

Recent Amendments on the Law of the Trade Marks in Lithuania

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On November 8, Lithuanian Parliament adopted amendments to the Law of Trade Marks. This may lead to some new changes effective from June 2013 related to a trademark registration that might lower the burden of applicants and proprietors of marks. Yet, although the filing of the applications and licensing procedures seem to become more streamlined and trademark protection is about to be extended and more accurately specified, not all of the procedures are likely to come to be uncomplicated.

According to the wording of the Law of Trade Marks, which is currently in force, a mark cannot consist of elements that are ineligible for registration as an independent mark. Nonetheless, it is very possible to find lots of examples of trademarks that contain customary elements or descriptive characters. Thus, the amendments adopted would guarantee the protection to a mark only as a whole, but not to its separate elements, if those elements are not able for registration. In other words, a proprietor of a trademark which consists of signs that are ineligible for registration would not be entitled to gain any rights to such elements.

Also, it has been clarified that the list of marks that may compose a trademark is not exhaustive, meaning that trademarks may contain any symbols that could be depicted graphically.

The amendments also give rise to the extension of the protection of rights of trademarks with a reputation. The protection is guaranteed towards Lithuanian or international trademarks that have gained a reputation in Lithuania, against later identical or similar trademarks registered for dissimilar goods or services, if the later trademarks might gain unfair advantage, affect the distinctiveness or damage the reputation of the former. Such protection thus far has been enforced to Community trademarks with a reputation in the European Union only.

Registrations expected to be faster and easier

After the amendments, the procedures of the applications are expected to be less complicated and are likely to become much the same as the system in the Community Trade Mark Law. In addition to this, the policy of the application fees has been adjusted, as the fees would need to be paid within one month from the day of filing an application. If the payment does not meet the deadline, the application may be withdrawn. As for the streamlined application procedures, reproduction of a trademark would be enough for the initial application, as the descriptions could be provided later on.

Another novelty induced by the amendments would be related to an optional division of application or registration. In other words, under the request of an applicant or a proprietor, the application could be divided into the original and divisional one (or more if necessary) where it claims and describes more than one name of goods or services. Although both types of application must bear the same filing date, they should represent different names of trademarks of goods or services.

Licensing trademarks is likely to become less complicated too, as the amended law states, that registration of licensing contracts is not compulsory, in order it could be used against third parties. In precision, the version of the Law currently in force claims that licensing contracts become valid to the third parties only if they have been recorded to the Register of Trade Marks of Republic of Lithuania.

Due to the changes in the Law on Fees of Registration of Industrial Property Objects, fees for entering licensing contracts into the Register of Trade Marks of Republic of Lithuania have been reduced from 300 LTL (87 EUR) to 100 LTL (29 EUR).

Also, a notarized extract from a licensing contract will be no longer obligatory for recording data in the register, as the document certifying the conclusion of the licensing contract signed by one of the parties shall be enough.

More clarity on some definitions

The regulations on the enforcement of trademark rights are also being revised. According to present regulations, the proprietor of an earlier mark cannot regard a conflicting mark registered later as litigious if that mark has been knowingly tolerated for five years. But the amended version states, that a proprietor of an earlier mark is not permitted to litigate the later mark, if a proprietor has knew and hasn't contested the use of a later mark after its registration. This would ease the process of evidencing in trademark disputes, since now the definition 'tolerate knowingly' is not defined clearly.

On the other hand, the term of 5 years is important not only for the defense of prior rights from later trademarks but for the use of the own trademark. The Law of Trademarks obliges the proprietors to actively use their registered trademarks without abandoning them and provisions currently in force provides that the registration of a mark may be revoked if, within a period of 5 years after the issue of the registration certificate, a *genuine use* of the mark has not been started by the proprietor of the mark in or the proprietor has not expressed *serious intention* to use the mark in respect of the goods and/or services for which it is registered. Whereas the amendment of the above provision introduces the requirement of „*genuine use*” and after amendments will enter into force it will not be possible to rely on „*serious intentions to use*” anymore. Thus, such changes should encourage the proprietors to actively use their rights of the trademarks either for their own business or by selling or transferring them to other persons.

Some restrictions to come into force

The original wording of the law didn't state any limiting conditions of transferring the rights of a trademark to another owner. But after the implementation of the amendments, the procedures of transferring the rights of a trademark are about to become more restricted and careful, so the registration of the trademark on behalf of the new owner could not mislead the consumers regarding the kind, quality or geographical source of the goods and services.

Also, the revised version of the law states that there should be a strict inspection on checking whether the new proprietors of trademarks are entitled to use the signs consisting of traditional or official state names of Lithuania, armorial bearings, flags and other heraldic objects or symbols used by the competent authorities of other states or international organizations.

Such new changes might complicate the procedures of a recordal of transfer of the rights of the trademark. If it occurs that a mark transferred to a new owner does not meet the absolute requirements for the trademark, the request to record the transfer would be refused. It will be possible to request for a re-examination of such decision.

On the other hand, the number of documents that need to be submitted are going to be decreased, as only one party or its representative would be enough for signing the extract certifying the document on a transfer of the rights of the trademark.

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