EU certification marks

EU collective marks

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Legal Department
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50’ Presentation

1) General introduction
2) EU Certification marks
3) EU Collective marks

10’ Questions and answers
WHAT DO THESE SIGNS TELL YOU?
LEGAL FRAMEWORK

COLLECTIVE MARKS

EUTMR: Chapter VIII

Section 1:
Articles 74 – 82 EUTMR

EUTMR: Chapters I – VII and IX - XIV
to the extent Section 1 and Section 2 (Ch. VIII) do not provide otherwise

Article 16

EUTMIR: Title VI

CERTIFICATION MARKS

Section 2:
Articles 83 – 93 EUTMR

Article 17
<table>
<thead>
<tr>
<th></th>
<th>INDIVIDUAL</th>
<th>COLLECTIVE</th>
<th>CERTIFICATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>FUNCTION</td>
<td>Distinguish G/S of one undertaking from those of other undertaking</td>
<td>Distinguish G/S of the association members from those of other undertakings</td>
<td>Distinguish <strong>certified G/S</strong> by the mark proprietor from those non-certified</td>
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<tr>
<td>OWNERSHIP</td>
<td>Natural + legal persons</td>
<td>Associations + legal persons of public law <em>(with an internal structure of an associative nature)</em></td>
<td>Natural + legal persons → <strong>No business</strong> involving supply of G/S of the kind certified !!</td>
</tr>
<tr>
<td>RIGHT TO USE</td>
<td>Proprietor and Licensees</td>
<td>Authorized users: members of the association</td>
<td>Authorized persons: certified users</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Not the proprietor</td>
</tr>
</tbody>
</table>
EU certification marks
DEFINITION AND FUNCTION

- is an **EU trade mark**…
- **described as such** when the mark is applied for
- is capable of **distinguishing goods or services** which are **certified** by the **mark proprietor** in respect of:
  - material
  - mode of manufacture of goods
  - performance of services
  - quality
  - accuracy
  - other characteristics
  
  from **goods or services** which are **not so certified**

Art. 83 (1) EUTMR

with the **exception** of the geographical origin
### REGULATIONS GOVERNING USE REQUIREMENTS

<p>| | |</p>
<table>
<thead>
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<tbody>
<tr>
<td>1</td>
<td><strong>The name</strong> of the applicant</td>
</tr>
<tr>
<td>2</td>
<td>A <strong>declaration</strong> of the applicant stating that it does not carry on a business involving the supply of goods or services of the kind certified</td>
</tr>
<tr>
<td>3</td>
<td>The <strong>representation</strong> of the EU certification mark</td>
</tr>
<tr>
<td>5</td>
<td>The <strong>goods or services covered</strong> by the EU certification mark</td>
</tr>
<tr>
<td>6</td>
<td>The <strong>characteristics</strong> of the goods and services for which certification is requested</td>
</tr>
<tr>
<td>7</td>
<td>The <strong>conditions governing use</strong> of the EU certification mark, <strong>including sanctions</strong></td>
</tr>
<tr>
<td>8</td>
<td>The <strong>persons authorised to use</strong> the EU certification mark</td>
</tr>
<tr>
<td>9</td>
<td>How the certifying body is to <strong>test those characteristics</strong> + to <strong>supervise the use</strong> of the mark</td>
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</table>

The Board finds that the RoU do not describe characteristics of the certified services. (...) does not comply with Article 17(e) EUTMR or Article 83(2) EUTMR’. § 36

(…) with regard to the list of persons authorised to use the trade mark (Article 17(g) EUTMIR), it would be sufficient for the applicant to amend the regulations of use to add the Internet link referred to in its reply to the examiner (…)’ - § 42

(…) applicant did not amend the regulations of use pursuant to Article 85(3) EUTMR - § 43

With a view to remedy the deficiencies raised by the Office, the RoU must be updated. An alternative document focusing only in the omission and not containing the other conditions of Art. 17 EUTMIR does not suffice - § 23, § 28, § 33, § 41

‘(…) according to the Board, it follows from the wording of Article 17 EUTMIR that all the information required must be included in the regulations of use (…’) - § 27

Decision confirmed

Application rejected

Cl.: 35, 37, 41, 42
<table>
<thead>
<tr>
<th>Specific</th>
<th>Regulations governing use</th>
<th>Not submitted</th>
<th>Art. 84(1) [Art. 85(1)]</th>
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<tr>
<td></td>
<td>Content incorrect or incomplete</td>
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<td></td>
<td>Contrary to public policy or morality</td>
<td>Art. 85(1)</td>
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<td></td>
<td>Not conforming to mark’s essential function</td>
<td>Art. 83(1) [Art. 85(1)]</td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>Certification in respect of geographical origin</td>
<td>Art. 83(1) [Art. 85(1)]</td>
<td></td>
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<td></td>
<td>Lack of applicant’s neutrality</td>
<td>Art. 83(2) [Art. 85(1)]</td>
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<tr>
<td></td>
<td>Misleading character or significance of the mark</td>
<td>Art. 85(2)</td>
<td></td>
</tr>
<tr>
<td>General</td>
<td>Absolute grounds (descriptiveness, lack of distinctiveness, ...)</td>
<td>Art. 7 [Art. 85(1)]</td>
<td></td>
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**Grounds for Refusal**

**Non-Refusal**

Amendment of the RoU → meets requirements Art. 85(1)+2
A certification mark indicates that the **goods or services bearing the mark:**

(i) **comply with a given standard** set out by the owner of the mark;

(ii) as a **result of a control set up** by the certification mark owner;

(iii) **irrespective of the identity of the undertaking** that actually produces or provides the g/s at issue and actually uses the certification mark.

Relates to the **guarantee of specific characteristics** of certain **goods and services**

**Example:**

EUTM applies for **services** to be certified vs. RoU only speaks of characteristics/standards of **goods**
Scenarios falling **within** the scope of objection:

- **Sign** → perceived G/S will be certified in respect of their geographical origin
- **RoU** → indicate that characteristic being certified is the geographical origin of the G/S or imposes an obligation of geographical nature
- **G/S list** → specifies G/S have a geographical origin or comply with a PDO/PGI

Scenario falling **outside** the scope of objection:

- **reference** to a *geographical term*, that indicates a particular geographical place, **BUT** it is **not perceived** that the G/S will be certified in respect of that geographical origin
EXAMPLE 1: GEOGRAPHICAL ORIGIN CERTIFICATION

Goods and Services
Class 9: oils and fats

Potential issues
The sign reproduces a registered PGI ‘Steirisches Kürbiskernöl’ [PGI-AT-1460] for edible oil. By definition GIs are linked to a specific geographical origin and will be perceived as such. Therefore, the sign gives direct information about the geographical origin of the goods (Styrian pumpkin oil). Besides, the RoU explicitly mention that the goods are certified in relation to their geographical origin.

Result
Application refused.
EXAMPLE 2: GEOGRAPHICAL ORIGIN CERTIFICATION

Goods and Services
Class 44: *inter alia*, doctors' services & medical treatment provided by medical clinics and hospitals, in particular in the field of cardiology and cardio surgery.

Potential issues
The geographical reference in the sign ('German') read in combination with the other word elements and, in particular, the overall expression ‘certified by the German cardiac society’ will not be perceived as an indication of the geographical origin of the goods and services but as an *indication of the certifier itself*. No element in the RoU that would suggest otherwise.

Result
Application accepted.
EXAMPLE 3: GEOGRAPHICAL ORIGIN CERTIFICATION

EUTM No 17 596 917

Goods and Services
Classes: 29, 30 and 31

Potential issues
The overall expression ‘approved by’ ‘animal protection Denmark’ will not be perceived as an indication of the geographical origin of the goods. However, the RoU clearly state that the mark intends to certify a geographical origin, namely that the goods in question originate from animals that have been bred according to certain specifications, among which is the necessary link to Denmark or the Danish area.

Result
Application refused. The geographical origin reference in the RoU was not amended.
Case reference: R 2205/2020-4

The mark designates that the claimed goods are from Canada. It is so clear that any use of the mark for milk (or other dairy products) from, for example France, would be deceptive (02/03/2020, R 1499/2016-G, La Irlandesa 1943, § 39,40) §15

EUTM no. 18 209 306

The amended RoU do not remedy the objection under Art. 83(1), although Art. 85(3) allows such possibility, since it simply deleted the reference to ‘milk of Canadian origin’. Despite such silence, the origin of any milk covered by the RoU would still have to be Canadian milk as: (i) it is stated in the sign representation and (ii) Foods and Drugs Act standards apply, meaning certification re: compliance with Canadian law - §26-28; 30

Decision confirmed

Cl. 29: Dairy products

Application refused
3) OWNERSHIP AND ‘DUTY OF NEUTRALITY’

- Ownership limitation → Declaration in the RoU must be included → good faith
- Precluded from using the mark → neutrality
- Proprietor must not have any economic (business) interest on the relevant market

Scenarios falling within the scope of objection:
- producer or supplier of the G/S to be certified, although formally distinct from the owner of the certification mark, is economically linked to the latter;
- use of the certification mark is conditioned by use of the G/S provided by the owner of the MARK (e.g. when a raw material is supplied by the owner of the certification mark).

BUT, it is acceptable for the owner to provide some training on the certification scheme to its users since (as long as) it is an economical field that is different from the certified G/S.
EXAMPLE: DUTY OF NEUTRALITY

Goods and Services
Class 37: Repair services in the field of repair of pressure valves, relief valves, pilot operated valves, (...)

Potential issues
RoU: In order to be certified, a repair service must meet, three criteria: (1) must repair products manufactured and sold by the holder; (2) must do so using spare parts manufactured and sold by the holder; (3) must use test equipment obtained from the holder.
Duty of neutrality is not fulfilled where use of the certification mark is conditioned by use of the G/S provided by the owner of the certification mark. The holder has an economic interest in the relevant market.

Result
Application refused.
‘(...) even assuming that the ‘characteristic’ of the services certified by the applicant is ‘quality’ (Article 83(1) EUTMR), the mere fact that the persons have been filed by the applicant itself is not sufficient to guarantee the objective quality of the services, even if that may potentially imply, indirectly, a certain quality. Furthermore, the procedures followed, the technical repositories, the applicable statutory, legal and normative requirements that apply depend on each undertaking and that are not insignificant and are therefore not certified by the applicant, contrary to Article 83(2) EUTMR’ - § 38

‘(...) as regards the other services in Classes 35, 41 and 42 (evaluation, training, audit etc.), even considering that the characteristics of those services are described in the RoU, (...) the RoU are inconsistent in any event with Article 83(2) EUTMR, since the applicant, providing training and certification for technicians and an audit of undertakings, carries out the activity relating to the provision of services of this kind. Thus, as regards the services in Classes 35, 41 and 42, the RoU clearly show that the mark does not comply with the requirement of Article 83(2) EUTMR’. § 40
4) MISLEADING CHARACTER or SIGNIFICANCE  

- If the **public is liable to be misled** as regards the **character or the meaning of the mark**, in particular if it is likely to be perceived as something other than a certification mark.

- No need of any reference in the representation of the sign linked to its kind.

- When the **sign** indicates a **quality that is different from or contradicts the subject of the quality standard as stated in the RoU** the public is liable to be misled.

- The **perception** of the sign by the **relevant consumer** is decisive and will depend on:
  1. On the **sign itself**; and
  2. On the **specification of use** of the **mark** as laid down in the **RoU**; and
  3. On the **goods and services** covered.

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**Art. 85(2) EUTMR**
Application is refused because there is a **serious risk** the sign will be misleading by conveying the following strong certification message: that the natural plants and flowers (class 31) purchased are produced with quality and social and environmental responsibility, when in turn the **specification of use** of the mark conveys that the natural plants and flowers can in fact be mixed between certified product (at least 70%) and non-certified product → **contradiction**

Reference to Article 85(3) EUTMR - §23

The Board took note of the **amendment to the regulations of use** which **removes the reference** to the possible use of the certified trade mark for mixtures where at least 70% of the flowers were using the applicant’s quality and sustainability scheme. - §24

Considers that the objection correctly presented has been **remedied** and the certification mark can be accepted. - §25

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**Decision annulled**

**Cl. 31: natural plants and flowers**

**Application allowed**
5) RoU CONFORMING TO PUBLIC POLICY AND MORALITY  

Art. 85(1) EUTMR

- Situations where, regardless of the sign, the RoU contain a provision that is contrary to public policy or to accepted principles of morality.

Examples:

a) the applicant would not be entitled to carry out the certification (e.g. for lack of compliance with statutory provisions);

b) the authorisation or conditions of use discriminate between market operators without due justification (lack of objective criteria or application of inadmissible criteria).

- This ground for refusal applies in addition to Article 7(1)(f) EUTMR, which relates in the first place to the sign applied for.
3 EU collective marks
DEFINITION AND FUNCTION

- is an **EU trade mark**...

- **described as such** when the mark is applied for

- is capable of **distinguishing the goods or services of the members of the association** which is the proprietor of the mark **from those of other undertakings**

  (20/09/2017, C-673/15 P & C-674/15 P & C-675/15 P & C-676/15 P DARJEELING (fig.) / DARJEELING et al., EU:C:2017:702, § 63; 12/12/2019, C-143/19 P, EIN KREIS MIT ZWEI PFEILEN (fig.), EU:C:2019:1076, § 26, 57, 58)
<p>| | |</p>
<table>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>The name of the applicant</td>
</tr>
<tr>
<td>2</td>
<td>The object of the association or for which the legal person governed by public law is created</td>
</tr>
<tr>
<td>3</td>
<td>The bodies authorised to represent the association or legal person governed by public law</td>
</tr>
<tr>
<td>5</td>
<td>In the case of an association, the conditions of membership</td>
</tr>
<tr>
<td>6</td>
<td>The representation of the EU collective mark</td>
</tr>
<tr>
<td>7</td>
<td>The persons authorised to use the EU collective mark</td>
</tr>
<tr>
<td>8</td>
<td>Where appropriate, the conditions governing use of EU collective mark, including sanctions</td>
</tr>
<tr>
<td>9</td>
<td>The goods or services covered by the EU collective mark including, where appropriate, any limitation introduced as a consequence of Article 7(1)(j), (k) or (l) EUTMR</td>
</tr>
<tr>
<td>10</td>
<td>Where appropriate, the authorisation of Article 75(2) EUTMR (geo descriptive marks)</td>
</tr>
</tbody>
</table>

### REFUSAL GROUNDS

| SPECIFIC | Regulations governing use | General grounds | Absolute grounds (specific)
|---|---|---|---|
| **Not submitted** | Art. 75(1) [Art. 76(1)] | **Contrary to public policy or morality** | Art. 76(1)
| **Content incorrect or incomplete** | Art. 75(2) [Art. 76(1)] | **Not conforming to mark’s essential function and/or lack of entitlement** | Art. 74(1) [Art. 76(1)]
| **Contrary to public policy or morality** | Art. 76(1) | **Misleading character or significance** of the mark | Art. 76(2)
| **Others** | | | |
| | | **Absolute grounds** (descriptiveness, lack of distinctiveness, ...) | Art. 7 [Art. 76(1)]

### NON-REFUSAL
- Amendment of the RoU → meets requirements Art. 76(1)+(2)
1) ESSENTIAL FUNCTION + OWNERSHIP  

Conversion: Art. 74(1) EUTMR [Art. 76(1) EUTMR]

- Ownership is limited to:

(i) Associations of manufacturers, producers, suppliers of services, or traders

Under the terms of the law governing them, have the capacity in their own name to have rights and obligations of all kinds, to make contracts or accomplish other legal acts and to sue and be sued.

(ii) Legal persons governed by public law

Taking into account the essential function, they have to be either associations in a formal sense or need to have an internal structure of an associative nature.
2) MISLEADING CHARACTER or SIGNIFICANCE  

- If the **public is liable to be misled** as regards **the character or the meaning of the mark**, in particular if it is likely to be perceived as something other than a collective mark

- Scenarios falling **within** the scope of objection:
  
a) If it is perceived as **available for use by anyone meeting certain objective standards**

b) If the **RoU permits use** of the collective mark by non-members of the association

c) If it **conveys a strong certification message**

d) If the wording of **RoU reveals** that the mark is **actually to be used** as a certification mark

e) If it **consists of**:
   
   - **PDO/PGI** (*Arroz del Delta del Ebro / Arròs del Delta de l'Ebre* [PDO-ES-0336], *Nocciola Romana* [PDO-IT-0573])
   
   - **logo contained in the PDO/PGI product specification**
EXAMPLE: MISLEADING CHARACTER or SIGNIFICANCE

Goods and Services
Classes 35, 36 and 45.

Potential issues
The sign representation, among other elements, contain the terms: ‘BRAND WARRANTY’
Specific provisions of the RoU gathers explicit references to a certification system established by the ICAB and it establishes specific use conditions of the applied sign as a certification mark.
Sufficiently serious risk that the public is liable to be misled by the applied sign, since it conveys a strong certification message (sign + RoU)

Result
Application refused.
• Situations where, regardless of the sign, the RoU contain a provision that is contrary to public policy or to accepted principles of morality.

e.g. authorisation or conditions of use discriminate between market operators without due justification (such as a lack of objective criteria or the application of inadmissible criteria) or establish manifestly discriminatory fees.

• This ground for refusal applies in addition to Article 7(1)(f) EUTMR, which relates in the first place to the sign applied for.
4) ABSOLUTE GROUNDS  

Art. 7(1) EUTMR [Art. 76(1) EUTMR]

- EU collective mark application will, like any other EUTM application, be assessed against Article 7(1) EUTMR, without prejudice to the application of Article 7(3) EUTMR.

- If **limitation** is required after an objection under:
  - Article 7(1)(j) EUTMR (geographical indication)
  - Article 7(1)(k) EUTMR (traditional terms for wines)
  - Article 7(1)(l) EUTMR (traditional specialities guaranteed)

  the **RoU should be amended accordingly** (Article 16(h) EUTMIR)
4. a) ‘GEOGRAPHICAL DEROGATION’  

A collective mark may serve in trade to designate the geographical origin of the G/S – pursuant to Article 74(2) EUTMR, by way of derogation from Article 7(1)(c) EUTMR.

Geographical descriptive collective marks are subject to:

- the requirement of distinctiveness - Article 7(1)(b) [and Article 7(3) EUTMR]  
i.e. must have additional elements capable of distinguishing the G/S of the members of the association from those of other undertakings to be considered distinctive pursuant to Article 7(1)(b) EUTMR (05/03/2020 C-766/18 P, BBQLOUMI (fig.) / HALLOUMI, EU:C:2020:170, § 72 - 73)

- the compulsory authorization required under Art. 75(2) EUTMR  
i.e. RoU must authorise any person whose goods or services originate in the geographical area concerned to become a member of the association that is the proprietor of the mark.
CONCLUSION

- INDIVIDUAL
- COLLECTIVE
- CERTIFICATION

Thank You