

Vilau & Mitel

A conceptual argument – protecting well-known marks in Romania

While legislation does recognize marks which have gained fame, the concept is not defined or explained in the law or governing rules

Romanian legislation acknowledges the existence of and the protection granted to well-known marks. However, the concept of famous marks is acknowledged only by textbooks and in some rare case law.

Well-known concept

The protection of well-known trademarks has its roots in Article 6*bis* of the Paris Convention for the Protection of Industrial Property, whereby EU member states agree to refuse or invalidate any trademark that constitutes a reproduction, imitation or translation of a well-known mark used for identical or similar goods without having fulfilled the necessary registration or use requirements.

As the Paris Convention refers only to identical or similar goods, the signatories of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs) added valuable extensions to these principles. Articles 16(2) and 16(3) of TRIPs apply the same protection – with the necessary changes – to goods or services which are dissimilar to those in respect of which a trademark is registered, provided that use of that trademark in relation to those goods or services would suggest a connection between those goods or services and the owner of the registered trademark, and that the interests of the registered trademark's owner would likely be damaged by such use.

In an attempt to establish a global standard for implementing the requirements contained in Article 6*bis* of the Paris Convention and Article 16 of TRIPs, in 1995 the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications adopted a memorandum on well-known trademarks and the World Intellectual Property Organization (WIPO) General Assembly and the Assembly of the Paris Union adopted a Joint

Recommendation Concerning Provisions on the Protection of Well-Known Marks.

At EU level, Article 4 of the EU First Trademarks Directive (89/104/EEC) provides that a trademark may be refused or invalidated if it is deemed identical or similar to a well-known mark, as defined by Article 6*bis* of the Paris Convention. This represents a step backwards in comparison to those provisions already established by TRIPs. At the same time, the directive introduces a new term for trademarks that have a reputation within the European Union, which has given rise to a number of controversial questions that are yet to be clarified by legislation (ie, are such trademarks synonymous with well-known marks? Which of them is 'stronger' – that which has a reputation or that which is deemed to be well known?).

Most IP commentators (and European case law) seem to have taken the view that these marks are not synonymous, but rather exist in separate categories identified by specific characteristics.

Well-known trademarks according to Romanian legislation

The opening of Romania's borders in 1990 led to a significant increase in applications to register marks that were identical or visually or aurally similar to other signs.

The Trademark Law provides that the following non-exhaustive criteria should be considered when determining whether a mark is well known in Romania:

- the initial or acquired distinctiveness of the mark;
- the scope and duration of use of the mark;
- the scope and duration of advertising of the mark;
- the geographical area of use of the mark; and
- the relevant segment of the public's degree of familiarity with the mark.

Rule 16 of the Trademark Law Governing Rules (833/1998) contains a supplemental set of criteria which is often used by courts and the Romanian Patent and Trademark Office to determine whether a mark is well known. According to these criteria, it is sufficient to establish that the mark is well known in Romania and to the relevant segment of the public.

The governing rules further establish methods for:

- determining the relevant segment of the public by identifying potential consumers of certain goods or services;
- determining distribution chains and marketing methods;
- defining the 'evidence required to prove trademark use' as sales or offers for sale, as well as promoting the goods or services to which the trademark refers, including publication and representation thereof at fairs and exhibitions;
- defining the 'degree of use' as the quantity of goods or services which are marketed and to which the trademark applies;
- defining the 'relevant geographical area' as:
 - the territory of Romania and neighbouring territories where the Romanian language is spoken;
 - territories covered by the same media; and
 - countries that have close commercial ties with Romania; and
- defining the 'degree of familiarity' with the mark as the extent of coverage on the Romanian market as a result of use for certain goods or services.

Although the Trademark Law specifically provides that registration and/or use in Romania need not be evidenced when claiming that a trademark is well known, the governing rules provide

that anyone that makes such a claim must submit documents to prove, among other things, marketing and advertising efforts.

However, when IP practitioners voiced their concerns over this issue with the Patent and Trademark Office, case law began to change.

The most notable change was the creation in 2004 of specialized IP panels within the Bucharest courts, including the Bucharest Court of Appeal and the Supreme Court of Justice, which played a key role in promoting a safer regime for well-known trademark proprietors.

The courts took the view that Article 3 of the Trademark Law, which provides that neither registration nor use need be evidenced when claiming that a trademark is well known, should take precedence over the governing rules.

Contradictions and controversies

The Trademark Law expressly defines a 'well-known' trademark as a "widely known mark to the relevant segment of the public... without registration or use being required", and uses the well-known concept throughout the entire law and the governing rules. Nevertheless, the law has introduced a new concept: trademarks that have gained fame in Romania. This concept is not defined or explained in the law or the governing rules.

Some Romanian IP commentators have taken the view that this inconsistency should be regarded as a category that is distinct from well-known trademarks or trademarks with a reputation.

However, if credit is given to this theory, this would lead to some absurd conclusions (ie, the proprietor of a trademark that had gained fame would be unable to claim the same rights as the proprietor of a well-known trademark; and the proprietor of a famous trademark would be able to oppose and/or act in court against an identical or similar trademark, while the well-known trademark proprietor would not). Obviously, these conclusions are incorrect, since the well-known trademark proprietor is granted at least the same rights as any earlier trademark proprietor.

Famous/well-known criteria

In the absence of any EU or national legal definition, Romanian doctrine and case law have taken inspiration from US legislation, stating that the competent authorities and national courts should establish the well-known or famous character of a trademark on a case-by-case basis. When determining whether a mark is distinctive and famous, a



Dragos M Vilau
Partner
dragos.vilau@vilaumitel.ro

Dragos M Vilau is one of the founders of Vilau & Mitel. His practice focuses primarily on corporate and commercial law, intellectual property, mergers and acquisitions and banking/finance. Mr Vilau has significant experience in advising clients on investing and growing their business in Romania. He has authored various articles on intellectual property, among other topics.



Ionut Lupsa
Senior associate
ionut.lupsa@vilaumitel.ro

Ionut Lupsa coordinates the IP, IT and copyright practice group at Vilau & Mitel. He is a member of the Bucharest Bar Association and is qualified as a trademark attorney. Over the past 11 years his practice has focused mainly on intellectual property, information technology, e-commerce, dispute resolution and litigation. He has been involved in numerous cases before Romanian courts.

court may consider the following factors:

- the degree of inherent or acquired distinctiveness of the mark;
- the duration and extent of use of the mark in connection with the goods or services for which it is used; and
- the duration and extent of advertising of the mark.

In accordance with the WIPO Joint Recommendation Concerning Provisions on the Protection of Well-Known Marks, together with the principles outlined in the law, the Paris Convention and TRIPs, the Romanian courts also take into account:

- the duration and geographical area of any registrations and/or applications for registration;
- any record of the successful enforcement of rights in the mark, in particular the extent to which the mark is recognized as well known by the competent authorities; and
- the mark's associated value.

Based on these guidelines, the Romanian courts have found that RAMADA, BEEFEATER, STARBUCKS and GAP were all well known in Romania on the date of registration by other interested third parties.

However, in the early 1990s, before case law crystallized, the Trademark and Patent Office granted third parties registrations of identical and/or similar trademarks that were well known outside Romania, based on the conclusion that the earlier trademarks were not sufficiently well known as the rightful owners could not prove actual sales, advertising or a distribution network.

Fortunately, the Romanian courts reversed such decisions in a number of cases. One of the first cases where a Romanian court was requested to rule on whether a trademark was well known in Romania was the *BEEFEATER Case (Allied Domecq v Prodal 94 SRL (Case 3850/1/2002 (5170/1999)))*.

In this case the plaintiff filed documents attesting to registrations in 119 countries, imports made on the date of filing the application, labels, pictures, evidence of advertising abroad and the value associated with the trademark.

In *Starbucks Coffee Company v Grupul Roman de Investitii GRI SA (Case 1745/2003)* the Bucharest Court of Appeal took the view that Starbucks' national registration application should finally be refused based on Article 6bis of the Paris Convention, confirming that this provision also applies to services. [WTR](#)