



Yearbook

2020/2021

A global guide for practitioners

Spain
Grau & Angulo
Sonia Santos and Jesús Arribas

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Authors

Sonia Santos and **Jesús Arribas**

Legal framework

National

Distinctive signs are principally governed by the Trademark Act (17/2001), which has been partially modified by Royal Decree-Law 23/2018 in order to incorporate EU Directive 2015/2436, and it is complemented by Royal Decree 687/2002, which has been also modified by Royal Decree 306/2019 in order to adapt to the Trademark Act as amended.

The Royal Decree-Law 23/2018 has been approved to be processed by an urgent procedure as a bill, to allow for possible modifications.

The Royal Decree-Law 23/2018 mainly entered into force on 14 January 2019. The outstanding part will take effect on 14 January 2023. The Royal Decree 306/2019 came into force on 1 May 2019.

Civil actions for trademark infringement are comprehensively covered in the Trademark Act, while criminal actions for infringement are defined in Book II, Title 13, Section 11 of the Criminal Code.

International

At an international level, the Trademark Act has adapted Spanish law to the general

legal framework established within the international community. In particular, the following international treaties have been integrated into Spanish law:

- the Paris Convention for the Protection of Industrial Property;
- the Madrid System for the International Registration of Marks (Madrid Agreement (1891) and Madrid Protocol (1989));
- the Nice Agreement on the International Classification of Goods and Services for the Registration of Marks;
- the Vienna Agreement Establishing an International Classification of the Figurative Elements of Marks;
- the Trademark Law Treaty; and
- the Agreement on Trade-Related Aspects of Intellectual Property Rights.

Unregistered marks

Protection

The Trademark Act follows the principle that trademark rights come into existence upon valid registration under the Trademark Act.

However, the owner of an unregistered well-known mark has the right to:

- file an opposition to an application for registration of a sign that is identical or confusingly similar to its own, for identical or similar goods;
- file a civil action to invalidate an identical or similar trademark registered for identical or similar goods; and
- file a civil action against the unauthorised use of the unregistered mark for identical or similar goods.

Use requirements

The Trademark Act makes no reference to use of the unregistered mark in Spain as a prerequisite for claiming protection. Hence, in principle, the Trademark Act requires only that the unregistered mark be well known in order to be protected.

Registered marks

Ownership

Any natural or legal person, including public law entities can obtain a Spanish trademark or trade name.

A representative of the rights holder requires a power of attorney before filing. However, this need not be notarised or legalised.

The Trademark Act also sets out that if a person applies to register a trademark in breach of either third-party rights or a legal or contractual obligation, the aggrieved party may claim the ownership of the trademark before the Commercial Court, provided that the claim is brought before the registration date or within a period of five years from publication of the notice of registration or the time at which the trademark is first used in Spain.

Scope of protection

The Trademark Act establishes the requirements for trademark registration. It

provides that a trademark may be any sign that is capable both of distinguishing in the market the goods or services of one undertaking from those of others, and of being represented in a way that allows the authorities and the public to determine the clear and precise object. It also provides a list of signs that may constitute trademarks:

- words, including personal names;
- figures, drawings, letters and colours;
- the shape of goods or their packaging; and
- sounds.

Absolute grounds for refusal: The following signs may not be registered as a trademark:

- signs that are not registrable because they do not fulfil the requirements set out in Article 4 of the Trademark Act;
- signs that lack distinctive character;
- signs that comprise exclusively signs or indications that serve in trade to designate the characteristics of the relevant goods or services;
- signs that consist exclusively of signs or indications that have become customary to designate the relevant goods or services in the current language, or in the good-faith and established practices of the trade;
- signs that consist exclusively of a shape or another feature which results from the nature of the goods themselves, which is needed to obtain a technical result or which gives substantial value to the goods;
- signs that are contrary to law, public policy or accepted principles of morality;
- signs that may deceive the public – for instance, as to the nature, quality or geographical origin of the relevant goods or services;
- signs excluded from registration under Spanish law, EU law or international agreements in which the European Union



The Trademark Act makes no reference to use of the unregistered mark in Spain as a prerequisite for claiming protection

or Spain is a party, conferring protection to designations of origin and geographical indications;

- signs excluded from registration under EU law or international agreements in which the European Union is a party, conferring protection to traditional terms for wine and to traditional specialities guaranteed;
- signs that consist of, or reproduce in their essential elements, the denomination of a previous plant variety, registered in accordance with the legislation of the European Union or national law, or the international agreements in which the European Union or Spain is a party, that establish the protection of plant varieties and that refer to plant varieties of the same or closely related species;
- signs that include or imitate the coats of arms, flags, decorations or other emblems of Spain, its autonomous communities, its towns, provinces or other local entities, unless the appropriate consent has been given;
- signs that have not been authorised for use by the competent authorities and that are to be refused pursuant to Article 6ter of the Paris Convention; and
- signs that include badges, emblems or coats of arms other than those covered by Article 6ter of the Paris Convention, which are of particular public interest, unless the appropriate authorities have granted consent to the registration.

Relative grounds for refusal or invalidation in case of conflict with identical or similar earlier rights: The following signs may not be registered as a trademark:

- signs that are identical to an earlier trademark, where registration is sought for identical goods or services; and
- signs that are identical or similar to an earlier trademark, where registration is sought for identical or similar goods or services and there is a likelihood of confusion on the part of the public, including the likelihood of association with the earlier trademark.

Definition of ‘earlier trademark’: An ‘earlier trademark’ is defined to include:

- Spanish registered trademarks, trademarks registered internationally and effective in

Spain and EU trademarks, with a filing or priority date that precedes the trademark application;

- registered EU trademarks, which under the EU Trademark Regulation constitute a valid claim to seniority over Spanish registered trademarks or trademarks registered internationally and effective in Spain, even if they have been surrendered or have lapsed;
- trademark applications that fall under the above categories, subject to their final registration; and
- unregistered trademarks that are well known in Spain on the filing or priority date, pursuant to Article 6bis of the Paris Convention.

The Trademark Act also prohibits the registration of the following:

- signs that are identical to an earlier trade name designating activities which are identical to the goods or services for which registration is sought; and
- signs that are identical or similar to an earlier trade name, where registration is sought for goods or services identical or similar to the designated activities and there is a likelihood of confusion on the part of the public, including the likelihood of association with the earlier trade name.

The Trademark Act sets out relative grounds for refusal or invalidation in case of a conflict with identical or similar earlier registered trademarks and trade names that are well known in Spain. The protection afforded to such marks is extended beyond the principle of speciality: a trademark application will be refused even if the goods or services for which registration is sought are dissimilar to those for which an identical or similar well-known mark is registered. This reinforced protection applies if the use of the later mark might suggest a connection between the goods or services covered and the owner of the well-known mark, or in general where such use, without due cause, would take unfair advantage of, or be detrimental to, the distinctive or well-known character or reputation of the earlier mark.

Further grounds for refusal or invalidation are provided in case of other related early rights such as the name or surname of a person,



Any unsuccessful party in an administrative appeal process before the SPTO may lodge an appeal before the contentious administrative courts

copyright and unauthorised registration by an agent or representative and geographical indications and designations of origin.

Procedures

The trademark registration system is established in Articles 11 to 30 of the Trademark Act and in the complementary regulation.

Examination

The application to register a trademark must be filed before the Spanish Patent and Trademark Office (SPTO) or another competent body.

Once an application is filed, the SPTO will examine it for compliance with the formal requirements. If the application is admissible, the SPTO will publish the application in the *Industrial Property Official Gazette* and will conduct an electronic search of earlier rights that may be incompatible with the application, based on relative grounds for refusal.

The SPTO will notify the owners of any potentially incompatible earlier rights that have been detected so that they may file an opposition if they consider it appropriate; however, the SPTO will not refuse an application *ex officio* due to the existence of an incompatible earlier right. Following publication, the SPTO will conduct an *ex officio* substantial examination of the application to determine whether:

- there are absolute grounds for refusal; or
- the application includes or comprises a name, surname, pseudonym or any other sign that identifies a person other than the applicant to the general public.

If no oppositions are filed and the *ex officio* examination raises no objections, the trademark will be registered and published in the *Industrial Property Official Gazette*.

If objections are raised in the substantial examination, the proceedings will be halted and the applicant will be notified accordingly. The applicant has one month from such notification to submit arguments in support of its application, or to withdraw, limit, amend or split the application. Regardless of whether the applicant responds, the SPTO will decide whether to grant or refuse registration, specifying the grounds for its decision.

If grounds for refusal exist only for some of the goods or services for which registration is sought, the refusal of registration will be limited to the goods or services at issue.

The grant or refusal of registration will then be published in the *Industrial Property Official Gazette*.

The applicant can contest the SPTO's decision through an administrative appeal procedure within one month of its publication. In such case, the SPTO will review its decision to determine whether the administrative acts granting or refusing registration were performed in accordance with the law.

Opposition

Publication of the trademark application triggers a two-month period during which any party that believes its rights may be damaged can file an opposition to the registration based on absolute grounds for refusal, and the holders of previous rights can file an opposition based on relative grounds for refusal.

The SPTO will notify the applicant of the opposition and give a term to respond. The applicant can request proof of use from the owner of the earlier trademark in the course of the five years prior to the date of application or priority of the subsequent trademark. If in a one-month term the opponent does not provide any evidence

or it is insufficient, the opposition will be dismissed.

The SPTO will then decide whether to grant or refuse registration and publish its decision in the *Industrial Property Official Gazette*. Again, the decision may be appealed through an administrative appeal procedure within one month of publication.

Any unsuccessful party in an administrative appeal process before the SPTO may lodge an appeal before the contentious administrative courts within two months of publication of the SPTO's administrative appeal decision in the *Industrial Property Official Gazette*.

Removal from register

A trademark may be removed from the register by the SPTO or commercial courts.

A trademark may be cancelled by the SPTO if it is not duly renewed (renewals must be made every 10 years) or if it is surrendered by the owner (the owner may surrender the trademark for all or some of the goods or services for which it is registered; surrender will not be permitted where this may affect the rights of third parties – eg, where the rights are subject to licences, attachments or call options).

Civil actions: The Commercial Courts of Barcelona, Madrid, Valencia, Granada, Las



Sonia Santos

Partner
s.santos@ga-ip.com

Sonia Santos is a partner at Grau & Angulo and has been with the firm since its foundation in 2003. She is based in Madrid and her main areas of practice include trademarks, designs, copyright, unfair competition and new technology. She provides litigation and advice to a mainly international client base and is renowned for her cross-border work in numerous sectors.

Ms Santos has an LLM in intellectual property. She is a member of the Barcelona Bar Association and regularly contributes to international publications in intellectual property. Consistently recognised by leading international legal directories, Ms Santos has received the *International Law Office Client Choice Award* for trademarks and has been included in *Managing Intellectual Property's* Top 250 Women in IP several times.



Jesús Arribas

Partner
j.arribas@ga-ip.com

Jesús Arribas is a partner at Grau & Angulo and has been with the firm since its foundation in 2003. He is based in Madrid and his main areas of practice are trademarks and patents. He provides litigation and advice for national and international clients, working in diverse sectors. He has previously been involved in the enforcement of patents relating to streaming technology.

Mr Arribas obtained his LLM in intellectual property in 2001 and subsequently trained at the European Patent Office in Munich. He is a member of the Madrid Bar Association. He regularly contributes to international publications in intellectual property. Mr Arribas is consistently recognised by leading international directories for his expertise in IP matters.



An invalidation action based on absolute grounds will not be time barred. However, if the owner of the earlier right has tolerated the use of the infringing mark for a period of five successive years, the right to bring an invalidation action based on relative grounds will lapse, unless the infringing mark was registered in bad faith

Palmas, A Coruña and Bilbao are the specialised IP courts in the civil jurisdiction and can invalidate or cancel a Spanish trademark. As of 14 January 2023, the invalidation and cancellation of a trademark may be sought before the SPTO or the commercial courts only through a counterclaim in a civil infringement action.

Cancellation: A trademark will be cancelled by a commercial court if:

- it has not been put to genuine and effective use in the Spanish market in connection with the goods or services for which it is registered – if such use is not made from the date that the registration is final or ceases for an uninterrupted five-year period without legitimate reason, the trademark may be cancelled if a revocation application is filed before the commercial courts;
- the trademark has become a common name for the goods or services for which it is registered as a result of the owner's activity or inactivity; or
- the trademark becomes misleading as a consequence of its use in the market.

Invalidation: Commercial courts can also invalidate a registration on absolute and relative grounds where the registration has been obtained unlawfully.

An invalidation action based on absolute grounds will not be time barred. However, if the owner of the earlier right has tolerated the use of the infringing mark for a period of five successive years, the right to bring an

invalidation action based on relative grounds will lapse, unless the infringing mark was registered in bad faith.

An owner of prior rights which wishes to act against a registration filed in good faith has five years from the date of publication of the notice of registration or the date on which the owner of prior rights becomes aware of the later trademark being used in Spain.

There is no time limit for action by an owner of prior rights against a registration filed in bad faith.

Searches

The SPTO can perform official searches. These include searches for identical and similar word marks and trade name searches (official searches for traditional graphic marks and non-traditional graphic marks are not available).

Enforcement Complexity

Registered trademark rights may be enforced through the Commercial Courts of Barcelona, Madrid, Valencia, Granada, Las Palmas, A Coruña and Bilbao and through any criminal court.

Civil actions for registered trademarks: Among other things, the rights holder may seek the following remedies:

- cessation of the infringing acts;
- compensation for damages;
- delivery or destruction of the infringing goods at the infringer's expense;

- delivery or destruction of the means principally used to commit the infringement at the infringer's expense;
- transfer of ownership of the infringing goods and the means intended to commit the infringement; and
- publication of the judgment at the infringer's expense.

The compensation for damages is fixed, at the injured party's discretion, according to one of the following criteria:

- the negative economic consequences suffered by the injured party, including the profits that the rights holder would have obtained if the infringement had not occurred or the profits obtained by the infringer as a consequence of the infringement and moral damages; or
- a lump sum amount that at least includes the amount that the infringer should have paid to the owner of the trademark for the granting of a licence.

Compensation for damages will also include the expenses incurred by the rights holder during the investigations carried out to obtain reasonable evidence of the infringement.

In addition, the rights holder can request compensation for the damages caused to the prestige of the trademark – in particular, due to a faulty fabrication or inadequate presentation of the illicit goods.

The rights holder is also entitled to request interim measures to ensure the effectiveness of the judgment adopted in the main action.

Three criteria must be satisfied to obtain an interim injunction:

- *fumus boni iuris* (ie, a *prima facie* case);
- *periculum in mora* (ie, urgency); and
- the provision of a bond to guarantee potential damages to the defendant.

An interim injunction may be issued either *ex parte* or following a contradictory hearing.

The Trademark Act sets no time limits for the pursuit of interim relief. However, as one of the criteria to be satisfied in order to obtain an interim injunction is urgency, the rights holder should file the corresponding request as soon as possible after becoming aware of the infringing acts.

Civil actions for unregistered trademarks:

The Trademark Act grants protection to unregistered trademarks that are well known in Spain. Therefore, since an unregistered well-known trademark is considered almost equivalent to an unknown registered trademark, there are no difficulties in enforcing such rights.

Criminal actions for registered trademarks:

Criminal proceedings can be commenced against those who intentionally manufacture, import, store or sell counterfeit goods. The legal penalties and remedies in criminal proceedings are:

- imprisonment of between one and four years for manufacturing, importing, offering, distributing, commercialising or storing wholesale counterfeit goods;
- imprisonment of between six months and three years for offering, distributing or commercialising retail sale counterfeit goods;
- imprisonment of between six months and two years for street vending and occasional sale of counterfeit goods (if certain requirements are met, imprisonment can be substituted by a fine);
- payment of damages (legal criteria established pursuant to Article 43); and
- destruction of the infringing goods.

These penalties can be extended for up to six years if, among other reasons, the crime has a special economic significance or because it has been committed by a criminal organisation or association.

Only the owners of registered trademarks can seek protection under criminal law.

Timeframe

The timeframe for civil actions for the protection of registered and unregistered trademarks is around one year at first instance and around two years for an appeal judgment.

Ownership changes and rights transfers

The Trademark Act does not require legalisation. Instead, the presentation of legalised documents is left to the applicant's discretion.

Related rights

An object of copyright, a design protection or rights related to the name or image of a person

may also be protected as a trademark, provided that it fulfils the legal requirements.

Online issues

The Trademark Act recognises that a registered rights holder has the exclusive right to use its trademark on interconnected communication networks and as a domain name. **WTR**

GRAU & ANGULO

ABOGADOS

Grau & Angulo

C/Nuñez de Balboa 120

Madrid 28006

Spain

Tel +34 91 353 36 77

Fax +34 91 350 26 64

Web www.ga-ip.com

Examination/registration

Representative requires a power of attorney when filing? Legalised/notarised?

Yes/No



Examination for relative grounds for refusal based on earlier rights?

Yes



Non-traditional marks registrable?

3D; sounds; movement; holographic; multimedia; position; and pattern.



Unregistered rights

Protection for unregistered rights?

Yes



Specific/increased protection for well-known marks?

Yes



Opposition

Opposition procedure available? Term from publication?

Yes: two months.



Removal from register

Can a registration be removed for non-use? Term and start date?

Yes: five years' non-use from the date when the registration of the trademark is final.

Are proceedings available to remove a mark that has become generic?

Yes



Are proceedings available to remove a mark that was incorrectly registered?

Yes



Enforcement

Specialist IP/trademark court?

Yes



Punitive damages available?

No



Interim injunctions available? Time limit?

Yes/No



Ownership changes

Is registration mandatory for assignment/ licensing documents?

No



Online issues

National anti-cybersquatting provisions?

Yes



National alternative dispute resolution policy (DRP) for local ccTLD available?

No: UDRP applies directly.

