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EU Trademark seniority claims: Saving costs by driving value

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By any standard, EU Trademarks (EUTMs) are excellent value costing around € 850 to register in one class (plus 50 € for the second class and 150€ for each additional class) covering all 28 member states of the EU. However, the low price of EUTM's is not the only cost benefit. This article focuses on the unique capacity of EUTMs to save costs by eliminating the need to renew national trademarks for all 28 member states of the EU. Such saving is achieved by claiming 'seniority' as explained below.

What is seniority?

Put simply, claiming seniority is a process by which national trademarks (or designations under an IR) in the EU can be rolled into EUTMs whilst preserving the national rights and their original filing dates (including priorities). It is meant to preserve national rights that pre-date the EUTM without the requirement to maintain national trademark registrations. When seniority is claimed, national trademarks can be allowed to lapse, or be surrendered, but the owner continues to enjoy the same rights as if these marks had continued to be registered. If you have existing UK trademark rights, particular care should be exercised and they should not be abandoned in the light of the impending Brexit. We're happy to assist you with your EU and UK brand protection strategy.

The advantages of claiming seniority

In a nutshell, the advantages of claiming seniorities are:

- Significant cost savings from not renewing national trademarks in the EU;
 - Cost and time savings on managing EU trademark portfolios as seniority claims effectively streamline these portfolios and reduce the need for the services of local agents.
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Seniority claim requirements - "Triple Identity"

A registered EUTM is the most basic requirement. The relevant national mark must have an earlier application or priority date than the effective date of the EUTM. For trademarks registered in the new member states, the effective date of the EUTM is the date of their accession, not the original filing date of the EUTM.

In order to claim seniority, so-called 'triple identity' is required: identity of marks, owners, and goods / services.

- Identity of marks: strict criteria, although minor variations (certain fonts or spacing) may be acceptable;
- Identical owners: the same entity must be the owner, group ownership is not sufficient;
- Identical goods or services: partial identity is enough. If the national mark covers additional goods or services, seniority can be claimed for those that are also contained in the EUTM. If the national mark is then allowed to lapse, the additional goods / services lose protection.
- The requirements of triple identity must be met at the time of requesting seniority and that of surrender or expiry of the national trade mark.

How to claim seniority

Seniority claims can be made within two months of applying for an EUTM, or any time after registration of the EUTM. A seniority claim is made to the European Union Intellectual Property Office (EUIPO) in Alicante. Proof that the requirements above are fulfilled should be attached.

Where excerpts from the national offices' online databases are available, EUIPO will retrieve them of its own motion and they need not be submitted. It is, however, best to keep a full record of the national registration at the time of filing for seniority. Where there is no database, or where it does not contain all the necessary information, copies of registration certificates, where appropriate together with renewal certificates, will suffice.

EUIPO's check is limited to the formal requirements and, as regards the triple identity requirement, to checking the identity of the marks. EUIPO processes and confirms seniority claims quickly - usually in less than one month.

Legal effect of claiming seniority

The European Union Trade Mark Regulation ("EUTMR") is directly applicable throughout the EU. Article 34 provides that, if seniority has been claimed and a national mark is allowed to lapse, the owner should be treated as if the national mark were still registered, provided the EUTM remains registered.

Importantly, claiming seniority does not give national marks a new lease of life. Valid reasons for invalidity or revocation of the national mark can still be invoked even after a seniority claim is made and the national mark has lapsed. In particular, if, at the time the national mark lapsed, it could have been revoked due to non-use in the member state in question, this can still be invoked against the national mark (provided use has not been taken up in the meantime in that state).

What happens if the EUTM is lost?

If the EUTM is lost for reasons other than non-use, it can usually be converted into national marks. Where conversion is requested for a country where a previous national registration had been allowed to lapse, relying on the EUTM, the converted national mark will be granted the priority date of the previous one. This is, however, a rather extreme worst case scenario and, overall, no rights are lost.

Pros and cons of reducing the portfolio

Allowing national marks to lapse is mostly advantageous from a cost and administrative point of view. Potential downsides are minimal.

First, in the vast majority of cases, trademark owners will not effectively need to rely on national marks anymore once they have an EUTM. This will normally only be necessary where another party owns rights that pre-date the EUTM but post-date the national mark. The older the EUTM the less likely such a situation is. Also, the issue of potential non-use in a particular country largely disappears under an EUTM. However, following the judgment of the European Court of Justice (CJEU) in Peek & Cloppenburg if a seniority claim is made and the mark is not renewed or surrendered, the national mark (being the seniority claim) can be declared revoked if the mark was not genuinely used at the time the seniority claim became effective, hence at the time of non-renewal or surrender. This effectively treats national marks for which a seniority claim was made worse than national marks which were renewed (if no use was made in the past) as any resumption of use will not help to maintain the seniority claim of the national mark. This certainly does not affect the existing EUTM registration under which umbrella the seniority claim was made. As resumption of use would count for that mark which eventually mitigates the risks stemming from this CJEU judgment.

Secondly, geographical protection could, in theory, be lessened because some national trademarks cover territories outside the EU, for example, Danish registrations cover Greenland. If the territories in question do not recognise lapsed national marks for which seniority was claimed as still registered, protection there could be lost. However, this may not occur and, in any event, such overseas territories tend to be tiny or rather unimportant jurisdictions from a commercial perspective.

Costs

EUIPO charges no official fees for seniority claims. We charge a flat fee of 150 EUR per seniority claim which can be discounted for larger projects. The fee covers searching for and downloading the necessary documents from online databases, obtaining documents where this is not possible, writing to EUIPO requesting seniority, reviewing EUIPO correspondence in reply, clarifying where necessary, updating the database, and reporting.

Please let us know if you would like more information about seniority claims. If this is the case, we could begin with a list of your national trademarks in the EU in order to determine potential cost savings.

Contacts



Andreas Renck

Office Managing Partner

Alicante

Andreas.Renck@hoganlovells.com



Imogen Fowler

Partner

Alicante

imogen.fowler@hoganlovells.com

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