



Brussels, 24.11.2015
COM(2015) 588 final

2013/0089 (COD)

**COMMUNICATION FROM THE COMMISSION
TO THE EUROPEAN PARLIAMENT**

pursuant to Article 294(6) of the Treaty on the Functioning of the European Union

concerning the

**position of the Council on the adoption of a Directive of the European Parliament and of
the Council to approximate the laws of the Member States relating to trade marks
(recast)**

(Text with EEA relevance)

**COMMUNICATION FROM THE COMMISSION
TO THE EUROPEAN PARLIAMENT**

pursuant to Article 294(6) of the Treaty on the Functioning of the European Union

concerning the

**position of the Council on the adoption of a Directive of the European Parliament and of
the Council to approximate the laws of the Member States relating to trade marks
(recast)**

(Text with EEA relevance)

1. BACKGROUND

Date of transmission of the proposal to the European Parliament and to the Council 27 March 2013
(document COM(2013) 0162 final – 2013/0089 (COD):

Date of the opinion of the European Economic and Social Committee: 11 July 2013

Date of the opinion of the European Data Protection Supervisor 4 February 2014

Date of the position of the European Parliament, first reading: 25 February 2014

Date of adoption of the position of the Council: 10 November 2015

2. OBJECTIVE OF THE PROPOSAL FROM THE COMMISSION

Considered together as a package, the main common objective of the Commission proposal for a Directive of the European Parliament and of the Council to approximate the laws of the Member States relating to trade marks (Recast Proposal) (COM(2013) 0162 final – 2013/0089 (COD)), which recasts the corresponding Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 (Proposal to recast the Directive), and of the parallel proposal for the amendment of the Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark, is to foster innovation and economic growth by making trade mark systems all over Europe more accessible, efficient and effective for businesses in terms of lower costs and complexity, increased speed, greater legal certainty and better protection against counterfeiting.

Specifically, the Proposal to recast the Directive aims at:

- modernising and improving the current provisions of Directive 2008/95, by amending outdated provisions to take account of the entry into force of the Lisbon Treaty, increasing legal certainty and clarifying trade mark rights in terms of their scope and limitations.

- achieving greater approximation of national trade mark laws and procedures for the purpose of making them more consistent with the EU trade mark system.
- facilitating cooperation between the offices of the Member States and OHIM for the purpose of promoting convergence of practices and the development of common tools, by putting in place a legal basis for this cooperation.

3. COMMENTS ON THE POSITION OF THE COUNCIL

3.1 General comments

The position of the Council reflects the provisional political agreement reached by the Council, the JURI Committee of the European Parliament and the Commission in informal tripartite discussions on 21 April 2015. This political agreement was confirmed by the Council on 13 July 2015. The adoption of the Council's first reading position and the plenary vote in Parliament mid of December 2015 should lead to the final adoption of the text in an early second reading. From the perspective of the Commission, the compromise reached is reasonable and can be supported.

3.2 Comments on the amendments adopted by the European Parliament

3.2.1. European Parliament amendments included in full, in part or in principle in Council's position at first reading

The Council's position in first reading encompasses almost all main amendments introduced by the European Parliament, such as the removal of the obligation for Member States' national offices to examine absolute grounds for refusal in all jurisdictions and languages of the Union, and the deletion of the provision giving guidance as to when use of a trade mark by a third party should not be considered in accordance with honest practices. All those amendments can be endorsed by the Commission as being reasonable.

The Council also endorsed the deletion of the proposed confinement of the so-called "double identity" rule – regulating protection against the use of identical signs for identical goods or services – to cases which affect the origin function of a trade mark. This can be accepted by the Commission.

The Council further endorsed the maintenance of the option for Member States to examine relative grounds for refusal of its own motion as favoured by the European Parliament. The Commission regrets the missed opportunity to remove such option in order to ensure a level playing field for businesses in the Union. However, the Commission can accept this amendment as part of the package, taking due account of the existing legal traditions in the Member States.

The Council further accepted the amendments of the European Parliament that allow a notice of opposition and a request for revocation or for a declaration of invalidity to be filed on the basis of one or more earlier rights and be directed against a part or the totality of the goods or services applied for or registered. This issue was not part of the initial Commission proposal but can be fully endorsed as it will make the trade mark system more efficient.

3.2.2. European Parliament amendments not included in Council position at first reading

The Council was of the view that the amendment of the European Parliament limiting the scope of the proposed new provision on the import of small consignments to counterfeit goods implied an inappropriate restriction of already existing rights conferred by a trade mark. It was therefore decided to delete the proposed provision as in the light of the case law

of the Court of Justice of the European Union, this proposed provision was no longer necessary. This deletion is supported by the Commission.

The Council did not agree to further complement the limitations of the effects of a trade mark as favoured by the European Parliament. It accepted though the insertion in the relevant recital concerning the resale of genuine goods of clarification in relation to, the use of trade marks for the purpose of artistic expression, and the need for the Directive to be applied in a manner that ensures the full respect for fundamental rights and freedoms. This can be accepted by the Commission.

3.3 New provisions introduced by the Council and the Commission's position

The Commission had proposed to entitle trade mark proprietors to prevent the transit of goods through a Member State under the sole condition that those goods bear a trade mark which is essentially identical with a trade mark registered in the Member State concerned. The Parliament endorsed the Commission proposal. The Council adopted a compromise solution with respect to the provision on goods in transit, whereby the right to prevent goods being brought into the Member State where the trade mark is registered shall lapse if the declarant/holder of the goods is able to show before the competent court that the trade mark proprietor is not entitled to prohibit the placing of the goods on the market of the country of final destination. While preserving the core objective of the Commission's proposal to establish efficient and effective means to combat the ever-growing streams of counterfeit goods passing through the Union, this amendment strikes an appropriate balance between the need to ensure an effective enforcement of trade mark rights and the necessity to provide safeguards in order not to unduly hamper the free flow of goods in the situations where trade mark rights belong to different parties outside the EU. The solution proposed by the Council can therefore be endorsed by the Commission.

The Council further did not endorse the mandatory introduction of a so-called "one-class-per-fee system" at national level but opted for an optional regime only. The Commission regrets that decision but can accept it as part of the package.

4. CONCLUSION

The Council position meets the main aims of the Commission's initial proposal. The Commission therefore supports the text.