

Two steps forward, one step back

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In Romania, a new trademark law came into effect on May 9, 2010. Two issues have emerged that relate to the new law, both affecting the strategies of applicants and opponents. One issue is a landmark decision and the second is a challenged practice.

Landmark decision

The landmark decision was the result of an opposition that started under the previous trademark law. Cabinet M. Oproiu acted as counsel for the plaintiff, who filed the opposition, and the final decision was delivered in October 2011.

The legal provisions applicable to this case are the same under the new trademark law as they were under the old one. However, the interpretation given by the State Office for Inventions and Trademarks's (OSIM's) Board of Appeal in this case represents a notable difference in practice.

Cerveceria Modelo, a Mexican company and producer of Corona beer, has several trademarks that cover its popular beverage in Romania. Cerveceria Modelo owns trademarks for Corona, Corona Extra and Coronita for beer in class 32, as well as one trademark for Corona for restaurant and bar services in class 43. The marks are used continuously in the Romanian market for beer products, as in the image shown below:



Interprest, a Romanian company, applied to register Coroana and a device (called the crown in Romanian) as a single trademark for beer and non-alcoholic beverages in class 32. The mark is shown below:



Between 2008 and 2009, Interprest used the Coroana trademark for beer products, but in a very different form from its trademark application:



Cerveceria Modelo opposed the trademark application for Coroana and the device in 2008. It claimed that the trademark was confusingly similar to an earlier mark in class 32, and could be associated with it. It also claimed that the trademark was confusingly similar to a famous mark for similar products and non-similar products.

OSIM's Oppositions Commission admitted the opposition for the class 32 claim only. It took the view that non-alcoholic products are sufficiently dissimilar from beer products to avoid causing any confusion.

Both parties appealed against this decision. During the appeal stage, Cerveceria Modelo insisted that its Corona marks were widely recognised through Romania. It said that evidence showed that the marks were continuously used and attained significant fame during an eight-year period before the publication of Interprest's trademark registration.

The decision delivered by OSIM's Board of Appeal in October 2011 was completely in favour of Cerveceria Modelo. It rejected all registrations of the junior mark, including a registration for non-alcoholic beverages in class 32. In coming to its decision, the board offered the following rationale:

- From the point of view of the composition, there was a strong conceptual similarity between the meaning of Corona/Coroana and Coronita and this influenced the visual and phonetic similarity;
- The notoriety of the Corona marks and their wide recognition increased the risk of confusion;
- Beer as a product has a low alcoholic concentration and it is associated with refreshment. This is why the Nice classification system includes beer products in the same class as mineral water and fruit juice products, and not in class 33 with wines and spirits;
- Beer without alcohol is a 100 percent non-alcoholic product;
- A particular aspect of Corona beer is that it has been sold over the past 80 years in transparent, 330ml bottles, and it is consumed at a chilled temperature with a slice of lemon, much like many other non-alcoholic products; and
- Given the characteristics of the market and the use of the products, the board concluded that the risk of confusion and association of the later mark with the earlier marks was a real possibility at an unconscious level for the average consumer.

This is a significant departure from the traditional view of OSIM. It is a more in-depth analysis of the factors, of which the principal one in this case was the way that the products are commercialised. Under the old practice, beer products would have simply been considered to be different from mineral water and juice in class 32 because of their intrinsic difference and any consideration for the particular features of the market would not have been taken. This decision brings OSIM a step towards assessing the complexity and interdependence of some goods and services in trademark classes.

Another significant departure from the old practice is the acceptance that confusion can act at an unconscious level for the average consumer. It is probably the first time that an instance of OSIM has recognised the importance of the facts that act at an unconscious level in the field of trademarks law.

A new practice: appealing against the second publication of a trademark

One of the aims of the revised trademark law was to shorten the duration of trademark opposition proceedings and remove uncertainty. For this purpose, the time between the filing of an application and publication of the application was reduced to approximately a week, and the publication would only be made electronically, on OSIM's website. The time-frame for lodging a trademark application opposition was also reduced, by a month. An opposition to an application has to be made within two months of publication.

Under the current procedure, there are two publications of the mark: the publication of the trademark application and the publication of the trademark registration.

Article 86 of the current trademark law says: "The decisions of the Patent Office regarding the registration of trademarks [...] can be appealed with the Office by any interested person within 30 days from communication or, respectively from the publication of the registration of the mark."

Interpretations of this article have given those who oppose trademark applications during the first two-month window the chance to oppose the trademark registrations within 30 days of their publication as registrations.

The appeal against the second publication is controversial. Some practitioners consider it to be viable as it is based on a possible interpretation of the legal provision. Other practitioners hold that this interpretation is wrong, because it should concern only decisions for proceedings that have already been initiated, such as oppositions or examinations for absolute reasons. They also believe that it runs contrary to the philosophy of the new trademark law, which was aimed at speeding up opposition proceedings.

OSIM's Board of Appeal is currently accepting appeals against second publications. However, there is no final court decision that either confirms or denies appeals against second publications as a procedure.

To conclude, the application of the new trademark law makes the work of practitioners much more challenging than it was before.

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