

New Trademark Law Enters into Force in Kosovo

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Kosovo's new Law on Trademarks, which entered into force on July 28, 2022, aims to harmonize local legislation with Directive (EU) 2015/2436 to approximate the laws of the Member States relating to trade marks and provides a basis for the implementation of Directive 2004/48/EC on the enforcement of intellectual property rights. The new law introduced numerous changes, the most significant of which are discussed below.

Elimination of Graphical Representation Requirement

Graphical representation is no longer a requirement when filing a trademark application, meaning that a sign can be represented in any form that distinguishes the goods or services applied for from those of other undertakings and enables the authorities to clearly establish the scope of protection that is sought.

Literal Interpretation of Class Headings

When filing a trademark application, it is now required to precisely define the list of goods and services for which protection is sought in such a way that enables the competent authorities to determine the extent of the protection sought on that sole basis.

Absolute and Relative Grounds Extended

The law introduced additional absolute grounds for refusal – a sign cannot be registered if there is a conflict with an existing designation of origin, geographical indication, traditional term for wine, traditional specialty or plant variety. Relative grounds for refusal have also been extended. Most significantly, it is now possible to oppose registration if an application was filed in bad faith.

Special Regime of Exhaustion of Rights

Trademark owners cannot prohibit the importation of genuine goods bearing their trademarks after they have put them on any of the following markets:

- Kosovo;
- A member state of the European Union;
- A member state of the European Economic Area;
- A state of the Western Balkans region;
- A state with which Kosovo has a free trade or trade facilitation agreement.

The previous version of the law provided for the national exhaustion of rights. It remains to be seen how the new exhaustion regime will be interpreted by courts, in particular with regard to cases initiated under the previous law.

Trademark Infringement Expanded

The law expands the concept of trademark infringement by establishing additional uses of similar or identical signs that may be prohibited by trademark owners, namely:

• Use of a sign as a company name;

- Use of a sign in advertising; and
- Use of a sign on packaging, labels, tags and security or authenticity features or devices, and placing these on the market.

Introduction of Disclaimers

In case a trademark includes an element, which might not be considered distinctive, the Intellectual Property Office may require the applicant to include a disclaimer in order to register such a trademark.

Non-use as a Defence in Trademark Infringement

In court proceedings, the defendant may now request that the plaintiff show use of the trademark claimed to have been infringed. In such a situation, the plaintiff should prove that, during the five-year period prior to the filing date of the claim, the trademark has been placed on the market in respect of the goods or services for which it has been registered. In the absence of such evidence, the claim will be refused. The same defence applies to preliminary injunctions.

Appeal with the Market Inspectorate

The law now provides trademark holders the possibility to enforce their trademarks in administrative procedure by filing an appeal with the Market Inspectorate against any person who has infringed their trademark. The appeal procedure will be defined by bylaws which will be adopted by July 28, 2023.

Other Changes

Other changes relating to trademark enforcement include the following:

- The time frame to file an appeal against IPO decisions changed from 15 days to 30 days from the date of receiving the decision;
- In order to prevent the continuation of trademark infringement, the court may order the infringer to pay the trademark holder EUR 5,000-10,000 for each infringement;
- Under certain circumstances, the court may replace an order for the seizure and destruction of infringing goods with monetary compensation for the injured party;
- The criteria for the assessment of damages have been specified when determining the amount of damages, the court will take into account all relevant aspects such as adverse economic consequences, including lost profits incurred by the injured party, any unjust profit of the infringer and, where appropriate, other elements such as economic factors and the moral prejudice suffered by the rights holder;
- In line with the EU Enforcement Directive, the new law provides that injunctions in infringement cases should be fair, equitable, proportionate and affordable; and
- The new law also includes provisions clarifying the time frames for initiating proceedings with the court. Infringement claims, claims relating to the seizure and destruction of goods and claims for damages may be filed within three years from the date the rights holder became aware of the infringement and the infringer, and no later than five years from the date the infringement occurred.

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