

Cyprus

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1 Ownership of marks

Who may apply?

Any natural or legal person may apply for ownership of a trademark, provided the statutory requirements of an application are met. Applications by co-owners are also possible.

2 Scope of trademark

What may and may not be protected and registered as a trademark?

The first requirement is that a sign must be capable of being represented graphically in order to qualify as a trademark. In addition, in order for a trademark to be protected and be registrable it must be capable by itself of distinguishing the goods or services for other goods or services. Section 11(1)(a) of the Trademarks Law (the Law) prohibits the registration of signs that are not capable of being represented graphically, and also signs that are not capable of functioning as trademarks.

A trademark application may be rejected based on absolute and relative grounds. Absolute grounds of refusal include non-distinctive trade marks, trademarks whose registration would be against the public interest, customary trademarks, shape trademarks, deceptive trademarks, trademarks that conflict the provisions of Article 6bis of the Paris Convention for the Protection of Industrial Property, symbolic trademarks, bad faith trademarks and trademarks that are against public policy.

Finally section 14 of the Law prevents registration if the existence of prior rights is proved. The prior rights referred to are (i) registered trademarks, (ii) international trademarks which have effect in Cyprus, (iii) European Community trademarks, (iv) applications for the trademarks referred to in (i) to (iii), subject to their registration and (v) trademarks that, on the date of application for the registration, are 'well-known' in the Republic of Cyprus, according to the spirit of article 6bis of the Paris Convention.

3 Obtaining a trademark

How long does it typically take, and how much does it typically cost to obtain a trademark registration?

A trademark registration in Cyprus typically takes about three or five years to be completed. The delay is attributed to shortage of staff at the Registrar of Trademarks' office and the non-availability of space in the Official Gazette to publish applications, objections, etc. In addition there is considerable workload from international trademark applications, which does not help the system to respond adequately.

However, from the date of filing the applicant has the right of protection. When the application is published, a period of two months is available for any third party who may want to oppose to the registration. If no opposition is filed, then the registration takes place.

The official fee for a trademark registration of one mark in one class is €76.89. To this, the legal fee of the lawyer that will file the application should be added, which is usually €300.

For each additional application filed at the same time for the same mark in another class, the official fee is €51.26. Each additional application filed at the same time for different marks by the same applicant also carries an official fee of €51.26. Finally, the official fee for publication of the application in the Official Gazette is €51.26.

So, for an uncontested application of one trademark to one class, the cost will be around €430.

4 Classification system

What classification system is followed, and what goods or services may be claimed?

Cyprus follows the Nice Convention in the classification of both goods and services. Multiple classifications are accepted.

5 Conflicts with other trademarks

Are applications examined for conflicts with other trademarks? What is the procedure followed in the Trademark Office?

Yes. According to the Law, the Registrar of Trademarks (the Registrar) examines each application for conflicts with other trademarks. In case of conflict, the Registrar will notify the applicant and give him or her time to respond, usually two months. The applicant will have the opportunity to file evidence in the form of an affidavit or a written submission, and then the Registrar issues its decision. If the trademark application is accepted, it will be sent for publication in the Official Gazette.

The usual objection filed by the Registrar relates to the distinctiveness of a proposed trademark. Thus an applicant has to provide evidence that the specific trademark has acquired distinctive character through use. According to case law 'distinctive' means adapted, in relation to the goods in respect of which a trademark is registered or proposed to be registered, to distinguish goods with which the proprietor of the trademark is, or may be, connected with in the course of trade from goods with which no such connection subsists, either generally or, where the trademark is registered or proposed to be registered subject to limitations, in relation to use within the extent of the registration.

6 Use of a trademark and registration

Does use of a trademark or service mark have to be claimed before a registration is granted? Does proof of use have to be submitted? If registration is granted without use, is there a time by which use must begin to maintain the registration?

No, a trademark application may be successful even if no use is claimed. The Registrar may approve an application on intended use

if (i) he or she is satisfied that a legal person will be established and the applicant will assign the trademark to that legal person or (ii) if he or she is convinced that the applicant will use the trademark in relation to the proposed goods or services. The Registrar has the power to ask an applicant to provide guarantee for any expenses that may be incurred as a result of such a registration. The Law imposes a time limit of six months to effect the assignment in the case of (i) above. There is no time limit specified by the Law as far as the time by which use must begin in order to maintain registration.

7 Appealing a denied application

Is there an appeal process if the application is denied?

Yes. If the Registrar refuses the registration, then the applicant has the right to apply for a judicial review of the decision, under article 146 of the Constitution, to the Supreme Court of Cyprus in its revisional jurisdiction. At the Supreme Court the decision of the Registrar will be examined following the principles of administrative law and deliver a decision. The decision is amenable to appeal to the full bench of the Supreme Court of Cyprus. Recourse of this kind is rare; usually the matters are settled at Registrar level.

8 Third parties

May a third party oppose registration or seek cancellation of a trademark or service mark? What are the procedures?

Any person that is affected has the right to oppose the application for registration of a trademark. The opposition of the registration has to be filed within two months of the date of the advertisement of the application in the official gazette and it has to be notified to the Registrar. When the opposition is filed, the applicant will have to file a counter-opposition, where the grounds on which it relies for its application are set out. Once this procedure is completed the parties will be invited by the Registrar to file their evidence, which usually takes the form of affidavits. It is also possible for witnesses to be cross examined before the Registrar. The final step is for the parties to file their written submissions on which the legal arguments are developed. The Registrar will then issue a decision.

9 Duration and maintenance of registration

How long does a registration last and what is required to maintain a registration?

According to section 22 of the Law, trademarks and service marks are registered for an initial period of seven years from the filing date, and can be renewed on application for 14 years periodically. Renewal requires a payment of the renewal fee, which currently stands at €76.89.

10 The benefits of registration

What are the benefits of registration?

Registration of a trademark in essence grants monopoly of use to its proprietor for a specified period of time. So during this monopoly period, the owner can exploit the trademark in any way he or she likes. The monopoly entails the right to prevent others from using the mark so there is a right to sue for infringement, seek damages or account of profits for wrongful use by third parties. Generally speaking, in Cyprus a trademark proprietor has all the remedies available in common law countries, for example the United Kingdom. It should also be noted that trademark infringement claims are adjudicated in district courts of civil jurisdiction. There are no specialised courts.

A trademark proprietor also has border enforcement mechanisms available against unauthorised goods. Cyprus has adopted

Council Regulation 1383/2003, referred to as the Counterfeit and Pirated Goods Regulation, by means of the Control of the Movement of Goods that Violate the Intellectual Property Rights Law (Law 133(I)/2006). The principal effect of Law 133(I)/2006 is to transcribe the provisions of Regulation 1383/2003 into national law. Counterfeit goods have the same meaning as in article 1 of the Counterfeit and Pirated Goods Regulation and the Customs Office is responsible for the enforcement of the law. Following section 4 of Law 133(I)/2006, an application for seizure of goods is made in accordance with the procedure contained in article 5 of the Counterfeit and Pirated Goods Regulation. The Customs Office must review and respond to the applicant within 30 days.

11 Assignment

What can be assigned? Trademark with goodwill? Without goodwill? All or some of the goods and services? Must other business assets be assigned to make it a valid transaction?

Following section 24 of the Law, only a registered trademark may be assigned on the transfer of a business, with the entire or the remainder of the goodwill of the business. The vast majority of trademark assignments include the transfer of goodwill. However, assignments are permitted as well without goodwill and no special formalities are required to effect them. The Law does not prohibit assignment for all or some of the goods or services. In order to be effective, the assignment has to be approved by the Registrar.

12 Assignment documentation

What documents are required?

To register an assignment an applicant must submit the following documents:

- original contract of assignment in Greek, stamped – if the agreement is in English it will have to be translated in Greek and accompanied by an affidavit verifying the authenticity of the translation; and
- form TM16.

If the Registrar is satisfied, then the new owner will be given a letter stating that he or she is the new owner of the mark.

13 Validity of assignment

Must the assignment be recorded for validity?

The Law does not require recording as part of an assignment procedure. However, if a trademark is not assigned, the assignee will not be able to enforce it. Consequently recording is a must.

14 Security interests

Are security interests recognised?

The Trademarks Law does not explicitly recognise security interests. However, a registered trademark, being a property right, will presumably be capable of being assigned by way of security in the same manner as assignments.

15 Markings

What words or symbols can be used to indicate trademark use or registration? Do these words or symbols have to be used? What are the benefits of using them and the risks of not using them?

The usual marking used to indicate a registered trademark is TM. This is the marking that is used internationally to designate registered trademarks. However, this is not something provided in our Law.

Marking a trademark is advisable since it notifies the public that the given sign is a registered trademark.

16 Trademark enforcement proceedings

What types of legal or administrative proceedings are available to enforce trademark rights against an infringer, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark enforcement?

In the case of an infringement, the typical remedy that is available in the hands of a registered trademark proprietor is the filing of a civil action at the district court. The action usually includes a claim for damages, account of profits and an order prohibiting further infringement. It is also typical to ask for an interim order pending trial to prevent further use of the trademark. Section 4 of the Law states that the owner of an unregistered trademark is not allowed to take legal proceedings to prevent the infringement of his or her unregistered trademark or seek damages. However, he or she is not prevented from taking any legal measures against any other person for fraudulent misrepresentation of goods. The last course of action refers to the action for passing off, which is available under the Civil Wrongs Law.

As far as criminal law provisions are concerned, there are provisions in the Trademark Law that criminalise the false representation of an unregistered trademark as a registered trademark. The wrongdoer is liable for a small fine. Further, there are criminal sanctions in Law 133(I)/2006.

In relation to border enforcement mechanisms, our reply to question 10 is relevant. It should also be added that according to Law 133(I)/2006, if the Customs Office seizes goods after an application by the trademark owner, the latter has to file a civil action in court within 10 days of the date the goods were seized and get an interim order allowing the temporary seizure. If this does not happen, then the goods are released.

17 Procedural format and timing

What is the format of the infringement proceeding? Is discovery allowed? Live testimony? Experts? Who decides the case? How long does the proceeding typically last? If there is a criminal enforcement mechanism, what is that procedure?

In a case of an infringement the proprietor of the trademark will file a civil action against the infringer. Cyprus follows a common-law legal system the basic characteristic of which is that the proceedings are adversarial. A plaintiff will have to prove his or her case on the balance of probabilities.

A claim relating to a registered trademark must be brought to the district court and then on appeal to the Supreme Court. Evidence must be submitted by both parties in order to prove all relevant facts in issue including registration, infringement and damages. Discovery is allowed and is usually obtained through interlocutory applications. Testimony as a rule must be live and there is a right to cross examine any witness. Expert witnesses are also allowed but their evidence must be limited to the matters they have expertise.

Proceedings may last between one year and many, depending on the nature of the claim and the complexity of the matters in issue, etc. Once a judgment is issued, it is immediately enforceable. Failure to abide by the terms of a judgment may be contempt of court, which gives the right to apply by an application against the wrongdoer demanding his arrest and imprisonment. Contempt of court procedure is quasi-criminal and the standard of proof is that of beyond reasonable doubt.

18 Burden of proof

What is the burden of proof to establish infringement or dilution?

The burden, as in all civil cases, is on the balance of probabilities.

19 Standing

Who may seek a remedy and under what conditions? Who has standing to bring a criminal complaint?

The trademark owner is usually the person to sue for infringement. A licensee may have a cause of action depending on the terms of the licence agreement. A licensee cannot successfully bring infringement proceedings against a party operating with the proprietor's consent, although he or she may have a claim for damages in contract against the proprietor.

In a criminal proceeding the trademark proprietor may himself or herself bring a private prosecution. As we saw above however, the criminal law provisions protecting trademarks provide for a fine, so it may not be worth pursuing criminal proceedings.

20 Foreign activities

Can activities that take place outside the country support a charge of infringement or dilution?

Trademarks that are registered in Cyprus are protected in Cyprus. An infringing act committed outside Cyprus cannot be sued as an infringement of a registered trademark in Cyprus. In theory, an action for infringement of a foreign intellectual property right may be tried in Cyprus; however, the ability in principle to sue in Cyprus for infringement of foreign intellectual property rights is complicated in the context of trademarks by the fact that they are registered rights. Obviously, there are private international law issues involved that are outside the scope of this publication.

21 Discovery

What discovery devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

No discovery devices are permitted at this stage.

22 Timing

What is the typical time frame for an infringement or dilution action, at the trial level and on appeal?

The plaintiff must take action within a reasonable time. There is no typical time frame for an infringement or dilution action; it depends on the complexity of the cases and it may vary from case to case. However, one may expect two to three years at trial level and one year on appeal.

23 Litigation costs

What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

Legal fees in Cyprus are regulated by rules of the Supreme Court and they depend on the amount of the damages claimed. For example, for a claim, at trial level, where the damages sought are on the scale of €5,000 to €25,000, the legal fees will be around €4,000 to €6,000 for a full hearing. The rule is that the losing party pays the legal fees of the other side.

On appeal, the fees are usually set by the court depending on the outcome of a case. Currently, they are around €2,000 to €4,000.

Update and trends

Cyprus has adopted the Council Regulation 1383/2003, referred to as the Counterfeit and Pirated Goods Regulation, by the Control of the Movement of Goods that Violate the Intellectual Property Rights Law (Law 133(I)/2006). The law is relatively new and is used sparingly. However, it can prove to be a powerful tool in the struggle against violation of trademark rights.

Another issue relates to the absence of any dilution-specific provisions in the Trademark Law that will allow the courts to give

effective remedies. The dilution doctrine in essence enables the trademark proprietor to protect its mark against forms of use where the traditional requirement of likelihood of confusion is absent. In Cyprus, this form of remedy has not yet been recognised, even though in the United Kingdom it has been accepted as a legitimate head of damage that can be claimed under passing-off. Presumably, Cyprus courts will accept such claims based on common-law precedent, but this is not clear at least at the moment.

24 Appeals

What avenues of appeal are available?

It should be made clear that there are two avenues available. The first relates to cancellation or opposition proceedings before the Registrar. There, as we noted, the decision of the Registrar is amenable to review by the Supreme Court in its revisional jurisdiction. The recourse against the decision of the Registrar is heard at first instance by a Supreme Court judge, whose decision may be appealed to the full bench of the Supreme Court composed of five judges.

The second avenue relates to civil actions for infringement brought to the district court. There the decision of the district court judge may be appealed to the Supreme Court, which is composed of a bench of three Supreme Court judges.

25 Defences

What defences are available to a charge of infringement or dilution?

The most commonly cited defences are the following:

- the activities complained of were performed with the consent of the proprietor;
- the use complained of is use in relation to the genuine goods or services;
- the registration is invalid or liable to be revoked;
- the defendant is using indications concerning the characteristics of his goods or services;
- the defendant is indicating the intended purpose of a product or service;
- acquiescence; and
- miscellaneous and general defences.

26 Remedies

What remedies are available to a successful party in an action for infringement or dilution? How is monetary relief apportioned? Is injunctive relief available, preliminarily or permanently, and in what circumstances and under what conditions? What criminal remedies exist?

At common law, the mere proof of an infringement entitles the claimant to damages. The natural consequence of an infringement, even though it be made in complete ignorance of the claimant's rights, is that the infringer must pay at least nominal damages and the costs of action. Damages are compensatory only, to put the claimant in the same position it would have been in had the wrong not been sustained. The burden of proof lies on the claimant, but damages are assessed liberally. The court may refuse an account of profit, or order it to be taken only from the date of the letter before action where the claimant has neglected to take proceedings after becoming aware of infringement.

Injunctive relief is available both preliminary and permanently. 'Preliminary' is when a plaintiff asks for an interim order, as soon as he files the action, asking court order prohibiting the infringer from continuing the exploitation of infringing goods pending the full hearing of the action. Following section 32 of the Law for an interim order, a claimant must prove that the matter is urgent, that it has good chance of succeeding in the main action, and that if the order is not given it will suffer irreparable damage.

27 ADR

Are ADR techniques available and commonly used? What are the benefits and risks?

Currently, no ADR process is used in Cyprus even though the venue is available by a procedure established recently under the auspices of the Cyprus Bar Association.



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