

IMPLEMENTATION OF THE EU “TRADEMARK PACKAGE” IN FRANCE

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French IP Alert

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Further to the adoption of the so-called Trademark Package at the European level, comprised of Regulation no.2015/2424 (as codified by Regulation no.2017/1001 dated 14 June 2017) on European Union ("EU") Trademarks (the "Regulation") and Directive no.2015/2436, harmonizing member states' trademark regime (the "Directive"), both dated 16 December 2015, France was due to update its internal regulatory framework.

The PACTE Act no. 2019-486, adopted on 22 May 2019, implemented the Trademark Package at long last. While the Regulation addressed EU aspects and is of direct enforcement within member states, the Directive provided member states with some leverage on the internal implementation.

These new aspects aim at simplifying the enforcement of intellectual property rights ("IPR"), for both trademarks and the patents, by creating administrative procedures, rather than having to introduce a judicial action before the courts.

1. IMPLEMENTATION OF ADMINISTRATIVE REVOCATION AND INVALIDITY PROCEDURES

While IPR owners had the possibility to oppose an application by a third party prior to a registration before the French Trademark Office (*Institut National de la Propriété Intellectuelle* or "INPI"), revocation and invalidity procedures had to be filed before the civil courts.

Articles 121 and 201 of the PACTE grants the French government the authorization to implement a simplified procedure allowing patent owners and trademark owners, respectively, to petition INPI for revocation and invalidity. Such procedures, more affordable and faster, will likely facilitate the enforcement and protection of existing trademark portfolios.

Such implementation is expected to occur within the next nine months for patents and within six months for trademarks.

2. STATUTE OF LIMITATIONS FOR IPR

The implementation of the Trademark Package also allowed the French legislator to clarify the applicable statutes of limitations for actions based on infringement. While the duration of the statutes remains five years, the starting point for that duration has been clarified as "*from the day the right holder gained knowledge, or should have been aware, of the last iteration of a fact creating the cause of action*".

This welcome solution will allow right holders to introduce an action as long as the acts of infringement are perpetrated. It is also interesting to note that this statute of limitations has been adopted in similar terms for business secrets. While not considered IPR *per se*, this approach materializes the proximity of the two.

In addition, the PACTE Act explicitly prevents any statute of limitation for an action grounded on invalidity of IPR.

3. MANDATORY ASSESSMENT OF INVENTIVE ACTIVITY FOR PATENTS

While an assessment of the inventive activity has always been a staple of patents, the degree of the assessment had been limited in France to a very limited threshold. Thus, only invention that "*manifestly*" did not evidence such inventiveness could be rejected.

This situation led to an increasing number of judicial actions, as courts were the sole forum to reassesses such inventiveness.

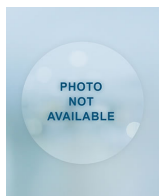
Starting in May 2010, the PACTE Act now requires patent applications to be reviewed in depth. The deletion of the term "*manifestly*" is also expected to force patent applicants to demonstrate the inventiveness rather than rely on the INPI to evidence the lack thereof.

4. UPDATES TO UTILITY CERTIFICATES

Utility certificates have often been perceived as a faster alternative to patents, due to the absence of a search report to be provided at the application stage. However, the short duration of this intellectual property title (six years) and the impossibility to switch to a patent protection once the procedure started deprived utility certificates of some of their "utility".

The PACTE Act extends the protection to ten years and introduces the possibility to transfer the application to a patent. These amendments should reinvigorate this protection and harmonize the regime and duration with other EU equivalents, subject to the adoption of a specific decree within the next twelve months.

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