



Guidance Notes on

S.I. No. 628 - Trade Marks (Amendment) Rules 2019.



Purpose of the Rules

Under the Trade Marks Act 1996 (“the Act”), the Minister is empowered to make rules in order to regulate practices and procedures in relation to trade marks.

On 11th December, Mr. John Halligan T.D. and Minister of State at the Department of Business, Enterprise and Innovation signed into law the Trade Marks (Amendment) Rules 2019 (Statutory Instrument number 628 of 2019).

The purpose of new the rules is to introduce certain procedural changes to ensure that opposition and invalidity proceedings are conducted in an efficient and effective manner. The rules also set out the administrative procedures for lodging third party observations on bad faith grounds in relation to trade mark applications and the Controller of Intellectual Property’s (“the Controller”) role in processing these observations.

What are the main changes introduced by the Rules?

1. Third party observations

Section 8(4)(e) of the Trade Marks Act 1996, provides that a trade mark application may be refused if the application for registration of the trade mark is made in bad faith. Section 43(3) of the Act provides that where an application for a trade mark has been published, any natural or legal person or any group or body representing manufacturers, producers, suppliers of services, traders or consumers may, at any time before the registration of the trade mark, make observations in writing to the Controller detailing the grounds upon which a trade mark should not be registered. Such observations can be filed on any grounds.

The purpose of the new Rule 17A is to set out the procedures in relation to the filing of third-party observations grounded on bad faith. An allegation of bad faith is a very serious allegation and the Controller cannot act on a bad faith allegation unless the claim is clearly made and evidence to support the claim is filed by way of a Statutory Declaration and made in accordance with the Statutory Declarations Act 1938. The procedures set out in Rule 17A will allow for a more effective and legally certain administrative approach for dealing with observations citing bad faith.

2. Stay in Opposition proceedings

The new Section 43(2B) of the Trade Mark Act of 1996, as amended, allows for the granting of a stay in opposition proceedings at the joint request of the parties involved.

The Trade Mark Rules 1996 are silent as to the modalities of the provision. The new Rule 18A has been introduced in order to exclude a stay of indefinite duration or multiple stays that would impede the expeditious adjudication of oppositions. It is particularly important to note that opposition proceedings do not only affect the parties directly involved but can also affect third parties whose applications or potential applications are put on hold pending a decision in opposition proceedings.

The new Rule 18A provides, therefore, that the period of the stay in proceedings will be for a minimum period of 2 months and a maximum period of 1 year from the date of the joint request for the stay. The possibility of a second joint request for a stay for a similar period is also provided for but will only be allowed at the discretion of the Controller. When the Controller notifies the parties that a second and final stay is being granted, no further requests for *stays in proceedings* will be considered. Therefore, the introduction of the new Rule 18A will establish clear and consistent guidelines and practices to ensure the effective, efficient and transparent management of any “stays in proceedings”.

Implementation of the new Rule will ensure applications for *stays in proceedings* are not made routinely but are the result of genuine attempts by the parties to reach a friendly settlement and will facilitate the Intellectual Property Office of Ireland (“the Office”) to bring matters to a conclusion within a reasonable period of time.

3. Non-use as a defense in Opposition proceedings

Section 43A of the Trade Mark Act of 1996 as amended provides for “*Non-use as defence in opposition proceedings*”.

The Trade Mark Rules 1996 are silent as to the modalities of the provision. In particular, neither the Act nor Rules specify when the Opponent can be put to proof of use. Accordingly, Rules 19 and 20 have been amended with a view to establishing clear and consistent guidelines and practices to ensure the effective, efficient and transparent management of any notices putting the Opponent to “proof of use”.

The most reasonable and effective opportunity for the Opponent to be put on notice of “proof of use” is when the Applicant is filing its Counter Statement under Rule 19. Therefore, this means the Opponent would be required to file its proof of use as part of its evidence in chief under Rule 20, and failure to do so would, rightly, lead to the rejection of the opposition.

Implementation of these Rules will ensure that notices for *proof of use* are made at the earliest possible opportunity and are intended to provide clarity, consistency and certainty for both parties as to their gathering, preparation and filing of evidence in opposition proceedings.

4. Non-use as a defense in Invalidity proceedings

Section 52A of the Trade Mark Act of 1996 as amended provides for “*Non-use as defence in proceedings seeking a declaration of invalidity*”.

Rule 41 was intended to deal with procedures for revocation of trade marks, invalidation of trade marks and rectification of the register. Rules 19 to 25 make provision for adversarial procedures that follow both the filing of a Notice of Opposition and the filing of an application for a declaration of invalidity. However, the wording of Rules 19 to 25 was not as clear as it could have been, particularly in respect of invalidity, and could be difficult for non-legal or unrepresented applicants to understand. Therefore, to provide legal clarity in relation to invalidity procedures, Rule 41 will now apply only to procedures for revocation of trade marks

and rectification of the Register. New Rules 41A, 41B and 41C have been introduced to specifically deal with procedures in respect of applications for declarations of invalidity.

In terms of “*Non-use as defence in proceedings seeking a declaration of invalidity*”, the Trade Mark Rules 1996 were silent as to the modalities of the provision. In particular, neither the Act nor Rules specified when the Applicant for a declaration of invalidity should be put to proof of use. Accordingly, new Rules 41B and 41C have been introduced to establish clear and consistent guidelines and practices to ensure the effective, efficient and transparent management of any notices putting the Applicant for a declaration of invalidity to “proof of use”.

As with “*Non-use as defence in opposition proceedings*” the most reasonable and effective opportunity for the Applicant to be put on notice of “proof of use” is when the Proprietor of the contested trade mark is filing its counter statement at Rule 41B stage. This means the Applicant will be required to file its proof of use as part of its evidence in chief under Rule 41C, and failure to do so would, rightly, lead to the rejection of the application for a declaration of invalidity.

Implementation of these rules will ensure that notices for proof of use are made at the earliest possible opportunity and provide clarity, consistency and certainty for both parties as to their gathering, preparation and filing of evidence in invalidity proceedings.

5. Power and Duties of the Controller

Under Section 70(1) of the Trade Marks Act 1996, the Controller must make certain documents and information prescribed in Rule 60(1) available for public inspection. Currently that includes applications under Rule 41 (i.e. applications for revocation, declaration of invalidity and rectification of the register). As a separate rule for applications for declarations of invalidity has been introduced, Rule 60(1) has been amended to include a reference to the new Rule 41A.

6. General Power to enlarge time

The amendment to Rule 63 means the time period for filing a counter-statement in invalidity proceedings cannot be extended beyond the three months period provided for in Rule 41B(1).

The amendment to Rule 63 complies with Rule 9(4) of the Regulations under the Singapore Treaty on the Law of Trademarks (Singapore Regulations), which prescribes the exceptions permitted in relation to any extension of the time periods provided for in national legislation. Under Rule 9(4)(v) of the Singapore Regulations, Ireland, as a contracting party to the Singapore Treaty on the Law of Trademarks, is permitted to provide that “an action in inter-partes proceedings” must be complied with within the time period specified in national legislation.

Disclaimer

These Guidance Notes were prepared by the Intellectual Property Office of Ireland and are separate to the Rules and are intended purely for information purposes in relation to the main aspects of the Rules. The Office does not take responsibility for any errors contained in these notes. In addition, these Guidance Notes do not constitute legal advice - any party with a legal query should acquire its own legal advice from suitably qualified professionals.