

Year in Review & Look Ahead – Albania

By Irma Cami, *Albanian IP Matters, Albania*

2018 marked another active year for Albania in the realm of trademarks. The approval of the long awaited regulation on trademarks was regarded by the IP community as a main event of 2018. Having Market Surveillance Authority finally operational and new rules on registration and administration of .AL domains were other remarkable developments in 2018. Regardless of a serious backlog of enforcement proceedings before the Albanian IPO and courts the case law continued to expand, with more elaborate reasoning and more legal grounds examined.

This article takes a look at the developments over the last 12 months and what is on the agenda in 2019.

New Trademark Regulation – June 2018.

On June 7, 2018 a new regulation on trademarks entered into force. It abolished the previous trademark regulation of 2008, and clarified a range of issues brought about by the March 25, 2017 changes to the Albanian IP Law. Some of the most significant changes and clarification concern the following:

Definitions for non-traditional marks. The regulation provided definitions and representation requirements for the most non-traditional marks, namely for pattern, colour and shape marks that are in line with the Implementing Regulation (EU) 2018/626 of March 5, 2018. It makes the drafting and examination process simpler, and at a later stage, it enables the relevant authorities to adequately determine the nature and scope of protection, especially in enforcements proceedings.

Literal Interpretation of Class Headings. The regulation adopted the literal approach when interpreting the scope of protection of lists of goods and services, stated that general terms and class headings of the Nice Classification are to be interpreted as including only the goods and services covered by the literal meaning of these terms [article 13(2)]. This provision aligned Albanian legislation with that of the EU. Following the Court of Justice of the EU's June 19, 2012 decision in the IP Translator 'class headings' case (C-307/10 – Chartered Institute of Patent Attorneys v Registrar of Trade Marks), national IPOs in the EU moved away from the "class heading covers all" to the "means what it says" approach.

Criteria for Determining Well-Known Marks: Thanks to the regulation, the *Joint Recommendation Concerning Provisions on the Protection of Well-Known Marks* adopted by the World Intellectual Property Organization (WIPO) in September 1999 has become part of the domestic law. The regulation specified the WIPO criteria as binding in determining whether a mark is well known in Albania. Although the Albanian authorities had already shown their willingness to follow the Joint Recommendation in practice, having it specified as binding by the regulation contribute to establishing steady practice. However, the regulation failed to determine the procedure for establishing well-known status. It remains unclear whether it should be established in a separate procedure, or along with other claims, in court, or before the IPO.

In terms of other significant clarifications, the regulation clarified a set of procedural rules for the enforcement proceedings held before the IPO, clarification of which seems to have contributed to release the backlog at the IPO. Since the changes to IP law entered into force (March 2017), the activity of the Office stagnated in respect of oppositions and cancellation action, as the detailed rules about these proceedings were expected to be defined by a new regulation, which entered into force after more than a year from changes to the IP Law (June 2018).

The regulation also set detailed rules in respect of *restitution in integrum* procedure, permitting applicants to request the *restitutio in integrum* (restoring the application's status) procedure if they failed to perform a certain action by a certain deadline for justified reasons and despite due diligence. This request must be filed within 60 days of the removal for noncompliance and no later than one year after the expiration of the missed deadline, and is subject to the payment of a fee.

Further, it introduced a definition of identical signs that does not limit the term to its literal meaning and also an interesting provision regarding the comparison of goods. According to the regulation the goods/services covered by the same class should not necessarily be deemed similar, and those belonging to different classes should not necessarily be considered dissimilar. This marked a departure from previous practice when the Albanian IPO wrongly deemed goods or services similar or dissimilar solely based on their class.

Lastly, the regulation was accompanied by the introduction of official fees for the newly established IPO procedures and the increase in certain existing official fees, by an average of 10 percent. Like the regulation, the new official fees took effect on June 7, 2018

New rules on .AL domains - November 2018

On November 1, 2018, new rules on the registration and administration of the domain names under .AL took effect in Albania. They were adopted by three decisions of the Steering Board of the Albanian Electronic and Postal Communication Authority (AKEP), which brought some changes and amendments to the basic regulation on registration of .AL (sub) domains of 2008.

The changes addressed a range of issues emerged from the Albanian background, which are expected to significantly reduce the cybersquatting and trademark infringement. Some of the significant changes takeaways concern the following:

Registered Trademarks part of reserved names. Thanks to these changes a trademark registered with the IPO is reserved for their holders. (article 19.2). However, it does not prevent a third party from registering a domain name identical with the verbal element of a registered trademark, provided that applicant declares in writing he/she will waive all rights to the domain if the trademark owner applies for the domain.

It is not clear enough how this all will be implemented, i.e., it will be done automatically or the domain holder should go through a set of procedures, etc. However, it is an extraordinary tool at the hands of IP holders, as it avoids court proceedings that trademark holders so far had to follow to have the domain recovered.

Limited number of domain names. The new rules set a limitation in respect of the number of the domain names a person can own. The allowed number of domain names is up to 5 for a natural person, and up to 15 for a business entity. This also includes the number of subdomains. It will be applicable as of November 1, 2019 and will also affect the holders of the existing domains. The restriction will stay in force for two years, and the relevant authority will re-estimate whether it should be extended for an additional time or not.

Domain should be put to use within a year. In order for the domain holders to maintain the ownership of their domains, they should put the domains to use within a year from registration. The domain will be free for registration in case its holder fails to meet this condition. It will also be applicable to the existing domains where their holders are requested to prove such use within September 1, 2019.

These new rules were dictated by the need to make the .al domain market more accessible for IP holders. Statistically speaking at the end of December 2017 over 30% (approx. 6,000) of the domains were registered under the accredited registrars' names. It unfairly deprived the trademark holders of registering the domain names that correspond to their trademarks, and for a long time, it has posed a pressing issue. They are expected to contribute to preventing infringing behaviour in the domain name system.

Market Surveillance Authority – Finally operational

In the past, the activity of Market Surveillance Authority has been minimal, although the legal frame has been largely in place since 2016.

According to the legal frame in place, the Market Surveillance Authority is responsible for surveillance of enforcement of the Albanian legislation on areas of consumer protection, product safety, intellectual property, etc., through supervision activities of products placed on the internal market. However, it would have been waited until 2018 that the early seizure to be recorded.

Based on the official reports of the authority, until the end of 2017 no supervision activity was conducted with regard to industrial property right. The persistent problem lack of funds and material resources, as well as the lack of denouncements of IP holders is listed as main reason for not ensuring an effective implementation of surveillance activities.

It seemed the situation changed in 2018. Statistically, about 20 seizure of a range of counterfeit goods was reported as conducted by the authority. Also, many events for raising awareness were held with the IP community and domestic stakeholders.

On the 2019 agenda is the approval of a regulation that will set detailed rules on the procedures this authority operate. This regulation is deemed to transpose Regulation (EC) No.765/2008 of July 9, 2008 and is expected to issue by June 2019.

Case Law – Another step forward

In term of the time effective examinations 2018 was not an easy year concerning enforcement proceedings. The main authorities in charge of such proceedings – AL IPO and Courts, were swept by a serious stagnation. Since the changes to the Albanian law entered into force (March 2017), the activity of the Office stagnated in respect of oppositions and cancellation action, as the detailed rules about these proceedings were expected to be defined a new regulation, which entered into force in June 2018. Further, the jurisdiction system in Albania has being undergone through a substantial reform, which has slowed the pace of examination of cases before all level of the courts.

However, the jurisprudence played its role. Like in previous years, the 2018 case law emphasised the importance of the implementation of the EU rulings, in similar cases. It was achieved in a critical moment when the issue whether to appoint “*an expert*” for estimating the likelihood of confusion came again into the play.

The March 2017 changes to the IP law introduced the “*IP expert*” figure, and although the changes do not outline specific duties, *IP experts* are to be invited to court hearings to give their testimony on whether there has been an infringement. The IPO justified this change by claiming that the court is not capable of examining IP-related cases and that “qualified expertise” is needed in court proceedings.

This approach had been challenged by the recent case law, where the court has shown willingness to implement the criteria established by EU rulings in IP-related cases, and has not relied on testimony of “*IP expert*”.

However, there has always been a mixed reaction among the IP actors, some favoured the engagement of “*IP expert*” and others that opposed it, arguing that it does not guarantee impartial testimony, and it unnecessarily increased the cost.

The introductory of that figure fevered that debate, especially, before the court. In course of 2018 the court appeared more willing to rely its judgement on the testimony of “*IP expert*” rather than examine the criteria of likelihood of confusion on its own. However, the majority of the court decisions, even this year, confirmed the *pro* EU ruling approach.

Look ahead

As the review shows, the substantive issues to watch for the incoming year are; the challenges on the implementation of the new rules on trademarks and on domain names; the establishing case-law in line with the EU ruling, as well as the functionality of the Market Surveillance Authority.

Further, in the IPO 2019 agenda are the establishing of e-filing platform, which remarkably increase the speed of examinations, and implementation of Directive (EU) 2016/943 of June 8 2016 regarding trade secret.

For more information, please contact:



Irma Cami
Attorney at Law
Albanian IP Matters
irma.cami@albanianipmatters.al
<https://albanianipmatters.al>

With more than 10 years of experience in intellectual property, Irma Cami specializes in trademarks protection, mainly focusing on IP litigation, oppositions and cancellations proceedings before the Albanian IPO, and rendering opinions on validity and infringement. Her long-standing experience in IP field has seen her elected as a trainer for training judges in IP related cases.

Mrs Cami is an active member of the International Trademark Association and has been recognized by WTR 1000 and Chambers & Partners as a leading IP practitioner in Albania.