euro-PCT application,

reduction is allowed only if each and every applicant meets the requirements for qualification as a micro-entity.

Any **changes involving loss of the micro-entity status** should be notified to the EPO and shall not be retroactive in respect of reduced fees already paid, but they shall affect only those fees that will be paid after such changes take place.

In the case of an **assignment** of a patent application before the EPO, the fee reduction will continue to apply only if the new applicant can claim the status of micro-entity.

After the coming into force of the unitary effect for European patents, the newly introduced EPO package of fee measures constitutes a further incentive for Clients to file new European patent applications.

INTERPATENT's patent attorneys are available to assist Clients in assessing whether they can benefit from any fee reduction and generally to assist them in all aspects of European patent filing and prosecution.

ECTA IS JUST AROUND THE CORNER... LET'S MEET IN ANTWERP!

We are happy to announce that **Simona Mantovani** will represent INTERPATENT at the upcoming **ECTA Annual Conference in Antwerp from 19 to 22 June 2024**.

This 42nd Annual Conference will be held in the lovely city of **Antwerp, Belgium** (also known as the city of diamonds) and it will be a great opportunity to connect with IP professionals and old and new colleagues from Europe and the rest of the world.

ECTA offers two full days of sessions and panels with the participation of high-profile moderators and

speakers on 20 and 21 June, anticipated by The ECTA Supervisory Board and Committee Meetings on Wednesday, 19 June. On Saturday, 22 May, all participants will discover the main highlights of Antwerp with the ECTA excursions.

For any other information, please contact Simona at s.mantovani@interpatent.com.

See you in one month!
Safe travels to you all!

The aim of this newsletter is to keep our Clients and Associates updated about developments in the sector of Intellectual Property in general and our firm in particular. In this way, we wish to provide a broader view of the tools that the field of trade marks, domain names, patents, designs and related rights offers to entrepreneurs to enhance and protect their efforts in researching and developing new solutions and ideas.



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