

Contributing firm  
**Arnason Faktor ehf**



## Authors

**Asdis Magnusdottir** and **Bylgja H Björnsdóttir**

## Legal framework

### National

The following national laws govern trademarks:

- the Trademarks Act (45/1997) (as amended in June 2012);
- the Trademarks Regulation (310/1997) (as amended in June 2012);
- the Collective Marks Act (155/2002);
- the Act on Collection of Evidence Relating to Alleged Violations of IP Rights (53/2006);
- the Act on Surveillance of Unfair Business Practices and Market Transparency (57/2005);
- the Regulation on the Board of Appeals on IP Matters (275/2008); and
- the Customs Law (88/2005).

### International

Iceland is a signatory to the following international trademark treaties and agreements:

- the Paris Convention for the Protection of Industrial Property;
- the Protocol Relating to the Madrid Agreement;
- the Nice Agreement on the International Classification on Goods and Services;
- the Agreement on Trade-Related Aspects of Intellectual Property Rights; and
- the Singapore Treaty on the Laws on Trademarks.

### Unregistered marks Protection

An unregistered mark which otherwise fulfils the requirements for protection under trademark legislation will, through use, enjoy the same protection as a registered mark. Such exclusive rights in an unregistered mark arise

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**“ In order to obtain protection, an unregistered sign must have distinctive character and must have been established in transactions. No specific statutory conditions outline the extent and type of use that will satisfy the above criteria; hence, courts rule on a case-by-case basis ”**

when use of the mark commences in trade in Iceland for goods or services. A trademark which does not fulfil the distinctiveness requirements at the commencement of use may establish a trademark right if it acquires distinctiveness through use.

#### **Use requirements**

Trademark rights arise when a mark is used in commerce for goods and services. The law offers no specific guidelines as to what is needed in order to establish acquired distinctiveness through use. However, according to Article 13 of the Trademarks Act, in order to determine whether a mark has sufficiently distinctive characteristics, all circumstances must be considered – in particular, for how long and to what extent the mark has been in use.

#### **Registered marks**

##### **Ownership**

Under Icelandic law, individuals and legal entities may acquire the exclusive right to a trademark.

##### **Power of attorney**

In general, if an agent has been appointed, the original power of attorney must accompany the application. However, it is possible to file the power of attorney at a later date by requesting an extended term. The power of attorney should indicate that the applicant has empowered the agent to apply for registration of a trademark and to receive notices relating to the trademark on its behalf, both before and after its registration. The agent must sign the power of attorney to confirm that it accepts the assignment. No notarisation or legalisation is required.

However, the Icelandic Patent Office (PTO) has exempted selected established Icelandic agents from this rule when filing new applications.

#### **Protectable subject matter**

According to Article 2 of the Trademarks Act, a ‘trademark’ is defined as any sort of visible sign that distinguishes the goods or services of one party from the goods or services of others. In particular, a trademark may consist of a word or a combination of words, including but not limited to slogans, personal names, names of enterprises or real property, letters and numerals, illustrations and drawings, and the appearance, equipment or packaging of goods.

A trademark right cannot be acquired for a sign which exclusively shows a shape which is:

- dictated by the goods themselves;
- necessary due to the technical role of the product; or
- intended in some manner for a purpose other than identification.

A trademark must be capable of distinguishing the goods of the owner from those of other parties. A mark which indicates exclusively, or with only minor alterations or additions, the type of product or its condition, quantity, use, price, origin or time of production shall not be deemed to possess sufficiently distinctive characteristics. The same applies to a sign or word combination which is common in trade or is used in everyday speech.

Article 14 of the Trademarks Act lists the following as grounds for refusal of a trademark registration:

- The mark contains, without authorisation, state emblems, official international symbols, emblems of Icelandic municipalities, official inspection or quality signs, specific names of these identifications of anything else likely to be confused with the above-mentioned symbols and emblems.
- The mark is liable to cause confusion as to

- the type of product, condition or origin.
- The mark is contrary to law or public order, or likely to cause offence.
  - The mark contains anything which indicates that it is the name of an active commercial operation or the name of another person, provided that this does not involve individuals long dead; or, if the mark includes a distinctive name or illustration of real property.
  - The mark contains anything which may cause it to be interpreted as the distinctive title of a protected literary or artistic work, or infringes the copyright or other IP right of another person in such work.
  - The mark is liable to be confused with a mark which has been registered in Iceland, or which was in use in Iceland when the application for registration was filed and is still in use.
  - The mark is liable to be confused with a mark which was considered to be well known in Iceland when the application for registration was filed.
  - The mark is liable to be confused with a mark which has been internationally registered, provided that the registration was valid in Iceland before the application was filed.
  - The mark is liable to be confused with a mark that was used in another country when the application for the mark was filed or on the date of priority and is still being used there for the same or similar goods or services requested to be covered by the application, and the applicant knew or should have known about the existence of the foreign mark.

In addition, a mark may be registered if the consent of the mark owner or other rights holder has been obtained.

## **Procedures**

### **Examination procedure**

Applications must be filed in writing to the PTO and must contain:

- information identifying the applicant;
- a reproduction of the trademark; and
- a list of the goods or services for which registration is sought.

Iceland adheres to a multiclass filing system and there is no requirement to file a formal declaration of use.

**“A mark which indicates exclusively, or with only minor alterations or additions, the type of product or its condition, quantity, use, price, origin or time of production shall not be deemed to possess sufficiently distinctive characteristics”**

Once an application has been filed, the PTO examines the application with respect to formalities (eg, payment of fees and classification of goods and services) and absolute grounds for refusal, as well as carrying out searches for conflicting prior rights with respect to possible relative grounds for refusal.

If objections are raised, the applicant is invited to respond to such objections. The applicant may apply for an extension, which is initially granted for four months and can be extended further on request. The applicant can appeal the final decisions of the PTO to the Board of Appeal.

Once the PTO deems the application registrable, it will be registered and published in the *PTO Gazette*. If there is no official action, the average time from submission of the application to registration is around two to three months.

### **Opposition**

The registration of a trademark may be opposed within two months of the date of its publication by any interested party. Oppositions must

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**“ Trademark protection does not exclude the application of other IP rights relating to the words or symbol registered as a trademark. Therefore, the objects of trademark protection can also be protected by, for example, design rights (shapes) and copyright ”**

be filed in writing to the PTO and include the main grounds for opposition. No extensions of this term are available, but an extension of one month is available to file a written submission in support of the opposition. Further extensions are contingent on approval by the opposite party.

If oppositions are raised, the PTO will re-examine the registration in accordance with Article 19 of the Trademarks Act, which states that if an application for registration of a trademark does not comply with the law or there are other reasons to reject the registration, the application should be provisionally refused protection.

The owner of the registration is notified of the oppositions and has the opportunity to file its comments. If the PTO does not take the opposition into consideration, the opponent and the rights holder will be made aware of this through a formal ruling.

If the PTO does take the opposition into consideration, a formal ruling on the full or partial invalidation of the registration is issued. An opposition proceeding usually lasts around from six to 12 months.

If either party is dissatisfied with the

PTO's decision, the issue may be appealed to the Board of Appeal. The processing time for appeals is 12 to 18 months. The board's decision may be appealed to the district courts and then to the Supreme Court.

#### **Registration**

The trademark application is accepted once any issues have been remedied to the satisfaction of the PTO. The mark is then registered and published, upon which the opposition period is triggered. The PTO will issue a registration certificate and send it to the trademark attorney on record or the owner. No official fees are due at registration.

The trademark registration will remain in force for 10 years from the date of registration, after which it can be renewed for additional 10-year periods. There is a six-month grace period, starting from the date of expiration, during which the trademark may be renewed.

#### **Removal from the register**

If a trademark has been registered contrary to the law, the registration may be cancelled either by a court ruling or by initiating invalidation proceedings before the PTO. A claim to invalidate a trademark may be initiated on the grounds that the registration is contrary to the Trademarks Act. Thus, any relative or absolute grounds serve as valid grounds in an invalidation action.

If, within five years of registration, the owner of a registered trademark has not used the trademark in Iceland for the goods or services for which it was registered, or if such use has not occurred during a continuous five-year period, the registration may be invalidated, unless there are valid reasons for the failure to use the trademark.

Anyone with a legitimate interest can initiate proceedings against the rights holder in order to have the registration cancelled.

However, the registration shall not be cancelled if use of the mark commences after the end of the five-year period, but before a request for invalidation is filed. If a request for invalidation has not been filed until at least three months after the expiry of the five-year period, and the rights holder has commenced or re-commenced its use in the three months before submission of the request

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**“ The same principles that govern registered and unregistered trademarks and their protection also apply in cyberspace. Consequently, any potentially infringing activity is assessed within the same framework, insofar as this is possible ”**

for invalidation, such use shall have no effect on the request for invalidation, provided that the mark owner knew that the request would be filed when commencing preparations for use.

If the use requirement has been complied with for part of the goods or services for which the trademark was registered, the invalidation shall not extend to that part of the registration.

The owner of a registered trademark may at any time request that the mark be removed from the Trademark Register. Similarly, the owner may choose to restrict the classification by removing goods or services from it. Any such changes shall be published in the *PTO Gazette*.

If a trademark has been registered and no opposition has been filed, the PTO has only limited authority to remove the registration without a court decision. In case of an obvious error, the PTO may correct the mistake within three months of the date of registration. If it receives a request from a party with a legitimate interest, the PTO may cancel a registration if it is proven that the mark owner's activities have ceased.

#### **Merger and change of name**

Changes to the owner's name and address are recorded in the Trademark Register upon filing the relevant request. A request to record a change of name or merger must be accompanied by an extract from a company register or a document proving the name change or merger. Generally, no documents are needed for the recordal of a change of address. The recordal is usually made within two to four months of filing.

#### **Searches**

On request, the PTO will search its database for potential bars to registration. A search

request must contain information about the classes to be searched; however, there is no extra charge for additional classes (all classes can be searched simultaneously). The search will include identical and similar trademarks in all or selected classes. No evaluation is made as to the registrability of the mark as such. The search does not include trade names. A search costs €33 and the results are usually delivered swiftly (within two to three days).

#### **Enforcement**

Trademark infringement actions must be brought in the civil district courts. Decisions of the district courts can be appealed to the Supreme Court. An injunction may be demanded against any activity which has already commenced or is demonstrably pending and has been proven to infringe or to be likely to infringe a trademark right. An injunction is obtained from a district commissioner and must be affirmed by filing a civil action within one week of the time of issue of the injunction. Before the injunction can be executed, the claimant is usually ordered to provide adequate security for any possible financial damage suffered by the defendant as a result.

Unregistered trademarks enjoy similar protection as registered marks in Iceland. If a court action is initiated on the basis of an unregistered trademark, however, the owner must establish prior use of the unregistered mark by providing proof of use. In addition, the owner bears the burden of proving the scope and validity of its trademark rights.

Any use of a trademark which is considered contrary to the Trademarks Act may be prohibited by a court ruling. Wilful infringement of trademark rights can be

fined. Depending on the circumstances, the punishment can be imprisonment of up to three months. Fines, as set out in the Trademarks Act, may be levied against legal entities or individuals.

Anyone that wilfully or negligently infringes a trademark right must make reasonable remuneration for the exploitation of the trademark and compensation for any other damage resulting from the infringement. Anyone profiting from infringement of a trademark right, which involves neither intention nor negligence, shall be obliged to make reasonable remuneration.

In cases of trademark infringement, a court may order measures to prevent abuse of a trademark. To this end, a court may decide that the mark shall be removed from goods held by the party concerned or otherwise at its disposal. If necessary, a decision may be taken to destroy the goods or deliver them to the aggrieved party, with or without compensation.

### Timeframe

The average timeframe for district court proceedings is six to 12 months. Decisions of the district courts may be appealed to the Supreme Court. Appeal proceedings generally take between 12 and 18 months. District court decisions on injunctions are reasonably swift.

### Ownership changes and rights transfers Assignments

There is no requirement to legalise assignment documents in Iceland. The rights holder may transfer all or some of the goods or services for which the trademark is registered or has become established. On request, the transfer of a registered trademark is recorded in the Trademark Register maintained by the PTO. Applications to assign the mark in part or in whole must be in writing; if the relevant documents are in a foreign language (other than English), the applicant must provide the PTO with a translation. In-house translations are normally accepted. The original document or an authorised copy is also required.

### Licensing

The rights holder may grant another party authorisation to use the mark commercially (a licence). Licences may be exclusive or non-

exclusive, and may cover all or part of the goods and services for which a trademark has been registered.

The owner of a registered trademark may invoke its trademark rights against a licensee which contravenes the provisions of a licence agreement with regard to the duration, the version of the mark which may be used, where and when it may be used or provisions concerning the quality of goods or services offered by the licensee under the trademark. Unless expressly agreed, the licensee may not transfer its right.

The rights holder or licensee may, on payment of a prescribed fee, request that a licence be entered in the Trademark Register and published in the *PTO Gazette*. The same shall apply on the expiration of a licence. The PTO may refuse to enter a licence if it is of the opinion that use of the mark by the licensee could lead to a danger of confusion.

### Related rights

According to Icelandic law, trademark protection does not exclude the application of other IP rights relating to the words or symbol registered as a trademark. Therefore, the objects of trademark protection can also be protected by, for example, design rights (shapes) and copyright, provided that the criteria for protection under each individual IP right are satisfied.

### Online issues

The same principles that govern registered and unregistered trademarks and their protection also apply in cyberspace. Consequently, any potentially infringing activity is assessed within the same framework, insofar as this is possible.

ISNIC administers the country-code top-level domain '.is' in accordance with an agreement with the Internet Corporation for Assigned Names and Numbers. ISNIC reserves the right to reject applications for domains if the conditions for the domain name are not observed or the name does not comply with the traditions and general rules of the Internet. However, anyone can apply for any domain name, since ISNIC conducts no screening of trademark or trade name databases.

The Domain Complaints Board handles disputes regarding the registration of domain

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names. The board may render decisions on the transfer of domain names registered with ISNIC. The board's decision is final and cannot be appealed. However, it is possible to initiate civil proceedings before a district court or, as an alternative, to file a complaint with the Consumer Agency, which can prohibit further use of a registered domain name if it finds that use of the domain name is contrary to the law. [WTR](#)

<b>Examination/registration</b>		
<b>Representative requires a power of attorney when filing? Legalised/notarised?</b>	<b>Examination for relative grounds for refusal based on earlier rights?</b>	<b>Non-traditional marks registrable?</b>
No 	Yes 	3D; shapes; colours; packaging. 
<b>Unregistered rights</b>		<b>Opposition</b>
<b>Protection for unregistered rights?</b>	<b>Specific/increased protection for well-known marks?</b>	<b>Can a registration be removed for non-use? Term and start date?</b>
Yes 	Yes 	Yes: within two months of publication. 
<b>Removal from register</b>		
<b>Can a registration be removed for non-use? Term and start date?</b>	<b>Are proceedings available to remove a mark that has become generic?</b>	<b>Are proceedings available to remove a mark that was incorrectly registered?</b>
Yes: five years from registration date. 	Yes 	Yes 
<b>Enforcement</b>		
<b>Specialist IP/trademark court?</b>	<b>Punitive damages available?</b>	<b>Interim injunctions available? Time limit?</b>
No 	No: but fines under certain conditions. 	Yes: no specific time limit. 
<b>Ownership changes</b>	<b>Online issues</b>	
<b>Mandatory registration for assignment/licensing documents?</b>	<b>National anti-cybersquatting provisions?</b>	<b>National alternative dispute resolution policy (DRP) for local ccTLD available?</b>
No 	Yes 	Yes 

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**Arnason Faktor ehf**

Gudridarstig 2-4  
113 Reykjavik, Iceland

**Tel** +354 5 400 200

**Fax** +354 5 400 201

**Web** [www.arnasonfaktor.is](http://www.arnasonfaktor.is)

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**Asdis Magnúsdóttir**

Partner

[am@arnasonfaktor.is](mailto:am@arnasonfaktor.is)

Asdis Magnúsdóttir is a partner in Arnason Faktor. Ms Magnúsdóttir has over 12 years' experience in IP matters in private practice as well as at the Icelandic Patent Office. She studied law at the University of Iceland and holds an LLM in new science, technology and law from Stanford Law School in California. She is also a district court attorney. Ms Magnúsdóttir works with trademark matters, both contentious and non-contentious, as well as consulting on other IP matters. She is a member of the International Trademark Association.



**Bylgja H Björnsdóttir**

Associate

[bylgja@arnasonfaktor.is](mailto:bylgja@arnasonfaktor.is)

Bylgja H Björnsdóttir is an associate with Arnason Faktor and has 10 years' experience working with IP matters. She has a BA in political science from the University of Iceland and gained her ML from Reykjavik University. Ms Björnsdóttir handles trademark prosecution and domain registration and provides general counselling on intellectual property.