

Bulgaria: New Law on Trademarks and GIs Brings Important Changes

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A new law on trademarks and geographical indications entered into force in Bulgaria on December 17, 2019. It transposes into national legislation Directive (EU) 2015/2436 of the European Parliament and of the Council of December 16, 2015 to approximate the laws of the EU member states relating to trademarks, while the provisions on GIs are aligned with Regulation (EU) No. 1151/2012 of the European Parliament and of the Council on quality schemes for agricultural products and foodstuffs.

The new law brings significant changes to certain aspects of trademark substantive and procedural law, including a new set of absolute and relative grounds for refusal and cancellation, some of which go beyond the scope of the Directive (EU) 2015/2436.

Among the new absolute grounds for refusal are trademarks that cannot be registered pursuant to EU legislation protecting the names of wines, traditional specialties guaranteed, or trademarks that consist of, or reproduce in their essential elements, an earlier plant variety denomination.

A trademark application filed in bad faith is among the new grounds for filing an opposition. Interestingly, unlike the Directive (EU) 2015/2436, the new Bulgarian law does not treat bad faith as an absolute ground for refusal, but includes it under the relative grounds. Also, only a person claiming to be the actual trademark owner can file an opposition or an application for the cancellation of a bad faith trademark application. Consequently, a defendant in an infringement lawsuit based on such bad faith filing would not be in a position to challenge a registration on this ground, if he is not the actual trademark owner.

Under the new law, a registration can be cancelled on the grounds of earlier rights based on a plant variety or animal breed denomination. These are not among the grounds for refusal under the Directive (EU) 2015/2436.

The law retains prior use as one of the grounds for opposing a trademark registration, although prior use does not protect an unregistered trademark in Bulgaria. Similarly, under the Directive (EU) 2015/2436, prior use of an unregistered trademark does not confer a right to prohibit the use of a subsequent trademark.

The new law clarifies the start date of the grace period for using an international trademark registration, putting an end to the inconsistent practice of the Bulgarian PTO and the courts. From now on, the grace period will be calculated from the date of publication of the international registration in the PTO's Official Bulletin.

New rules on the scope of trademark protection have been introduced, in line with the EU Directive. For instance, a trademark owner is now allowed to prohibit the transit of counterfeit goods, as well as the use of a trademark registered in the name of an agent or representative. Despite these novelties, the new law fails to authorize the owner of an unregistered, well-known trademark to prohibit its use by third parties on the territory of Bulgaria.

In terms of enforcement, the new law better regulates intermediary liability and obligations. It also amends the rules on administrative liability and strengthens border control measures.

The new law provides for termination of national GI registrations for agricultural products and foodstuffs made under the revoked legislation. In the future, such products will be protected as prescribed by Regulation (EU) No. 1151/2012.

A large number of changes aim at providing for an efficient and expeditious administrative procedure for opposing a trademark application, as well as for revoking or invalidating a registered trademark. However, certain grounds for refusal remain outside the scope of these improvements. For example, bad faith filings are still established in a separate judicial procedure.

The new law also shortens certain procedural deadlines before the Bulgarian PTO to expedite the proceedings. Late submission of documents and evidence will no longer be accepted unless the delay is excusable. Clearer procedural rules for examination of applications for international trademark registrations are introduced.

The new law also introduces changes to the official fee payment. Currently the fees are paid in stages – there is a separate filing fee, while the registration fee is due after the examination is completed. From now on, a single registration fee must be paid in full at the beginning of the proceedings. The registration fee amount and possibly other official fee changes will be determined in the coming weeks.

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