

Upcoming amendments of Lithuanian IP laws

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On April 18, 2012 Lithuanian Government confirmed amendments of laws proposed by Lithuanian Ministry of Justice. The suggested amendment will liberalize and simplify procedures related to intellectual property in the Republic of Lithuania and will result significant reduction of related costs.

The amendments of the Law on Trademarks are mainly related to preparations to ratify Singapore Treaty on the Law of Trademarks. According to current regulation when requests and applications to the State Patent Bureau involves fees – there is obligation to present to the State Patent Bureau document from a bank, confirming that the state fee has been actually paid. The document must be presented together with the rest of the application's or request's documents otherwise the Bureau dismisses the application or the request. Therefore, when filing application for trademark registration, filing an appeal or opposition, requesting of publication of the registered trademark in the Official Gazette, asking to record an amendment in the application or trademark registry, requesting to renew expired procedural term, asking for renewal of trademark's registration, assigning a trademark or registering a license to use a trademark – the mentioned document from the bank must be presented. This results not only additional expenditures (the banks charge for the confirmation), but also waste of time, because there is obligation to go to the bank and get the confirmation.

Once the amendments come into force – the request to present the confirmation will be no longer valid. In cases of failure to submit documents in proper order the Bureau will grant time of 1 month to correct the drawbacks. Also, it will be possible to make the payment related to procedures of the Bureau within one month from the date of the application.

The list of signs of which a trademark could be composed is exhaustive at the moment. The amendment will make the list nonexhaustive and the previous list of signs indicated in the law will be as available examples only.

The grounds for opposition were supplemented with additional ground. It will be possible to file an opposition based on trademark which is identical or confusingly similar to later trademark, however registered for different goods or services, if the earlier trademark has reputation in the Republic of Lithuania and usage of the later trademark may cause damage to reputation of the earlier trademark.

The amendments implement possibility to split a trademark's application or registration. The disjuncted application or registration will get priority of the original application or registration. The amendments limit possibility to transfer or assign the trademark to another person. For example, it will not be possible to transfer a trademark, if the assignee doesn't have needed permissions to use some elements of the trademark (i.e. assignor has permission to use the trademark consisting official name of the state or official coat of arms, but the assignee doesn't have such permission). Also the assignment will not be possible, if after the assignment the sign could mislead the public, for instance as to the nature, quality or geographical origin of the goods and/or services.

The amendments change some rules regarding invalidation and revocation of trademarks registration. Current law version states that "Invalidation or revocation of a mark shall not be allowed if the proprietor of an earlier registered mark has knowingly tolerated the use during five years of a later mark which has been the subject of a *bona fide* application, except where the coexistence would be liable to mislead the public or be contrary to public order." The amended version replaces "knowingly tolerated" to "knew and hasn't objected".

There are few changes in relation to licensing of trademarks as well. Current legislation sets that license issued by owner of international trademark or national trademark is not valid against third persons if the license is not recorded in the Lithuanian Trademark registry. The amendments set that the license of the international trademark or national trademark can (no obligation anymore) be registered in the Trademark registry.

Also, current law states that “The registration of a mark may be revoked if, within a period of five 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 the Republic of Lithuania 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, or if the mark has not been put to genuine use for a period of five continuous years, except in cases where the use of the mark was prevented by serious reasons, such as, e.g., restrictions on imports or other circumstances beyond the proprietor’s control.” The amendments remove the proprietor’s option of “serious intention to use the mark” and now the proprietor will have to start “real usage of the mark” within 5 years from the issuance of the registration’s certificate if he/she wishes to save the trademark from non-use cancelation action (subject to *force majeure* exception).

Other major laws related to intellectual property will be amended as well: Law on Design of the Republic of Lithuania, Law on the Legal Protection of Topographies of Semiconductor Products of the Republic of Lithuania, Law on Fees for the Registration of the Industrial Property Objects of the Republic of Lithuania and other laws.

Suggested amendments of Law on Fees for the Registration of the Industrial Property Objects of the Republic of Lithuania will result significant reduction of fees related to intellectual property. Costs related to intellectual property will be reduced up to 25 % for both legal and for natural persons. Natural persons will be able to get other exceptions regarding fees as well.

For example State fee for patent application will be reduced from 115,94 EUR to 86,96 EUR; fee for granting of patent will be reduced from 69,57 EUR to 52,17 EUR; fee for application of design will be reduced from 92,75 EUR to 69,57 EUR. Also, cancelation of requirement to register a trademark license agreement so it would be valid against third persons will alone save 86,96 EUR of State fee. Also, if the licensee or licensor still decides to register the issued license in the registry – the fee for the registration will be 28,96 EUR (instead of current 86,96).

For natural persons, wishing to obtain patents and design registrations related fees will be additionally lowered by 50 %.

Above amendments have been discussed by the interested person and organizations and have been confirmed by the Lithuanian Government. The amendments now will be discussed in the committees of Lithuanian Parliament and will come into force once the Parliament confirms them.

For more information, please contact:

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Attorney-at-law Tomas Jakubauskas specializes in defense of IP rights in Lithuania and other European countries. 90 percent of his clients are large international companies, doing business in wide specter of spheres from pharmaceuticals to manufacturing of vehicles. Attorney-at-law provides wide range of services from legal consultations to representation of clients in courts and other dispute bodies.

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