

SPAIN

Trademark Act

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TITLE I GENERAL PROVISIONS

Article 1. Sphere of Application

(1) For the protection of distinctive signs, the following industrial property rights shall be granted in accordance with this Law:

- (a) trademarks;
- (b) trade names.

(2) Applications, grants and the other legal acts or business affecting the rights indicated in the previous subparagraph shall be entered in the Register of Trademarks, according to the provisions of this Law and the Regulations relating thereto.

(3) The Register of Trademarks shall be unique throughout the national territory and shall be kept by the Spanish Patent and Trademark Office, without prejudice to the powers entrusted to the Autonomous Communities in the enforcement of industrial property laws, according to the provisions of this Law.

Article 2. Acquisition of Rights

(1) The right of ownership in a trademark and a trade name shall be acquired by means of valid registration in accordance with the provisions of this Law.

(2) Where the registration of a trademark has been applied for with the dishonest use of the rights of a third party or an infringement of a legal or contractual obligation, the injured party may claim ownership of the trademark in the courts, provided that he files a claim in timely fashion prior to the date of registration, or within five years of the publication of the registration or from the time when the registered trademark has begun to be used in accordance with Article 39. Once the claim has been filed, the relevant court shall give notification thereof to the Spanish Patent and Trademark Office for the purposes of entry in the Register of Trademarks and shall decree, where appropriate, that the trademark registration procedure be suspended.

(3) If, as a result of the decision which settles a claim, there is a change in ownership of a trademark, the licenses and other rights of third parties therein shall be extinguished with the entry of the new owner in the Register of Trademarks, without prejudice to any right

which those third parties may have to demand transfer to them.

Article 3. Legitimation

(1) The registration of trademarks or trade names may be obtained by natural persons or legal persons, including public entities.

(2) The people mentioned in (1) may invoke the application to their benefit of the provisions of any international treaty that proves applicable in Spain, as long as it is directly applicable to them, as regards everything which is more favorable to them with regard to the provisions of this Law.

TITLE II CONCEPT OF A TRADEMARK AND REGISTRATION PROHIBITIONS

Chapter I Concept of a Trademark

Article 4. Concept of a Trademark

Trademarks may be any signs, especially words, including names of people, drawings, letters, figures, colors, the shape of the product or its packaging or sounds, on the condition that said signs are appropriate for:

(a) distinguishing the products or services of one company from those of other companies and

(b) being represented on the Register of Trademarks in such a way as to allow the competent authorities and the general public to determine the clear, precise object of the protection granted to its holder.

Chapter II Absolute Prohibitions

Article 5. Absolute prohibition

(1) The following signs may not be registered as trademarks:

- (a) Those which may not constitute a trademark as they fail to comply with article 4.
- (b) Those which are not distinctive in nature.
- (c) Those which are exclusively made up of signs or indications which may be used in commerce to designate the type, quality, quantity, purpose, value, geographic origin or time of obtaining the product or of rendering the service or other characteristics of the service or other features of the products or services.
- (d) Those which are solely made up of signs or indications which have become habitual in common language or in the faithful customs used in commerce.
- (e) Those solely made up of the form or other characteristic imposed by the actual nature of the product or the form or other characteristic of the product required to obtain a technical result, or by the form or other characteristic that lends a substantial value to the product.
- (f) Those which are contrary to the Law, public order or good practice.
- (g) Those which may mislead the public, for example, regarding the nature, quality or geographic origin of the product or service.
- (h) Those excluded from registration under national or EU legislation or owing to international agreements to which the EU or Spanish State is party which bestow protection upon denominations or origin and geographic indications.
- (i) Those excluded from registration under EU legislation or international agreements to which it is party and which bestow protection upon traditional wine terms.
- (j) Those excluded from registration under EU legislation or international agreements to which it is party and which bestow protection upon guaranteed traditional specialties.
- (k) Those which consist of, or reproduce in their essential elements, the denomination of a prior variety of plant, registered in accordance with EU legislation or national Law, or the international agreements to which the EU or Spain is party which determine the protection of varieties of plants, and which refer to new varieties of plants of the same, or closely related, species.

(l) Those which reproduce or imitate the shield, flag, decorations and other emblems of Spain, its Autonomous Communities, its municipalities, provinces or other local entities, unless proper authorization is obtained.

(m) Those which have not been authorized by the competent authorities and have to be denied by dint of article 6 ter of the Paris Convention.

(n) Those which include insignias, emblems or shields other than those considered in article 6 ter of the Paris Convention and which are in the public interest, unless their registration has been authorized by the competent authority.

(2) The registration of a trademark shall not be denied in accordance with the provisions of (1), letters (b), (c) or (d) if, before the registration granting date, owing to the use made thereof, it has acquired a distinctive nature.

Chapter III Relative Prohibitions

Article 6. Prior Trademarks

(1) Signs may not be registered as trademarks if they are:

- (a) identical to a prior trademark which designates identical goods or services;
- (b) identical or similar to a prior trademark and, since the goods or services which they designate are identical or similar, there is a risk of confusion among the public; the risk of confusion shall include the risk of association with the prior trademark.

(2) For the purposes of paragraph (1), prior trademarks mean:

- (a) registered trademarks, the application for registration of which has a filing or priority date prior to that of the application under examination, and which belong to the following categories:
 - (i) Spanish trademarks;
 - (ii) trademarks which have been the subject of an international registration which has effect in Spain;
 - (iii) trademarks of the European Union (hereinafter EU trademarks);
- (b) registered EU trademarks which, in accordance with the relevant Regulation, validly claim the age of one of the trademarks mentioned in (a)(i) and (ii), even where the latter trademark has been the subject of a withdrawal or has lapsed;
- (c) the trademark applications to which reference is made in (a) and (b), provided that they are finally registered;
- (d) unregistered trademarks which, on the application or priority date of the trademark being examined, are "well known" in Spain within the meaning of Article 6bis of the Paris Convention.

Article 7. Prior Trade Names

(1) Signs may not be registered as trademarks if they are:

- (a) identical to a previous trade name which designates activities identical to the goods or services for which the trademark is sought;
- (b) identical or similar to a prior trade name and, since the activities which they designate are identical or similar to the goods or services for which the trademark is sought, there is a risk of confusion among the public; the risk of confusion includes the risk of association with the prior trade name.

(2) For the purposes of this Article, prior trade names means:

- (a) trade names registered in Spain, the application for registration

of which has a filing or priority date prior to that of the application under examination;

(b) applications for the trade names to which the previous subparagraph refers, provided that they are finally registered.

Article 8. Known and famous registered trademarks and trade names

(1) A sign cannot be registered as a trademark which is identical or similar to a previous trademark, regardless of whether the products or services for which the application has been made are identical, or in other words, are not similar to those for which the previous trademark was registered when the previous trademark is well-known in Spain or, if it is a trademark of the EU, in the European Union, and using the subsequent trademark, carried out without fair reason, an unfair advantage could be obtained from the distinguishing feature or renown of the previous trademark, or said use could be prejudicial to said distinguishing feature or renown.

(2) The reinforced protection foreseen in (1) shall also apply to famous trade names.

Article 9. Other Prior Rights

(1) Without due authorization, the following may not be registered as trademarks:

(a) the proper name or image which identifies a person other than the trademark applicant;

(b) the first name, surname, pseudonym or any other sign which, in the eyes of the general public, identifies a person other than the applicant;

(c) signs which reproduce, imitate or transform creations protected by copyright or by another industrial property right, other than those envisaged in Articles 6 and 7;

(d) the trade name, name or business name of a legal person who, prior to the filing or priority date of the trademark applied for, identifies in economic transactions a person other than the applicant if, since it is identical or similar to such signs and its sphere of application is identical or similar, there is a risk of confusion among the public. For these purposes, the owner of those signs shall prove the use or knowledge of said signs throughout the national territory. Should they satisfy these requirements, the foreigners who, in accordance with Article 3 of this Law may invoke Article 8 of the Paris Convention or the principle of reciprocity, shall enjoy equal protection, provided

that they supply proof of the use or knowledge in Spain of their unregistered trade name.

(2) The first names, surname, pseudonym or any other sign identifying a registration applicant may not be registered as trademarks if they infringe any of the registration prohibitions contained in this Title.

(3) Furthermore, the trademark registration shall be denied insofar as, in accordance with the legislation of the EU or the national Law which determines the protection of denominations of origin and geographic indications, the following conditions occur:

(a) An application for denomination of origin or geographic indications has already been submitted in accordance with the legislation of the EU or national Law before the date of application for registration of the trademark or the priority date claimed for it, on condition that said denomination of origin or geographic indication has finally been registered.

(b) Said denomination of origin or geographic indication bestows upon the authorized person, under the legislation applicable to exercise the rights deriving from it, the right to prohibit the use of a subsequent trademark.

Article 10. Trademarks of Agents or Representatives

(1) Unless he justifies his action, the agent or representative of a trademark holder cannot register said trademark in his name without the consent of said holder.

(2) The aggrieved owner shall have the right to oppose the registration of the trademark or to take the corresponding action for invalidation, or file claims or cessation requests against the trademark, in accordance with the provisions of this Law and Article 6septies of the Paris Convention. In particular, the provisions contained in Article 2(2) and (3) shall apply to the claim filed.

TITLE III REGISTRATION APPLICATION AND PROCEDURE

Chapter I Registration Application

Article 11. Filing of an Application

(1) A trademark registration application shall be filed with the competent body of the Autonomous Community where the applicant is domiciled or has a real and effective industrial or commercial establishment.

(2) Applicants domiciled in the cities of Ceuta and Melilla shall file their applications with the Spanish Patent and Trademark Office.

(3) Applicants not domiciled in Spain shall file their applications with the Spanish Patent and Trademark Office.

(4) Applications may also be filed with the competent body of the Autonomous Community where the applicant's representative has his legal domicile or a real and effective subsidiary.

(5) Applications may also be filed with the Spanish Patent and Trademark Office if the applicant or his representative so requests through a real and effective commercial or industrial establishment which is non-territorial in nature.

(6) The body competent to receive an application shall, at the time the application is received, record the application number and the day, hour and minute of its filing, in the form prescribed by regulations.

(7) The competent body of the Autonomous Community which receives the application shall forward to the Spanish Patent and Trademark Office, within five days of receipt of the application, data on the application in the form and with the content prescribed by regulation.

(8) A trademark registration application may also be filed in the places provided for in Article 38(4) of Law 30/1992 of November 26, 1992, on Legal Rules for Public Administrations and Joint Administrative Procedure, with the body which, in accordance with the above paragraphs, is competent to receive the application.

(9) Both the application and the other documents to be filed with the Spanish Patent and Trademark Office shall be drafted in Spanish. In Autonomous Communities where another official language exists, said documents may be drafted in that language and also in Spanish.

Article 12. Application requirements

(1) Any application for trademark registration must contain at least:

- (a) A body from whom trademark registration is requested.
- (b) Information that allows the applicant to be identified.
- (c) A representation of the trademark that meets the requirements set out in article 4(b).
- (d) The list of products or services for which registration is applied for.

(2) The application shall give rise to the payment of a fee, the amount of which shall be determined by the number of classes of goods or services of the International Classification established under the Nice Agreement of June 15, 1957, that have been requested.

(3) A trademark application shall satisfy the other requirements established by regulation.

Article 13. Application Filing Date

(1) The application filing date shall be that of the time when the competent body, in accordance with Article 11, receives the documents containing the items stated in Article 12(1).

(2) The filing date of applications deposited at a post office shall be that of the time when said office receives the documents containing the items provided for in Article 12(1), provided that they are filed in an open envelope, by registered mail with acknowledgement of receipt, sent to the body competent to receive the application. The post office shall record the day, time and minute of the filing.

(3) If any of the bodies or administrative units to which the previous paragraphs refer has not recorded, at the time the application is received, the hour of its filing, the last hour of the day shall be so designated. If the minute has not been recorded, the last minute of the hour shall be so designated. If neither the hour nor the minute has been recorded, the last hour and minute of the day shall be so

designated.

Article 14. Union Priority

(1) Any persons who have filed a trademark registration application in accordance with regulations in any of the States party to the Paris Convention or Members of the World Trade Organization, or their beneficiaries, shall be entitled, for the filing in Spain of an application to register the same trademark, to the right of priority established in Article 4 of the Paris Convention.

(2) The same right of priority shall be held by any persons who have filed a first application for protection of the same trademark in a State or international organization not mentioned in the previous paragraph which recognizes for trademark registration applications filed in Spain a right of priority, subject to the requirements of and with effects equivalent to those provided for in the Paris Convention.

(3) An applicant who wishes to claim the priority of a previous application shall submit, in the form and by the time limits established by regulation, a declaration of priority and a copy certified by the originating Office of the prior application, accompanied by a translation thereof in Spanish where that application is drafted in another language. The priority claim shall give rise to payment of the corresponding fee.

Article 15. Exhibition Priority

(1) A trademark applicant who has designated with the trademark goods or services at an official or officially recognized exhibition shall enjoy the right of priority of the date of the first showing at the exhibition of the goods or services bearing the trademark applied for, provided that the trademark registration application is filed within six months of that date.

(2) An applicant who wishes to claim the priority provided for in paragraph (1) shall provide evidence, in the terms prescribed by regulation, that the goods or services were displayed at the exhibition with the trademark applied for and on the date stated. The priority claim shall give rise to payment of the corresponding fee.

Chapter II Registration Procedure

Article 16. Examination of Admissibility and Form

(1) The body competent to receive an application shall, in accordance with Article 11, examine whether:

(a) the trademark application meets the requirements for a filing date to be granted in accordance with Article 13;

(b) the application fee has been paid;

(c) the trademark application meets the other requirements as to be established by regulation;

(d) the applicant is authorized to apply for a trademark in accordance with Article 3 of this Law.

(2) If it emerges from the examination that the application has some irregularity or defect, a decision shall be taken to suspend the proceedings and the applicant shall be granted the period prescribed by regulation for rectifying it or, where appropriate, for putting forward the relevant arguments.

(3) If the irregularity consists of a failure to satisfy the requirements necessary to obtain a filing date, that of the day on which the irregularity is corrected shall be granted.

(4) If the irregularity consists of a failure to pay the application fee and the period for correcting the irregularity has elapsed without said fee being paid in full, the procedure with regard to those classes for which full payment has been made shall continue, in the order indicated in the application.

(5) Once the period fixed in paragraph (2) has elapsed with no answer having been given by the interested party, the competent body shall settle the matter by considering the application withdrawn. It shall act in the same manner where, in the opinion of the competent body, the irregularities have not been duly corrected.

Article 17. Forwarding of an Application

(1) The competent body of the Autonomous Community shall forward to the Spanish Patent and Trademark Office, with all the relevant documents, the applications which have passed the examination as to form or in which the defects observed have been corrected with an indication, where appropriate, of the filing date granted where this

has been rectified in accordance with Article 16(3).

(2) Applications which have been withdrawn shall be notified to the Spanish Patent and Trademark Office, once the decision is final, with an indication of its adoption date. If the decision has been challenged, this fact shall also be notified.

Article 18. Publication of an Application

(1) Once a trademark application has been received, the Spanish Patent and Trademark Office shall publish it in the Official Industrial Property Gazette, except where the trademark is contrary to public order or good customs in accordance with Article 5(1)(f). In this case, the objection raised shall be communicated to the interested party so that he may put forward suitable arguments within the period established by regulation. The Spanish Patent and Trademark Office shall settle the matter by deciding whether to continue the proceedings or to reject the application.

(2) If an application shows any defect not observed in previous proceedings which make its publication impossible, the Spanish Patent and Trademark Office shall communicate the defect to the interested party so that it may be corrected, in accordance with Article 16.

(3) The publication of a trademark application, to which paragraph (1) refers, shall include:

- (a) the name and address of the applicant;
- (b) the name and address of the representative, if any;
- (c) the number of the file, the filing date and, where appropriate, the priority claimed;
- (d) the reproduction of the sign for which a trademark is applied for and, where appropriate, a declaration according to the terms of Article 21(2);
- (e) the list of goods or services, with an indication of the class of the International Classification.

(4) Similarly, the Spanish Patent and Trademark Office shall, in the manner determined by regulation, communicate the publication of the application to which paragraph (1) refers, simply for information purposes, to the owners of the prior signs registered or applied for and which have been detected as a consequence of a computer search carried out by said Office in accordance with its technical and

financial capabilities, and who under Articles 6 and 7 may oppose the registration of the new application.

Article 19. Opposition and observations by third parties

(1) Once the trademark application has been published, the following may file their opposition to the registration thereof, invoking the registration prohibitions foreseen in Title II:

(a) In those cases foreseen in article 5(1), any natural or legal person who deems themselves to have been harmed.

(b) In those cases foreseen in articles 6(1), 7(1) and 8 the holders of the previous trademarks or trade names considered in articles 6(2) and 7(2) as well as the licensees entitled by the holders of said trademark or trade names.

(c) In those cases foreseen in article 9(1) the holders of the prior rights considered in said section or the people entitled to exercise said rights.

(d) In those cases foreseen in article 9(3) those people authorized to exercise, under the applicable legislation, the rights that derive from the attendant denomination of origin or geographic indication protected.

(e) In the case foreseen in article 10(1) the holders of the trademarks considered in said section.

(2) An expression of opposition shall be made to the Spanish Patent and Trademark Office in writing, in a reasoned and duly documented form, and within the period established by regulation, and shall be deemed to have been submitted only if within this period the corresponding fee is paid.

(3) The opposition may be filed based on one or more prior rights whenever they all belong to the same holder, as well as based on all or part of the products or services for which the prior right has been protected or requested, and said opposition may be filed against all or part of the products or services for which the trademark which is the object of opposition has been requested.

(4) The bodies of the Public Administrations and the consumer and user associations, formed and registered in accordance with the State or Autonomous legislation applicable to them, as well as the Regulatory Councils or supervisory bodies of the denominations of origin or geographic indications protected, may contact the Spanish Patents and

Trademarks' Office within the timeframe foreseen in (2), written observations, indicating the prohibitions of article 5, by dint of which it would duly deny ex officio the registration of the trademark. Said bodies and associations shall not acquire the capacity of parties in the procedure, but their observations shall be notified to the applicant of the trademark and they shall be decided upon in accordance with article 22.

Article 20. Substantive Examination

(1) Similarly, the Spanish Patent and Trademark Office shall examine ex officio whether a trademark application infringes any of the prohibitions envisaged in Articles 5 and 9(1)(b). If, in carrying out the examination, the Office observes any defect in the application, this shall be notified to the applicant in accordance with Article 21(1).

(2) If, within the established period, no opposition or observations have been formulated by third parties and, from the examination carried out by the Spanish Patent and Trademark Office, the trademark application does not infringe any of the prohibitions contained in Articles 5 and 9(1)(b), the trademark shall be registered. In this case, the Spanish Patent and Trademark Office shall, in the form established by regulation, publish an announcement of the registration of the trademark in the Official Industrial Property Gazette and shall grant the trademark registration title.

Article 21. Suspension of an Application

(1) Where opposition has been raised or observations have been submitted by a third party, or from the examination conducted by the Spanish Patent and Trademark Office an application infringes, for all or part of the goods or services applied for, any of the prohibitions or defects referred to in Article 20(1), the suspension of proceedings shall be ordered and the opposition and observations made shall be communicated to the applicant together with the objections raised ex officio so that, within the period defined by regulation, the applicant may put forward his arguments.

(2) In response to the suspension, the applicant may withdraw, limit, amend or divide the application in accordance with Articles 23 and 24. If the reason for the suspension is based on the fact that the trademark applied for contains elements infringing the prohibitions

contained in Article 5(1)(b), (c) or (d), the applicant may submit a declaration excluding those items from the protection applied for.

(3) At the request of the applicant, the holder of the prior trademark who might have filed opposition shall provide the proof that, during the course of the five years prior to the submission date or priority date of the subsequent trademark, the prior trademark was the object of effective usage, in accordance with the provisions of article 39, or that there have been justified reasons for its non-usage, provided that on said submission or priority date of the subsequent trademark, the prior trademark has been registered for at least five years, in accordance with article 39. If said proof is not available, the opposition shall be dismissed.

(4) In the eventuality considered in the previous section above, and if the prior requirements foreseen therein have been complied with, the Spanish Patents and Trademarks' Office shall notify the petitioner to the opponent so that, within the timeframe determined by the regulations, it can submit the attendant proof of usage. The Office shall also notify the petitioner of the proof submitted to submit its allegations within the timeframe determined by the regulations.

(5) If the prior trademark has only been used for part of the products or services for which it has been registered, for the purposes of examining the opposition filed, it shall be deemed to have been registered solely for said part of the products or services.

(6) (3), (4) and (5) of the present article shall also be applicable when the previous trademark is a trademark of the EU. Should this be the case, the effective use of a trademark of the EU shall be determined in accordance with the stipulations of article 18 of (EU) Regulation no. 2017/1001.

(7) By way of a royal decree the Government will carry out the regulatory development of that foreseen in this article.

Article 22. Application Decision

(1) Once the timeframe stipulated for answering the suspension has elapsed, or, where applicable, the timeframes foreseen in article 21(4), whether the parties concerned have answered or not, the

Spanish Patents and Trademarks' Office shall decide upon the granting or denial of registration of the trademark, concisely specifying the reasons on which said decision has been based.

(2) If the cause of the refusal to register a trademark exists only in relation to certain goods or services, the refusal to register shall be limited to the goods or services in question.

(3) The settlement resulting in a refusal to register a trademark shall be published in the Official Industrial Property Gazette in the form determined by regulation.

(4) Once trademark registration has been granted, the Spanish Patents and Trademarks' Office, in the manner determined in the Regulations, will duly publish them in the «Boletín Oficial de la Propiedad Industrial» (Official Industrial Property Gazette) and issue the title of trademark registration. This title may be issued electronically.

Chapter III General Procedural Provisions

Article 23. Withdrawal, Limitation and Amendment of the Application

(1) An applicant may at any time withdraw his trademark application or limit the list of goods or services contained in the application.

(2) A trademark application may, at the request of the applicant, be amended only in order to correct his name and address, errors of expression or transcription or manifest errors, provided that such a correction does not substantially affect the trademark nor extend or change the list of goods or services. Those items which do not significantly alter the distinctive character of the trademark in the form in which it was applied for may also be removed from the specifications.

(3) The limitation and modification of the application, when it is made spontaneously by the applicant and not as a result of a suspension decreed ex officio, shall give rise to payment of the attendant charge.

Article 24. Division of an Application or Registration of the Trademark

(1) An applicant or owner of a trademark comprising various goods or services may divide the application or registration thereof into two or more divisional applications or registrations, distributing between them the goods or services listed in the original application or registration.

(2) The trademark application or registration may be divided only during the registration or appeal proceedings and shall be accepted only if, with said division, the suspension, opposition or appeal remains limited to one of the divisional applications or registrations. The application or registration may be divided also where a partial transfer thereof is requested.

(3) Divisional applications or registrations shall retain the original application filing or registration date and continue to benefit from the right of priority, if any.

(4) The division shall be subject to whatever is established by regulation and shall give rise to payment of the corresponding fee.

Article 25. Restoration of Rights

(1) A trademark applicant or owner, or any other party to proceedings with the Spanish Patent and Trademark Office, who, even though he has observed all the formalities required by circumstances, has not been able to respect a time limit in relation to said Office, shall, subject to a request, have his rights restored if, as a direct consequence of his inability to act, under the provisions of this Law or its Regulations, he has lost a right. Should the time limit correspond to the lodging of an appeal, it shall result in admission to proceedings, except as provided in paragraph (5).

(2) The application shall be filed in writing from the time when the obstacle ceases to exist, in the form and by the time limit established by regulation. Incomplete proceedings shall be completed by that time limit. The application shall be admissible only within one year of the expiry of the time limit not observed. If the application for renewal has not been filed, the one-year period shall be reduced by the additional period of six months referred to in the second subparagraph of Article 32(3).

(3) Reasons for the application shall be stated, with an indication of the facts and justifications put forward in support thereof. It shall only be considered to have been filed when the fee for restoration of rights has been paid.

(4) The body competent to take a decision on any act which has not been completed shall also be competent to settle an application.

(5) The provisions of this Article shall not apply to the time limits envisaged in paragraph (2) of this Article, Article 14(1) and (2), Article 15(1) and Article 19(2). These provisions shall likewise not apply to the time limit for lodging an appeal against an act declaring rights.

(6) Where a trademark applicant or owner has his rights restored, he may not assert his rights against a third party who, in good faith, has marketed goods or provided services bearing a sign identical or similar to the trademark during the period included between the loss of the right to the application or to the trademark and the publication of details of the re-establishment of those rights.

(7) The right to an application or to a trademark shall not be restored where, in the period included between the loss thereof and the filing of an application for restoration, a third party has in good faith applied for or registered an identical or similar sign.

(8) An appeal against a decision restoring the rights of an applicant may be lodged by a third party able to avail himself of the provisions of paragraphs (6) and (7).

Article 26. Suspension of Proceedings

The Spanish Patent and Trademark Office may suspend proceedings:

(a) When the opposition is based on a prior application, until the time when the final registration of said application occurs or there is a final decision in this regard.

(b) At the request of the applicant who has submitted against the prior opposing sign an application or counterclaim for invalidity or lapse or a claim action, until a final judgment or decision has been passed, all without prejudice to the possible judicial suspension.

(c) where a divisional application is filed, for the time required for the settlement of the application;

(d) at the joint request of all interested parties, without the suspension exceeding six months in such a case.

Article 27. Review of Administrative Acts

(1) The acts of and decisions taken by the authorities of the Spanish Patent and Trademark Office shall be subject to appeal, in accordance with Law 30/1992, of November 26, 1992, on Legal Rules for Public Administrations and Joint Administrative Procedure.

(2) The lodging of an appeal shall give rise to payment of the appeal fee. The fee shall not be reimbursed other than where the appeal is based completely on legal reasons resorted to and the improper appreciation of which in the decision is attributable to the Spanish Patent and Trademark Office. Reimbursement of the fee shall be requested by lodging the appeal and shall be granted at the time of settlement.

(3) In the event of the granting of a trademark, the Spanish Patents and Trademarks' Office cannot exercise, ex officio or at the behest of party, the powers of inspection foreseen in article 106 of Law 39 enacted on 1 October 2015 regarding the Common Administrative

Procedure of the Public Administrations, if the trademark invalidity is based on any of the grounds foreseen in articles 51 and 52 of the present Law. Said Causes of invalidity shall only prevail in the procedures foreseen in said articles.

(4) The acts and decisions taken, by virtue of their powers, by the competent authorities of the Autonomous Communities, shall be subject to appeal in accordance with the provisions of Law 30/1992, of November 26, 1992, on Legal Rules for Public Administrations and Joint Administrative Procedure, as well as the basic provisions governing the work of the relevant authorities.

Article 28. Arbitration

(1) Interested parties may submit to arbitration the matters of dispute arising during the proceedings for the registration of a trademark, in accordance with the provisions of this Article.

(2) Arbitration may deal only with the relative prohibitions provided for in Articles 6(1)(b), 7(1)(b), 8 and 9 of this Law. In no case may matters referring to the existence or otherwise of formal defects or absolute registration prohibitions be subject to arbitration.

(3) An arbitration agreement shall be valid only if it is signed, in addition to the trademark applicant, by:

(a) the owners of the prior rights who have caused the trademark to be rejected and, where appropriate, by its exclusive registered licensees;

(b) the owners of the prior rights who have opposed the registration of a trademark and, where appropriate, its exclusive registered licensees;

(c) any persons who have lodged an appeal or have appeared in court during the appeal.

(4) The arbitration agreement shall be notified to the Spanish Patent and Trademark Office by the interested parties once the administrative proceedings for trademark registration have been completed and before the administrative act which has put an end thereto has been firmly adopted. Once the special appeal against the act granting or refusing registration has been settled, the administrative challenge procedure shall be prompt, except where the signature of an arbitration agreement is used before the Office.

(5) Once the arbitration agreement has been endorsed and as long as it is valid, no ordinary administrative appeal claiming the inadmissibility of the agreement may be lodged. Similarly, where the agreement has previously been endorsed, it shall be withdrawn.

(6) A firm arbitration decision shall have the effect of *res judicata*, in accordance with Article 37 of Law 36/1988, of December 5, 1988, on Arbitration, which is enforced in relation to all matters for which no provision is made by this Article, and the Spanish Patent and Trademark Office shall act as necessary to enforce the decision.

(7) The submission of the remedies used in relation to an arbitration decision shall be communicated to the Spanish Patent and Trademark Office. Once a firm decision has been taken, it shall be formally communicated to the Spanish Patent and Trademark Office for enforcement.

Article 29. Notifications

(1) The notifications to be made by the Spanish Patent and Trademark Office shall comply with the provisions of Law 30/1992, of November 26, 1992, on Legal Rules for Public Administrations and Joint Administrative Procedure, without prejudice to the provisions of the following paragraphs.

(2) Where a recipient so requests and has a post box at the Spanish Patent and Trademark Office, notifications shall be made by deposit in said box of the act or decision to be notified. The notification shall specify the date of deposit, and shall have effect as from the fifth day thereafter.

(3) Where the interested party so requests, notifications shall be made by publication in the Official Industrial Property Gazette, via facsimile, electronic mail or any other technical means available to the Spanish Patent and Trademark Office. Notifications made to an interested party through a professional representative shall, in all cases, be through the publication in the Official Industrial Property Gazette of the decision taken, with an indication of whether it is final in administrative terms, the appropriate remedies, the body to which they must be submitted and the time limit within which they must be made, without prejudice, also previously, to the fact that, for

simple information purposes, the full text of the act is communicated to said representative by depositing it in the post box available at the Spanish Patent and Trademark Office, electronic mail or other suitable means available at the Office, in the form determined by regulation.

(4) Whosoever is party to a procedure before the Spanish Patents and Trademarks' Office in which they act on their own behalf and do not have any domicile nor registered office in Spain, must, for the purposes of notifications, designate a postal address in Spain or in the European Economic Area or, failing that, they may indicate that the notifications should be addressed to them by any other technical means of communication that the Office has available. All of this being without prejudice to the stipulations of article 175(2) of Law 24 enacted on 24 July 2015 regarding Patents.

(5) Where the parties involved in proceedings are unknown, the place of notification in Spain is unknown or it has not been possible to make a notification after two attempts, the notification shall be made through publication in the Official Industrial Property Gazette.

(6) The notifications to be made by the competent authorities of the Autonomous Communities shall be in accordance with the provisions of Law 30/1992, of November 26, 1992, on Legal Rules for Public Administrations and Joint Administrative Procedure, and the specific provisions applicable thereto.

Article 30. Public Consultation of Records

(1) The records relating to registration applications not yet published may be consulted only with the applicant's consent. Notwithstanding, any person who proves that the registration applicant has claimed to use in relation thereto the rights derived from his application may consult the record prior to publication thereof and without the applicant's consent.

(2) Once an application has been published, the records may be consulted, subject to a request being made and to the limitations established by regulation.

(3) The legal status of the records shall be made public by telematic means in the form and with such technical limitations as may exist

together with those established by regulation.

TITLE IV DURATION, RENEWAL AND AMENDMENT OF THE REGISTERED TRADEMARK

Article 31. Duration

Registration of a trademark shall be granted for ten years beginning on the date of filing of an application and may be renewed for successive ten-year periods.

Article 32. Renewal

(1) The registration of a trademark shall be renewed subject to an application filed with the Spanish Patent and Trademark Office or the bodies referred to in Article 11 by the owner of the trademark or his beneficiaries, who shall provide proof of their status in the manner provided for by regulation. If an application is not filed with the Spanish Patent and Trademark Office, the body which receives it shall forward it, together with the accompanying documentation, within five days to the Office, including the period for settlement of the application beginning from the time when the file is received.

(2) The application shall be filed together with proof of payment of the renewal fee, the amount of which shall be determined by the number of classes included in the renewal application.

(3) The application shall be filed and the fee paid in the six months prior to expiry of the registration. Failing that it may still be done validly within a period of six months from the date of expiry of the registration, with the obligation to pay simultaneously an extra charge of 25 per cent of the amount where entry takes place during the first three months, and 50 per cent if it takes place within the following three months.

(4) If the renewal fee or, where applicable, the extra charges are not paid in full, renewal with regard to those classes paid in full shall be granted, according to the order of the application.

(5) If the renewal application includes only part of the goods or services for which the trademark has been registered, the registration of the trademark shall be renewed only in relation to the goods or services in question.

(6) The renewal, which shall be entered in the Register of Trademarks and published in the Official Industrial Property Gazette, shall take

effect from the day following that of the date of expiry of the corresponding ten-year period.

(7) Where a renewal is not granted, 75 per cent of the renewal fee paid shall be reimbursed at the request of the interested party.

(8) The Spanish Patents and Trademarks' Office may determine that, in those cases involving the total renewal of the trademark, payment of the renewal charge may be considered to constitute a renewal application. The regulation shall determine the conditions that have to be met under this renewal option.

Article 33. Amendment

(1) A trademark shall not be amended in the Register either during the period of validity or when it is renewed. Nevertheless, if the trademark includes the name and address of the owner, any amendment or deletion thereof which does not substantially affect the identity of the trademark as originally registered may be registered at the owner's request.

(2) An application for amendment, filed with the Spanish Patent and Trademark Office or the competent body in accordance with Article 11, shall give rise to payment of the corresponding fee and, if registered, a reproduction of the trademark as amended shall be published in the Official Industrial Property Gazette. Any third party who deems himself to have been injured may appeal against such an amendment. If the application is not filed with the Spanish Patent and Trademark Office, action shall be taken in accordance with and for the purposes expressed in paragraph (1) of the previous Article.

TITLE V CONTENT OF THE RIGHT TO A TRADEMARK

Chapter I Effects of Registration of the Trademark and the Application Therefor

Article 34. Rights Conferred by the Trademark

(1) The registration of a trademark shall confer upon its holder an exclusive right.

(2) Without prejudice to the rights acquired by the holders before the submission date for the registration application or the priority date of the registered trademark, the holder of said registered trademark shall be entitled to prohibit any third party from using, without its consent, in economic transactions, any sign with regard to products or services when:

(a) The sign is identical to the trademark and is used for products or services identical to those for which the trademark is registered.

(b) The sign is identical or similar to the trademark and is used for products or services identical or similar to the products or services for which the trademark is registered if there is any risk of confusion by the public; the risk of confusion includes the risk of association between the sign and the trademark.

(c) The sign is identical or similar to the trademark, regardless of whether it is used for products or services that are identical, in other words, not similar to those for which the trademark is registered when the latter enjoys renown in Spain and, by using the sign carried out without justified reason, an unfair advantage is obtained from the distinctive nature or renown of the trademark or said use is prejudicial to said distinctive nature or said renown.

(3) When the conditions set out in (2) are complied with, the following could be specifically prohibited:

(a) Placing the sign on the products or on their packaging.

(b) Offering the products, marketing them or storing them for said purposes or offering or providing services with the sign.

(c) Importing or exporting the products with the sign.

(d) Using the sign as a trade name or business name, or as part of a trade name or business name.

(e) Using the sign in commercial documents and advertising.

(f) Using the sign on electronic communication networks and as a domain name.

(g) Using the sign in comparative advertising in a manner that breaches Directive 2006/114/CE.

(4) When there is any risk that the packaging, the labels, the tags, the security elements or authenticity devices or other media on which the trademark is placed, may be used with regard to certain products or services and this use constitutes a violation of the rights of the trademark holder under (2) and (3), the holder of said trademark shall be entitled to prohibit the following acts in economic transactions:

(a) the placement of a sign which is identical or similar to the trademark on the packaging, the labels, the tags, the security elements or authenticity devices or other media on which the trademark is placed.

(b) The offer or marketing, or storage for said purposes, or the import or export of packaging, labels, tags, security elements or authenticity devices or other media on which the trademark is placed.

(5) Without prejudice to the rights of the holders acquired before the date of submission of the application or the priority date of the registered trademark, the holder of said registered trademark shall also be entitled to prevent, in economic transactions, any third parties from introducing products in Spain, without them being released into free circulation, when involving products, including their packaging, which derive from third countries and which bear, without authorization, a trademark identical to the registered trademark for these products, or which cannot be distinguished, in terms of their essential aspects, from said trademark.

This right confer upon the holder of the registered trademark shall be extinguished if, during the procedure to determine whether the registered trademark has been violated, commenced in accordance with (EU) Regulation no.608/2013, the declarant or holder of the products believes that the registered trademark holder does not have the right to prohibit the marketing of the products in the country of final destination.

(6) The owner of a registered trademark may prevent traders or distributors from removing said trademark without his express consent,

although he may not prevent the separate addition by such persons of their own trademarks or distinctive signs, provided that this does not harm the distinctive nature of the main trademark.

(7) The provisions of this Article shall apply to an unregistered trademark "well known" in Spain within the meaning of Article 6bis of the Paris Convention, except as provided in paragraph 2(c).

Article 35. Reproduction of the Trademark in Dictionaries

If the reproduction of a trademark in a dictionary, an encyclopedia or a similar consultation work, in printed or electronic format, lends the impression that it constitutes the generic term for the products or services for which the trademark has been registered, the publisher of the work, at the request of the trademark holder, will strive to ensure that the reproduction thereof will be accompanied, without delay and, in the case of printed works, no later than the next edition of the work, by an indication that it is a registered trademark.

Article 36. Exhaustion of Trademark Rights

(1) The right conferred by trademark registration shall not enable the trademark owner to prohibit its use by third parties for goods marketed in the European Economic Area with said trademark by the owner or with his consent.

(2) Paragraph (1) shall not apply where legitimate reasons exist for the owner to oppose the subsequent marketing of the goods, in particular where the condition of the goods has been modified or changed following their marketing.

Article 37. Limitations of Trademark Rights

(1) A trademark will not allow its holder to prohibit a third party from making use during economic transactions:

(a) Of its name or address when the third party is a natural person.

(b) Of any signs or indications lacking a distinctive nature or pertaining to the type, quality, quantity, destination, value, geographic origin, the time of production of the product or of the service rendered or to any other characteristics of the product or service.

(c) Of the trademark, for the purposes of designating products or services as pertaining to the holder of this trademark or of making

reference to them, in particular when the use of this trademark is necessary to indicate the destination of a product or a service, in particular, as accessories or spare parts.

(2) (1) shall only apply if the use by the third party complies with fair practice in industrial or commercial terms.

(3) The trademark right may not be invoked to exempt its holder from replying to any actions addressed against it owing to a violation of other industrial or intellectual property rights that have a prior priority date.

Article 38. Temporary Protection

(1) The right granted by the registration of a trademark may only be exercised in relation to third parties from the time of publication of the grant of the trademark. Nevertheless, a trademark registration application shall provide its owner, from the date of its publication, with temporary protection consisting of the right to request compensation that is reasonable and suited to the circumstances where a third party has, between that date and the date of publication of the grant, undertaken use of the trademark which, following that period, would be prohibited.

(2) The same temporary protection shall be applicable even before the publication of the application in relation to any person to whom the filing and content thereof have been notified.

(3) It shall be understood that a trademark registration application has never had the effects provided for in paragraph (1) where it has been withdrawn or has been due for withdrawal, or where it has been rejected as the result of a final decision.

(4) The temporary protection provided for in this Article may only be claimed following publication of the grant of trademark registration.

Chapter II Obligation to Use the Trademark

Article 39. Use of the Trademark

(1) If, within the term of five years after its registration date, the trademark has not been subject by its holder to any effective use in Spain with regard to those products or services for which it has been registered, or if said use has been suspended during an uninterrupted period of five years, the trademark shall be subject to the limits and sanctions foreseen in article 21(3) and(5), article 41(2), article 54(1), letter (a) and article 59(4) and(5), unless there are reasons which justify the lack of usage.

(2) The five-year date referred to in the previous section shall commence as from the day on which trademark registration becomes final. This date shall be annotated at the Register of Trademarks.

(3) The following shall also be regarded as usage for the purposes of the provisions of (1):

- a) use of the trademark in a manner which is different with regard to elements that do not alter the distinctive nature of the trademark in the form in which it has been registered, regardless of whether the trademark has been registered or not in the name of the holder in the form in which it is used.
- b) placing the trademark on the products or on their packaging solely for export purposes.

(4) Use of the trademark with the consent of the holder shall be deemed to have been done by the holder.

(5) Impediments beyond the owner's control, such as import restrictions or other official requirements imposed on the goods or services for which the trademark is registered, shall be recognized as causes justifying lack of use of a trademark.

Chapter III Acts Infringing Trademark Rights

Article 40. Possibility of Taking Civil and Criminal Action

The owner of a registered trademark may, before the jurisdictional authorities, take appropriate civil or criminal action against those infringing his right and request the measures necessary for protection of the trademark, without any prejudice to submission of the case to arbitration, where possible.

Article 41. Civil Action Which May be Taken by the Trademark Owner

(1) In particular, an owner whose right to a trademark is infringed may in a civil action claim:

- (a) the cessation of the acts infringing his right;
- (b) compensation for the damage suffered;
- (c) The adoption of the measures required prevent the violation from continuing and, in particular, the withdrawal from economic transactions of the products, packaging, wrapping, advertising material, labels or other documents on which the violation of the trademark right has occurred and the seizure or destruction of those means mainly intended to commit the infringement. These measures shall be implemented at the expense of the infringing party, unless justified reasons are alleged for not doing so.
- (d) the destruction or transfer for humanitarian purposes, where possible, as chosen by the party concerned and always at the expense of the guilty party, of the goods unlawfully identified with the trademark which are in the possession of the infringing party, except where the nature of the good allows the distinctive sign to be removed without affecting the good itself, or where destruction of the good would do disproportionate harm to the infringing party or owner, according to the specific circumstances of each case as determined by the court;
- (e) The assignment of the ownership of the products, materials and means seized under the provisions of (c) when possible, in which case the value of the assets concerned shall be imputed to the damage compensation amount. If the aforementioned amount exceeds the compensation amount granted, the holder of the trademark right must compensate the other party for any excess.
- (f) the publication of a decision at the expense of the guilty party by means of announcements and notifications to the parties concerned.

(2) The holder of a trademark may prohibit the use of a sign only insofar as the rights of the holder cannot be subject to any statement of lapse in accordance with article 54(1)(a) at the time of implementing the action owing to violation. If the respondent so requests, the holder of the trademark shall prove that during the five-year period prior to the action submission date, the trademark was effectively used in accordance with the stipulations of article 39 with regard to the products or services for which it is registered and on which the action is based, or that there are justified reasons for its lack of use, provided that the final registration of the trademark has occurred at least five years before the action submission date.

(3) The measures considered in paragraphs (1)(a) and (c) of this article may also be requested, where appropriate, against any intermediaries whose services are sought by a third party to infringe trademark rights, even if the acts of said intermediaries do not constitute per se an infringement, without prejudice to the provisions of Act 34 enacted on 11 July 2002 regarding services of the information society and e-commerce. Said measures must be objective, proportionate and non-discriminatory.

Article 41 bis. Protection of the right of the holder of a subsequent trademark in trademark violation procedures

(1) In violation actions, the holder of a trademark may not prohibit the use of a subsequent registered trademark if the latter cannot be declared null and void in accordance with article 52(2), article 53 or article 59(5).

(2) In violation actions, the holder of a trademark may not prohibit the use of a trademark of the EU registered subsequently if the latter cannot be declared null and void in accordance with article 60(1), (3) or (4), article 61(1) and (2) or article 64(2) of (EU) Regulation no. 2017/1001.

(3) When the holder of a trademark does not have the right to prohibit the use of a subsequent registered trademark under (1) or (2), the holder of this registered trademark may not prohibit the use of the prior trademark in a violation action, even if the right of said prior trademark can no longer be invoked vis-à-vis the subsequent trademark.

Article 42. Grounds for Compensation for Damage

(1) Whosoever, without the consent of the trademark holder, carries out any of the acts foreseen in letter a) of article 34(3) and (4), as well as those responsible for the first marketing of the unlawfully marked products or services, shall be required, in any case, to be liable for any damages caused.

(2) All those who carry out any other act of violation of the registered trademark shall only be required to provide compensation for any damage caused if they have been sufficiently warned by the holder of the trademark or, where applicable, by the person entitled to exercise the action about the existence of the latter, suitably identified, and its violation, being required to cease doing so, or when their action has involved blame or negligence or the trademark in question is famous.

Article 43. Calculation of Compensation for Damages

(1) The damage compensation shall include not only the losses suffered, but also the earnings which have been ceased to be obtained by the holder of the trademark registration which was the cause of the violation of its right. The trademark registration holder may also require compensation for the damage caused to the prestige of the trademark by the infringer, particularly owing to the defective carrying out of the unlawfully marked products or an inappropriate introduction thereof on the market. Furthermore, the compensation amount may include, where applicable, any research expenses that have been incurred to obtain reasonable proof of having committed the infringement which is the object of a judicial proceeding.

(2) To determine the damage compensation, due consideration shall be given to the following, at the discretion of the injured party:

(a) The negative economic consequences, including any profits that the holder would have obtained by using the trademark if the violation had not taken place or, alternatively, any profits that the infringer may have obtained as a result of the violation.

(b) A lump sum that at least includes the amount that the infringer would have had to pay the trademark holder for the granting of a license which would have allowed it to carry out its use in accordance with the law.

In the event of moral damage, this shall be compensated even if the existence of the economic harm has not been proven.

(3) When fixing the level of compensation, inter alia, the notoriety, fame and prestige of the trademark, and number and class of licenses granted at the time the infringement began shall be taken into account. In the case of damage to the prestige of the trademark, attention shall also be paid to the circumstances of the infringement, seriousness of the injury and degree of dissemination on the market.

(4) In order to fix the amount of the damage suffered, a trademark owner may request that the documents of the person responsible, which may be used for that purpose, be shown.

(5) The owner of a trademark declared infringed by a court shall, in any case and without need for any proof, have the right to receive, as compensation for damage, one per cent of the turnover of the infringing party resulting from the goods or services bearing the trademark unlawfully. The trademark owner may, in addition, request higher compensation if he proves that the infringement of his trademark caused him greater damage, in accordance with the previous paragraphs.

Article 44. Coercive Compensation

Where a person is ordered to cease acts infringing a trademark, the courts shall fix compensation, the amount of which is not less than 600 euros per day until such time as the infringement actually ceases. The amount of this compensation and the day on which the obligation to compensate begins shall be set when the decision is enforced.

Article 45. Statute-Barring of Actions

(1) Civil actions resulting from the infringement of trademark rights shall be barred after five years, beginning on the day as from which the action may be taken.

(2) Compensation for damage may be requested only in relation to acts of infringement carried out during the five years prior to the date on which the corresponding action is taken.

Chapter IV The Trademark as the Subject Matter of Property Rights

Article 46. General Principles

(1) A trademark or application therefor may belong pro indiviso to two or more persons. The resulting common property shall be governed by the terms of agreement between the parties, failing that by the provisions of this section and, in the final instance, by the provisions of common law on common ownership of property. The granting of licenses and the independent use of the trademark by each participant shall be agreed in accordance with Article 398 of the Civil Code. Each participant may by his own means take civil and criminal action to protect a trademark but shall make appropriate notification to the other joint owners so that they may be party to such action and contribute to the payment of the expenses incurred. In the case of transfer of a trademark or a share, a participant may exercise his right of prior purchase within a period of one month from the time when he was notified of the purpose of and conditions for the implementation of the transfer. Where prior notification is not given or if a transfer is made in a manner different from that provided for in such notification, a participant may exercise his right to withhold his share, within the same period, from the time of publication of the recording of the transfer in the Register of Trademarks. Such absolute and unjustified opposition of a participant to the use of a trademark as might cause the trademark to be declared lapsed shall be deemed, for all purposes, to constitute renunciation of his right.

(2) Independently of the transfer of all or part of an enterprise, a trademark and an application therefor may be transferred, used as a guarantee or be the subject of other real rights, licenses, purchase options, seizures or other measures resulting from the enforcement procedure, for all or part of the goods or services for which they are registered or applied for, and entered in the Register of Trademarks, without prejudice to the other legal business by which the right to a trademark is likely to be affected. In cases where a movable property mortgage is set up, the mortgage shall be governed by its specific provisions and shall be entered in Section Four of the Register of Movable Property, and said entry shall be notified to the Spanish Patent and Trademark Office for the purposes of inclusion in the Register of Trademarks. For these purposes, both Registers shall be coordinated so that charges on trademarks entered or mentioned in the Registers shall be communicated between them by telematic means.

(3) The legal acts envisaged in the previous paragraph shall be binding on third parties acting in good faith only after entry in the Register of Trademarks.

(4) Once one of the rights or charges envisaged in paragraph (2) has been entered in the Register of Trademarks, no other right or charge bearing the same or an earlier date and which opposes or is incompatible with the right or obligation in question may be registered. If only an application for registration has been recorded, another right or charge of the class referred to above may likewise not be entered until the application has been settled.

(5) A registration application, to which the competent body shall be given preferential access, shall state which parties shall be given priority thereafter, and the corresponding registration operations shall be carried out according to the order of filing.

(6) The Register of Trademarks shall be public. Access shall be had to it on payment of the corresponding fees or public charges by means of individualized access to databases, the provision of computer listings, authorized consultation of records, obtaining copies of such records and certification, and free of charge in the manner specified in the eleventh additional provision of this Law.

Article 47. Transfer of the Trademark

(1) The transfer of the entire company shall involve the assignment of the trademark, unless there is an agreement otherwise or the circumstances clearly dictate otherwise. This provision shall apply to the contractual obligation to transfer the company.

(2) If it is clearly deduced from the documents establishing a transfer that as a result of the transfer a trademark could mislead the public, in particular regarding the nature, quality or geographical origin of the goods or services for which the trademark is applied for or registered, registration of the transfer shall be refused unless the acquirer agrees to limit the application or registration of the trademark to goods or services for which the trademark is not misleading.

Article 48. Licensing

(1) Both an application and a trademark may be licensed for all or some of the goods and services for which the trademark is registered and for all or part of Spanish territory. The licenses may be exclusive or non-exclusive.

(2) The rights conferred by the registration of a trademark or by an application therefor may be exercised against any licensee who infringes any of the provisions of the licensing contract regarding its duration, the form protected by the registration, the nature of the goods or services, the territory in which the trademark may be placed or the quality of the goods manufactured or services provided by the licensee.

(3) The holder of a license may neither transfer it to third parties, nor grant sub-licenses, unless otherwise agreed.

(4) Unless otherwise agreed, the holder of a license shall be entitled to use a trademark for the entire duration of the registration, including renewals, throughout national territory and in relation to all the goods or services for which the trademark is registered.

(5) Unless otherwise agreed, it shall be understood that a license is not exclusive and that the licensor may grant other licenses and use a trademark for his own purposes.

(6) Where a license is exclusive, the licensor may use a trademark only if such a right has been expressly reserved in the contract.

(7) Without prejudice to the stipulations of the licensing agreement, the licensee may only exercise actions pertaining to the violation of a trademark with the consent of the holder thereof. However, the holder of an exclusive license may exercise said action when the holder of the trademark, having been requested to do so, has not carried out the violation action itself. For these purposes, the exclusive trademark licensee shall be subject to the provisions of article 117(3) and (4) of Act 24 enacted on 24 July 2015 regarding Patents.

(8) In the trademark violation procedure brought by the holder of the trademark, any licensee may take part in order to obtain redress for

the harm which has been caused to it.

Article 49. Request for Recording of Amendments to Rights

(1) The recording of a change of ownership of a trademark registration shall be applied for by means of a request as laid down by regulation. The request shall be accompanied by proof of payment of the corresponding fee, which shall be paid according to the registrations affected.

(2) If a transfer of ownership is the result of a contract, the request shall so state. An applicant may choose to attach to the request any of the following documents:

(a) an authentic copy of the contract or an ordinary copy thereof, with the signatures authenticated by a notary or other competent public authority;

(b) an extract from the contract which the testimony of a notary or other competent public authority certifies as being true to the original;

(c) a transfer certificate or document signed both by the holder and by the new owner which conforms to the model established by regulation.

(3) If a change in ownership is the result of a merger or is imposed by the law or by an administrative ruling or court decision, the request shall be accompanied by testimony from the public authority issuing the document, or a copy of the document proving the change, authenticated or legalized by a notary or other competent public authority. The recording of seizures and other judicial measures shall be requested in the same way.

(4) The preceding paragraphs shall apply, in all respects not incompatible with their specific nature, to the recording of the other legal acts or business envisaged in Article 46(2), apart from the movable property mortgage, which shall be governed by its specific provisions, and the constitution of other real rights or of a purchase option, for the recording of which one of the public documents provided for in paragraph (2) (a) or (b) shall be attached.

Article 50. Procedure for Recording of Amendments to Rights

(1) The recording of the legal acts and business envisaged in Article 46(2) may be requested by either the transferor or the transferee, and the application for recording shall be filed, by whichever person is

the requester, with the body which is competent pursuant to Article 11.

(2) Once a request for recording is received, the competent body shall number and date it at the time it is received and, within the following five days, shall if necessary forward the data contained therein to the Spanish Patent and Trademark Office in the form determined by regulation.

(3) The body competent to receive the request shall examine whether the documentation submitted consists of:

(a) a request document conforming to the official model, containing the trademark registration number affected, the identification data for the new holder and an indication of the goods or services affected where the transfer or license is not total;

(b) the document providing proof of the transfer or license, in accordance with Article 49(2), (3) and (4);

(c) proof of payment of the corresponding fee.

(4) If a request for recording does not satisfy the requirements provided for in the preceding paragraph, the competent body shall communicate the irregularities noted to the applicant so that, within the period established by regulation, he may correct them. If such irregularities are not corrected, the request shall be withdrawn, in which case the procedure provided for in Article 17(2) shall be observed. If the request does not have any such irregularities or the irregularities have been corrected, the competent body of the Autonomous Community shall, if it is involved, operate in accordance with Article 17(1).

(5) Once a request for recording has been received, the Spanish Patent and Trademark Office shall examine the documentation submitted and shall judge the legality, validity and effectiveness of the acts to be recorded. If any defect is observed, the proceedings shall be declared suspended and the interested party shall be notified so that, within the period established by regulation, he may correct the defects indicated. Once that period has elapsed, the request for recording shall be settled.

(6) Where the Spanish Patent and Trademark Office has reason to doubt the truth of any information contained in the request for recording

or in the accompanying documents, it may request the applicant to provide proof establishing the truth of the information in question.

(7) The Spanish Patent and Trademark Office shall settle the request for recording by granting or rejecting it, either in full or in part. In the case of a rejection the reasons therefor shall be given in brief. The decision taken shall be published in the Official Industrial Property Gazette, with express reference being made to the following information:

- (a) new owner of the rights;
- (b) record number;
- (c) identification of the registrations affected;
- (d) date of decision;
- (e) representative, where appointed;
- (f) the act which gave rise to the recording.

TITLE VI INVALIDATION AND LAPSE OF THE TRADEMARK

Chapter I Invalidation

Article 51. Causes of Absolute Invalidity

(1) Trademark registration may be declared null and void by way of an application submitted to the Spanish Patents and Trademarks' Office or by means of a counterclaim in a trademark violation action:

(a) When it contravenes the provisions of article 5 of the present Act.

(b) When, upon submitting the trademark application, the applicant has acted in bad faith.

(2) An action requesting the absolute invalidation of a registered trademark shall not be subject to statute-barring.

(3) The invalidity of a trademark may not be declared when, having been registered in contravention of article 5(1), letters (b), (c) or (d), said trademark has acquired, before the date of submission of the application for invalidity or the counterclaim for invalidity, a distinctive nature with regard to the products or services for which it is registered by dint of the use made thereof by its holder or with its consent.

(4) If the Causes of invalidity only exist for part of the products or services for which the trademark is registered, its declaration shall only apply to those products or services concerned.

Article 52. Causes of Relative Invalidity

(1) The registration of the trademark may be declared null and void by way of an application made to the Spanish Patents and Trademarks' Office or by means of a counterclaim in a trademark violation action when it contravenes the provisions of articles 6, 7, 8, 9 and 10.

(2) The holder of a prior right of those considered in articles 6, 7, 8 and 9(1) that has tolerated the use of a subsequent registered trademark during a period of five consecutive years with knowledge of said use, it cannot thereafter request the invalidity of the subsequent trademark based on said prior right with regard to the products or services for which the subsequent trademark has been

used, unless the application for the latter has been made in bad faith. In the eventuality considered in this section, the holder of the subsequent trademark may not oppose the use of the prior right, despite the fact that this right can no longer be invoked against the subsequent trademark.

(3) A trademark cannot be declared null and void when, before the submission of the application for invalidity or the counterclaim, the holder of one of the rights considered in the articles stated in (1) has given its specific consent to register this trademark.

(4) The holder of any of the rights considered in the articles referred to in (1) who has previously requested the invalidity of a trademark or submitted a counterclaim in a trademark violation action, may not submit any further application for invalidity nor any counterclaim based on another of these rights which it could have alleged to support the initial claim.

(5) The provisions of article 51(4) shall apply.

Article 53. Lack of distinctive nature or renown of a prior trademark which prevents the declaration of the invalidity of a subsequent registered trademark

An application for invalidity based on a prior trademark shall not be successful if it has not been successful by the date of submission or priority date of the subsequent registered trademark for any of the following reasons:

(a) The prior trademark, capable of being declared null and void under article 5(1), letters (b), (c) or (d), even if it has not acquired a distinctive nature under article 51(3).

(b) The application for invalidity is based on article 6(1), letter (b) and the prior trademark has not yet acquired a sufficiently distinctive nature to justify the existence of the risk of confusion, in accordance with said article 6(1), letter (b).

(c) The application for invalidity is based on article 8(1), and the prior trademark has not yet acquired renown in accordance with said article 8(1).

Chapter II Lapse

Article 54. Lapse

(1) The lapse of the trademark shall be declared by means of an application submitted to the Spanish Patents and Trademarks' Office or by way of a counterclaim in a trademark violation action:

(a) When it has not been used in accordance with article 39 of this Act.

(b) When, in trade, it has been converted, owing to the activity or inactivity of its holder, into the usual designation of a product or service for which it is registered.

(c) When, as a result of the use that the trademark holder has made thereof, or that would have been made with its consent, with regard to the products or services for which it is registered, the trademark may mislead the public, particularly about the nature, quality or geographic origin of these products or services.

(2) If the Causes of lapse only existed for part of the products or services for which the trademark is registered, its declaration shall only concern the products or services concerned.

(3) Furthermore, the Spanish Patents and Trademarks' Office shall declare lapse of the trademark:

(a) When it has not been renewed in accordance with the provisions of article 32 of the present Act.

(b) When it has been subject to a renunciation by its holder.

Article 55. Lapse for Failure to Renew

(1) Where registered encumbrances exist in relation to a trademark or a claim of ownership is pending and the owner has not renewed the trademark, said trademark shall not lapse prior to the encumbrance being lifted or the claim being finally rejected. If, as a result of these procedures, a change in the ownership of the trademark occurs, the new owner may renew it within a period of two months from the date on which the decision regarding the claim has become final or from the time when the competent authority or court has notified the Spanish Patent and Trademark Office of the final adjudication concerning the seized trademark. Once this period has expired, the trademark shall lapse unless it has been renewed.

(2) Nor shall a trademark lapse owing to a failure to renew when a

chattel mortgage is found to be registered on it on the Register of Trademarks. The mortgage holder, if the owner of the trademark has not done so, may request renewal in the name of the latter within two months after termination of the time delay foreseen in article 32(3) of this Act. The mortgage holder may also pay the renewal charges within two months after completion of the timeframe in which they should have been paid by the owner. The inactivity of the mortgage holder within the timeframe foreseen shall determine the lapse of the trademark which shall be communicated electronically to the Chattels Register in the same manner as that set out in article 46(2) of this Act.

Article 56. Renunciation of the Trademark

(1) The owner may renounce the whole trademark or part of the goods or services for which it is registered.

(2) Renunciation shall be submitted to the Spanish Patent and Trademark Office or the bodies to which Article 11 refers, in writing, and shall have effect only once it has been entered in the Register of Trademarks. If the request is submitted to a body other than the Spanish Patent and Trademark Office, the body receiving it shall forward it to that Office, together with the accompanying documentation, within five days of receiving it.

(3) Renunciation by its owner of a trademark in relation to which there exist real rights, purchase options, encumbrances or licenses entered in the Register of Trademarks may not be accepted unless the consent of the owners of those rights has been recorded. Renunciation shall likewise not be accepted if a claim of ownership of the trademark is pending and the consent of the claimant has not been recorded.

Article 57. Lapse for Non-Use of the Trademark

In the application or request for lapse due to a failure to use the trademark, it shall be incumbent upon the holder thereof to prove that it has been used in accordance with article 39 or that there are grounds justifying the usage failure. Trademark lapse may not be declared if, during the interval between the elapsing of the five-year period referred to in article 39 and the submission of the application or request for lapse, effective use of the trademark has been commenced or resumed; nevertheless, the commencement or resumption of use within a period of three months prior to the

submission of the application or request for lapse, a timeframe which shall start on a date not prior to the termination of the uninterrupted five-year period of non-usage, it shall not be taken into account whether the preparations for the commencement or resumption of use would have occurred after the holder found out that the application or request for lapse could be filed.

Chapter III Common Provisions

Article 58. Application for invalidity or lapse

(1) An application for the invalidity or lapse of trademark registration may be submitted to the Spanish Patents and Trademarks' Office:

(a) In those cases foreseen in articles 51 and 54(1) (a), (b) and (c), any natural or legal person, as well as any groups or bodies representing manufacturers, producers, providers of services or traders and the users and consumers' associations, legally incorporated and registered in accordance with the State or Autonomous legislation applicable to them, that consider themselves to have suffered damage and who have procedural capacity.

(b) In those cases foreseen in article 52, the people considered in letters (b) to (e) of article 19(1).

(2) The application must be made in writing, well-founded and duly documented, and it shall only be deemed to have been submitted once the attendant charge has been paid.

(3) An application for lapse or invalidity may be made against all or part of the products or services for which the challenged trademark is registered.

(4) An application for invalidity may be submitted based on one or more prior rights whenever they all belong to the same holder.

Article 59. Examination of the application for invalidity and lapse

(1) Having received the application for invalidity or lapse, the Spanish Patents and Trademarks' Office shall notify this to the holder of the challenged trademark so that, within the timeframe determined by the regulations, it can submit its allegations and evidence. During the course of the examination of the application for invalidity or lapse, the Office may request from the parties, as many times as it deems necessary, to, within the timeframe determined by the regulations, answer the allegations or evidence submitted by the other party.

(2) At the behest of the holder of the trademark challenged, the holder of the prior trademark who is party to the invalidity procedure, shall provide proof that, during the course of the five

years prior to the application for invalidity, the prior trademark has been subject to effective use, as determined by article 39, for the products or services for which it is registered, and on which the application for invalidity is based, or that there have been reasons justifying the lack of use, on condition that the registration procedure for the prior trademark has been completed at least five years before the submission date of the application for invalidity.

(3) If, on the submission date of the application or on the priority date of the challenged trademark, the timeframe of five years has expired during which the prior trademark should have been subject to effective use in accordance with the stipulations of article 39, the holder of the prior trademark, in addition to the proof required under (2) of the present article, shall provide evidence that, during the course of the five years prior to the submission date of the application or the priority date of the trademark challenged, the prior trademark has been subject to effective use, or that there have been reasons justifying its lack of use.

(4) In the eventuality considered in (2), and if the requirements foreseen therein are complied with, the Spanish Patents and Trademarks' Office shall notify the holder of the prior trademark about the petition so that, within the timeframe determined by the regulations, it can submit the attendant proof of use in accordance with the provisions of (2) and (3). The Office shall also notify the holder of the challenged trademark about the proof submitted so that, within the timeframe determined by the regulations, it can present its allegations.

(5) In the event of the lack of proof referred to in (2) and (3), the application for invalidity based on a prior trademark shall be dismissed.

(6) If the prior trademark has been used in accordance with the provisions of article 39, only for part of the products or services for which it has been registered, for the purposes of the examination of the application for invalidity, it shall be deemed to have been registered solely for said part of the products or services.

(7) (2) to (6) of the present article shall also be applicable when the prior trademark is a trademark of the EU. Should this be the case, the effective use of a trademark of the EU shall be determined in accordance with the provisions of article 18 of (EU) Regulation no.2017/1001.

Article 60. Effects of lapse and invalidity

(1) The registered trademark shall be considered not to have had, as from the date of application for lapse or the counterclaim, those effects indicated in the present Act insofar as the lapse of the rights of the holder has been declared. At the behest of a party, the decision about the application or claim for lapse may stipulate a previous date on which any of the Causes of lapse may have occurred.

(2) The registered trademark shall be considered not to have had, since the outset, those effects indicated in the present Act insofar as trademark invalidity has been declared.

(3) Without prejudice to any damage compensation which may have arisen when the holder of the trademark has acted in bad faith, the retroactive effect of the invalidity or lapse shall not affect:

(a) Any decisions about trademark violation which may have acquired the force of a final court judgment and have been carried out before the declaration of invalidity or lapse.

(b) Any contracts signed before the declaration of invalidity or lapse insofar as they have been carried out prior to said declaration. Nevertheless, for the sake of fairness, and insofar as the circumstances dictate, it will be possible to claim the return of any sums paid under the contract.

(4) When the lapse or invalidity of a trademark is declared, the mortgage creditor may deem the obligation guaranteed to have fallen due.

Article 61. Final nature of judicial and administrative decisions

(1) The courts shall dismiss any counterclaim for invalidity or lapse if the Spanish Patents and Trademarks' Office has already made its opinion known previously, by way of a final decision, about an application with the same object and the same reason, between the same parties.

(2) The Spanish Patents and Trademarks' Office shall not accept any application for invalidity or lapse when a court or the Office itself has resolved between the same parties a counterclaim or an application with the same object and the same reason, and this judgment or decision has become final.

(3) The invalidity of a trademark cannot be requested from the Spanish Patents and Trademarks' Office or be brought to the civil court, invoking the same Causes of invalidity that have already been the object of a pronouncement, with regard to the substance of the matter, in a final judgment passed in a litigious-administrative appeal which has been party thereunto.

Article 61 bis. Regulations on related actions

(1) Unless there are special reasons for pursuing the procedure, the court to which a counterclaim has been made for the invalidity or lapse of a trademark, shall suspend its ruling *ex officio*, subject to hearing of the parties, or at the behest of the party and subject to the hearing of the other parties, if the validity of the trademark has already been challenged before another court or before the Spanish Patents and Trademarks' Office.

(2) Unless there are special reasons for pursuing the procedure, the Spanish Patents and Trademarks' Office shall suspend *ex officio* any decision on an application for invalidity or lapse of the trademark, subject to hearing of the parties, or at the behest of the party and subject to the hearing of the other parties, if the validity of the trademark has already been challenged by way of a counterclaim before a court.

(3) When a court has to make a decision about a violation of a trademark and said trademark is pending a claim or application for invalidity or lapse before another court or before the Spanish Patents and Trademarks' Office, the court, at the request of both parties or one of them, having heard the other party, may, by way of an order, decree the suspension of the process, until the other court or the Office lay down a final decision about the invalidity or lapse brought.

(4) Matters pending or *lis pendens*, with all their procedural effects, shall occur as from submission of the application or claim, provided that they have been allowed.

(5) If a claim has been brought for trademark violation before a court, the respondent may not use as its defense an application for the invalidity or lapse of said trademark before the Spanish Patents and Trademarks' Office, but rather it will have to bring the attendant counterclaim to said court.

(6) Any negatory action cannot be brought along with the trademark invalidity or lapse action.

Article 61 ter. Register entries and Communications between bodies

(1) The Spanish Patents and Trademarks' Office shall note down on the Register of Trademarks the bringing of any application or claim for trademark invalidity or lapse, as well as any final decision or judgment pertaining thereunto.

(2) The court to which a counterclaim has been submitted owing to the invalidity or lapse of a trademark will communicate *ex officio* to the Office the date on which it has been lodged. The Office, if said trademark has pending any decision about an application for invalidity or lapse, shall inform the court thereof, as well as of the absence, where applicable, of said circumstance.

(3) If, an application for lapse or invalidity of the trademark has a decision pending before the Office whose submission date is prior to that of the bringing of the counterclaim, the court, once it has been informed in accordance with the prior section, shall suspend the ruling in accordance with article 61 bis(1), until the decision on the application is final. The Office shall communicate this final decision to the court.

(4) Any court that has passed a judgment on a counterclaim owing to invalidity or lapse, which has become final, shall communicate *ex officio* said judgment to the Spanish Patents and Trademarks' Office so that it can proceed in accordance with the stipulations of section 1 and, where applicable, in (5).

(5) Once the decision or judgment declaring the invalidity or lapse of the trademark is final, the Spanish Patents and Trademarks' Office will proceed forthwith with the cancellation of the registration and its publication in the «Boletín Oficial de la Propiedad Industrial». In the event that the cancelled trademark has any valid chattel mortgage registered, the cancellation shall be notified electronically to the Chattels Register.

TITLE VII COLLECTIVE MARKS AND CERTIFICATION MARKS

Chapter I Collective Marks

Article 62. Concept and Ownership

(1) A collective mark shall be taken to mean any sign which, meeting the requirements foreseen in article 4, serves to distinguish the products or services of the members of the association which is the holder of the trademark from the products or services of other companies.

(2) Collective marks may only be applied for by associations of manufacturers, producers, service providers or traders that have the capacity, on their own behalf, to be the holders of rights and obligations, to sign contracts or carry out other legal acts and which have the procedural capacity, as well as legal persons under public law.

(3) Notwithstanding the provisions of Article 5(1)(c), signs or indications which may be used in commerce to indicate the geographical origin of goods or services may be registered as collective marks. The right granted by a collective mark shall not enable its owner to prohibit a third party from using in commerce such signs or indications, provided that said use is made in accordance with fair industrial or commercial practices; in particular, said mark may not be binding on a third party authorized to use a geographical name.

Article 63. Regulations for Use

(1) An application for registration of a collective mark shall be accompanied by regulations for use in which, in addition to the data identifying the applicant association, the persons authorized to use the mark, the conditions for membership of the association and the conditions for use of the mark, the reasons for which an association member may be refused use of the mark and other sanctions which may be incurred shall be specified.

(2) Where a collective mark consists of an indication of geographical origin, the regulations for use shall provide that any person whose goods or services originate from that geographical area and meet the requirements prescribed by the regulations may become a member of the association.

Article 64. Rejection of the Application

(1) An application for registration of a collective mark shall be rejected in the same way and for the same reasons as an individual trademark and, in addition, where it does not meet the requirements of Articles 62 and 63, or where the regulations for use contravene the law, public order or morality.

(2) An application for a collective mark shall also be rejected where it may mislead the public as to the character or significance of the mark, in particular where it may give the impression that it is something other than a collective mark.

(3) An application shall not be rejected if the applicant, by means of an amendment of the regulations for use, satisfies the requirements of paragraphs (1) and (2).

Article 65. Amendment of Regulations for Use

(1) The owner of a collective mark shall submit to the Spanish Patent and Trademark Office any proposal for amendment of the regulations for use. The amendment shall be rejected where the amended regulations for use do not meet the requirements of Article 63 or infringe any of the registration prohibitions contained in Article 64.

(2) Amendments to the regulations for use shall have effect from the time they are registered with the Spanish Patent and Trademark Office.

Article 66. Causes of Invalidity

Besides the Causes of invalidity foreseen in articles 51 and 52, the invalidity of the registration of a collective mark shall be declared by way of an application submitted to the Spanish Patents and Trademarks' Office or by way of a counterclaim in a violation action when it has been registered in contravention of the provisions of article 64, unless the trademark holder, owing to any modification of the usage regulation, meets the stipulations of said provisions.

Article 67. Causes of Lapse

Besides the Causes of lapse foreseen in article 54, the rights of the holder of a collective mark shall be declared as having expired by way of an application submitted to the Spanish Patents and

Trademarks' Office or by way of a counterclaim in a violation action when:

(a) The holder has not adopted reasonable measures to prevent any use of the trademark which is not compatible with the usage conditions stipulated by the usage regulation, including any modification to the latter that has been entered on the register.

(b) As result of the use of the trademark carried out by authorized people, the latter may mislead the public in accordance with the stipulations of article 64(2).

(c) The modification of the usage regulation for the trademark has been entered on the register in contravention of the provisions of article 65(1), unless the trademark holder, owing to any modification of the usage regulation, meets the requirements of said article.

Chapter II Certification Marks

Article 68. Concept

(1) A Certification mark shall be taken to mean any sign which, meeting the requirements of article 4, can be used to distinguish the products or services that the holder of the trademark certifies with regard to the materials, the manner of manufacturing the products or of rendering the services, the geographic origin, the quality, the precision or other characteristics of the products and services that do not hold this certification.

(2) Any natural or legal person, including institutions, authorities and bodies under public law, may request Certification marks, on condition that said people do not carry out a business activity that involves the supply of products or the rendering of services of the type that is certified.

(3) Certification marks shall be subject to the provisions of article 62(3).

Article 69. Regulations for Use

(1) An application for registration of a Certification mark shall be accompanied by regulations for use which shall indicate the persons authorized to use the mark, the common features of the goods or services to be certified, the manner in which these features shall be verified, the controls and supervision of use of the mark to be carried out, the responsibilities which may be infringed by inappropriate use of the mark and the rules which, where appropriate, shall be respected by persons using the mark.

(2) The regulations for use shall be subject to a favorable report from the competent administrative body with regard to the nature of the goods or services to which the Certification mark refers. The report shall be deemed favorable once a period of three months has elapsed since it was requested without the competent administrative body having issued it. In the case of an unfavorable report, the Certification mark registration application shall, where appropriate, be rejected, subject to a hearing with the applicant.

(3) If the Certification mark consists of an indication of geographical origin, the regulations for use shall provide that any person whose

goods or services originate from that geographical area and meet the requirements of the regulations may use the mark.

Article 70. Rejection of the Application

(1) An application for registration of a Certification mark shall be rejected in the same manner and for the same reasons as an individual mark and, in addition, where it does not satisfy the requirements of Articles 68 and 69, or where the regulations for use are contrary to the law, public order or morality.

(2) An application for a Certification mark shall also be rejected where it may mislead the public as to the character or significance of the mark, in particular where it may give the impression that it is something other than a Certification mark.

(3) An application shall not be rejected if the applicant, by amendment of the regulations for use, satisfies the requirements of paragraphs (1) and (2).

Article 71. Amendment of Regulations for Use

(1) The owner of a Certification mark shall submit to the Spanish Patent and Trademark Office any proposal for amendment of the regulations for use. The amendment shall be rejected where the regulations for use as amended do not meet the requirements of Article 69 or infringe any of the prohibitions contained in Article 70.

(2) The amendment of the regulations for use shall have effect from the time of its registration with the Spanish Patent and Trademark Office.

Article 72. Causes of Invalidity

Besides the Causes of invalidity foreseen in articles 51 and 52, the invalidity of the registration of a Certification mark shall be declared by way of an application submitted to the Spanish Patents and Trademarks' Office or by means of a counterclaim in a violation action when it has been registered in contravention of the provisions of article 70, unless the holder of the mark, owing to a modification in the usage regulation, has complied with the stipulations of said provisions.

Article 73. Causes of Lapse

Besides the Causes of lapse foreseen in article 54, the rights of the holder of a Certification mark shall be declared null and void by way of an application submitted to the Spanish Patents and Trademarks' Office or by way of a counterclaim in a violation action when:

- (a) The holder has ceased to meet the requirements set out in article 68(2).
- (b) The holder has failed to adopt reasonable measures to prevent any use of the mark that is not compatible with the terms of use stipulated by the usage regulation, including any modification to the latter which has been entered on the register.
- (c) As a result of the permitted use by the holder of the mark, the latter may mislead the public in accordance with article 70(2).
- (d) The modification of the usage regulation for the mark has been entered on the register in contravention of the provisions of article 71(1), unless the holder of the mark, by means of a further modification to the usage regulation, has met the requirements stipulated by said provisions.

Chapter III Common Provisions

Article 74. Public Nature of Regulations for Use

The regulations for use of collective or Certification marks deposited with the Spanish Patent and Trademark Office may be freely consulted by any person, without any fee being payable.

Article 75. Use of the Trademark

The requirement for use of collective and Certification marks shall be satisfied by the use which any authorized person makes in accordance with Article 39 of this Law.

Article 76. Bringing action owing to trademark violation

(1) The provisions of article 48(7) and (8), pertaining to the rights of licensees, shall also apply to anyone entitled to use a collective mark.

(2) In the case of Certification marks, only their holder or person specifically authorized by it may bring a mark violation action.

(3) The holder of a collective mark or Certification mark may claim, on behalf of people entitled to use the mark, the redressing of any damage they may have suffered owing to the unauthorized use of the trademark.

Article 77. Assignment of collective mark or Certification marks

Collective marks or Certification mark may only be assigned, respectively, to someone who meets the requirements of article 62(2) or article 68(2).

Article 78. Applicable Provisions

The provisions contained in this Law relating to individual trademarks shall apply to collective and Certification marks unless otherwise provided in this Title.

TITLE VIII INTERNATIONAL TRADEMARKS

Article 79. Application for Territorial Extension to Spain

Provided that the owner expressly requests it, the international registration of a trademark made within the scope of the Act in force in Spain of the Madrid Agreement of April 14, 1891 Concerning the International Registration of Marks (hereinafter "the Madrid Agreement"), and of the Protocol Relating to the Madrid Agreement of June 27, 1989 (hereinafter "the Protocol") or both, shall by extension have effect in Spain.

Article 80. Refusal and Grant of Protection in Spain

(1) Protection for an international trademark in Spain may be refused in accordance with Article 5 of the Madrid Agreement and Article 5 of the Protocol.

(2) For the purposes of a grant or refusal, Articles 19, 20, 21, 22, 25, 26, 27, 28 and 29(4) shall apply to the registration of an international trademark as appropriate.

(3) The publication of the application to which Article 18 refers shall be replaced, for international trademarks, by the publication which the International Bureau makes in its periodical gazette, in accordance with Article 3(4) of the Madrid Agreement or Article 3(4) of the Protocol. The Spanish Patent and Trademark Office shall publish in the Official Industrial Property Gazette a reference to the International Bureau publication in question.

(4) The period of opposition established in Article 19(2) shall begin at the time of publication in the Official Industrial Property Gazette of the reference mentioned in the preceding paragraph.

(5) Refusal of protection, either temporary in the case provided for by Article 21(1) or final in the case provided for by Article 22(1), shall be notified to the International Bureau in the manner and by the deadline established by the Joint Regulations Under the Madrid Agreement Concerning the International Registration of Marks and the Protocol Relating to that Agreement (hereinafter "the Joint Regulations under the Agreement and Protocol").

Article 81. Filing of the Application for International Registration

(1) The application shall be filed with the competent body under Article 11(1), (2), (3) and (4) by the owner of a trademark registered in Spain according to the provisions of the Madrid Agreement or by the owner of or mere applicant for a trademark according to the Protocol.

(2) When applying for international registration, for renewal of such registration or for the registration of any amendment a national fee shall be paid, failing which the application in question shall not be processed.

Article 82. Preliminary Examination of the International Application

(1) Once an application for international registration has been received, the competent body shall examine whether:

- (a) the application has been filed using the official form provided for by the Joint Regulations under the Agreement and Protocol;
- (b) the national fee has been paid.

(2) If the application filed does not satisfy these requirements, the applicant shall be notified of the defects observed so that, within the period determined by regulation, he may correct them; if they are not corrected, the matter shall be settled by withdrawing the application; if the application does not show any of these defects or such defects have been corrected, the competent body shall grant as the international registration filing date the date on which it received the application or the corrected version thereof, as the case may be, and shall forward it, with all the relevant documents, to the Spanish Patent and Trademark Office within five days.

(3) Once it has received an application, the Spanish Patent and Trademark Office shall, as the originating Office, examine whether:

- (a) the applicant has the right to seek international registration in accordance with Articles 1 and 2 of the Madrid Agreement or, as the case may be, Article 2 of the Protocol;
- (b) the information included in the international application shall correspond to that for national registration or, where appropriate, to that for an application for national registration, for the purposes of certifying compliance in accordance with Article 3(1) of the Madrid Agreement or, where appropriate, Article 3(1) of the Protocol.

(4) Should an international application fail to satisfy one of the

requirements examined, the Spanish Patent and Trademark Office shall notify the defects to the applicant and request him to correct them within the period established by regulation. If the defects are not corrected, the matter shall be settled by withdrawing the application.

(5) If the applicant corrects the defects appropriately, the Spanish Patent and Trademark Office shall indicate, as the international registration application date, the date on which it received the corrected version of the application.

Article 83. Conversion of an International Registration

(1) An international registration cancelled under Article 6(4) of the Protocol may be converted into a national trademark application for goods or services covered in Spain by said international registration if the application in question is sent to the Spanish Patent and Trademark Office within three months of the date of cancellation of said international registration.

(2) The person requesting conversion shall file a national registration application in accordance with Article 12 of this Law. This application shall also include the following data:

- (a) a statement that the application is for conversion;
- (b) the international registration number and the date on which the application is based;
- (c) an indication as to whether said registration has been granted or whether grant is pending in Spain;
- (d) domicile in Spain for notification purposes, in accordance with Article 29(4).

Certification from the International Bureau shall be attached to the registration application and shall indicate the trademark and goods or services for which the protection of the international registration had had effect in Spain prior to its invalidation. Such certification shall be accompanied by a translation into Spanish.

(3) A conversion application shall be deemed to have been filed on the date of international registration or subsequent extension to Spain, as appropriate, and, if it had priority, shall benefit from this right. Moreover, the conversion application shall be processed as a national trademark application. Nevertheless, if the conversion application refers to an international trademark already granted in Spain, its grant as a national trademark shall be accorded without further

procedure pursuant to Article 22(4). An appeal based on the existence of absolute or relative prohibitions may not be made against this agreement but it may be based on the failure to satisfy the requirements for the valid conversion or direct grant of the international registration applied for.

(4) For the purposes of Articles 31 and 32 of this Law, the date on which the application for conversion has been received by the Spanish Patent and Trademark Office, or where appropriate, that provided for in Article 16(3) of this Law, shall be considered the filing date.

TITLE IX European Union Trademarks

Article 84. Filing of a Community Trademark application

The filing of an application for a Community trademark shall be carried out at the EU Intellectual Property Office, in accordance with article 30 of (EU) Regulation no.2017/1001 issued by the European Parliament and Council on 14 June 2017, regarding the European Union trademark.

Article 85. Subsequent Declaration of Lapse or Invalidity

When a trademark of the EU benefits from the age of a prior trademark with effects in Spain, the lapse of invalidity of this prior mark may be declared, even if it has already been extinguished owing to a lack of renewal, renunciation by the holder or failure to pay the maintenance charges, where applicable, provided that it has been possible to declare the lapse or invalidity at the time of the renunciation or extinguishing. In this case, the age shall cease to take effect

Article 86. Conversion of Community trademark

(1) The procedure to convert an application or trademark of the EU into an application for a national trademark shall commence upon receipt by the Spanish Patents and Trademarks' Office of the request for conversion sent to it by the EU Intellectual Property Office.

(2) Within the period established by regulation, starting from the receipt of the request for conversion by the Spanish Patent and Trademark Office, the applicant shall satisfy the following requirements:

- (a) pay the fees established in Article 12(2) of this Law;
- (b) submit a translation into Spanish of the conversion request and of the accompanying documents where they are not drafted in Spanish;
- (c) designate a domicile in Spain for the purpose of notifications, in accordance with Article 29(4);
- (d) supply four reproductions of the trademark where the trademark is graphic or contains graphic elements.

(3) If, within the timeframe foreseen in the section above, the requirements set out therein have not been complied with, the application for transformation shall be deemed to have been withdrawn. If the requirements have been met, the Spanish Patents and Trademarks'

Office will reach a decision about the admissibility of the transformation requested in accordance with articles 139(2) and 141(1) (EU) Regulation no. 2017/1001 issued by the European Parliament and the Council on 14 June 2017 about the Community trademark.

(4) An application for conversion shall be considered filed on the filing date granted to it as a Community trademark application and, if it claimed priority or age, it shall benefit from these rights. Moreover, the application for conversion shall be processed in the same way as a national trademark application. Nevertheless, if the application for conversion refers to a Community trademark already registered, it shall be granted the status of a national trademark without further procedure, and the provisions of Article 22(4) shall apply, apart from the fact that, owing to renunciation, failure to renew or any other cause attributable to its owner, a pronouncement has been pending as regards the substance of any reason for invalidity or lapse capable of affecting the protection of the trademark in Spain, in which case it shall be processed as a national trademark application. No appeal based on the existence of absolute or relative prohibitions may be lodged against the direct grant agreement provided for in this paragraph, but such an appeal may be based on failure to satisfy the requirements for the valid conversion or direct grant of the Community trademark applied for.

(5) For the purposes of Articles 31 and 32 of this Law, the date on which the application for conversion has been received by the Spanish Patent and Trademark Office shall be considered to be the filing date.

TITLE X TRADE NAMES

Article 87. Concept and Applicable Provisions

(1) A trade name is any sign capable of being represented graphically which identifies an enterprise in the trading process and which is used to distinguish it from the other enterprises carrying out identical or similar activities.

(2) In particular, the following may constitute trade names:

- (a) patronymic names, business names and the names of legal persons;
- (b) imaginary names;
- (c) names alluding to the subject matter of corporate activity;
- (d) anagrams and logotypes;
- (e) images, figures and drawings;
- (f) any combination of the signs mentioned non-limitatively in the preceding subparagraphs.

(3) Unless otherwise specified in this Chapter, the provisions contained in this Law relating to trademarks shall apply to trade names in so far as they are not incompatible with the nature thereof.

Article 88. Registration Prohibitions

The following signs may not be registered as trade names:

- (a) those which may not constitute a trade name since they do not comply with Article 87;
- (b) those which infringe any of the absolute prohibitions contained in Article 5 of this Law;
- (c) those which may affect any prior right among those provided for in Articles 6 to 10 of this Law.

Article 89. Classification and Applicable Fees

(1) The application for registration shall specify the activities which claim to be distinguished by means of the trade name applied for, grouping the activities by class in accordance with the International Classification of Goods and Services, depending on whether the activities relate to the provision of services or the production or marketing of goods.

(2) The application for and renewal of a trade name shall be subject to payment of the appropriate fees, according to the number of classes covered, in the same way as for trademarks.

Article 90. Rights Granted by Registration

Registration of a trade name shall confer on its owner the exclusive right to use the name in economic transactions in the manner provided for in this Law.

Article 91. Invalidation and Lapse of a Trade Name

(1) A trade name shall be declared invalid in the same manner and for the same reasons as provided for trademarks in so far as it is not contrary to its nature, and also where the trade name has been registered in contravention of Article 88 of this Law.

(2) A trade name shall be declared lapsed in the same manner and for the same reasons as provided for trademarks in so far as it is not incompatible with its own nature.

Additional Provision

1. Jurisdiction and procedural rules

(1) The rules in force contained in Title XII of Act 24 enacted on 24 July 2015 regarding Patents shall be applicable to the different forms of distinctive signs regulated in the present Act as regards everything which is not incompatible with their own nature or contrary to the stipulations thereof, all without prejudice to the provisions of the following sections.

(2) The competence to declare the invalidity and lapse of the distinctive signs regulated in the present Act shall pertain directly to the Spanish Patents and Trademarks' Office and through counterclaims to the civil jurisdiction, in accordance with the stipulations of articles 51, 52 and 54.

(3) The Commercial Courts which, in accordance with Organic Act 6 enacted on 1 July 1985 regarding Judicial Authority, have been assigned the duties of Courts for EU trademarks in application of (EU) Regulation no.2017/1001 issued by the European Parliament and the Council issued on 14 June 2017, regarding the Community trademark, shall be competent to hear the civil litigation that derives from the present Act when cumulative actions are brought regarding identical or similar EU and national or international trademarks; or if there is any other connection between the claims and at least one of them is based on a registration or application for an Community trademark. In these cases competence shall solely lie with the European Community Trademark Courts.

2. Fees

The justification and rates for the fees to which Article 11(4) of Law 17/1975 of May 2, 1975, on the Establishment of the Independent Body "Industrial Property Registry" refers shall, in relation to distinctive signs, be those provided for in the Annex to this Law.

3. Amendment of the Law on Patents

(1) A new paragraph (3) is added to Article 125 of Law 11/1986 of March 20, 1986, on Patents, with the following wording:

"In the case of actions claiming infringement of the right to a patent, the same court to which the preceding paragraph refers in the Autonomous Community where the infringement has occurred or its

effects have been produced shall, at the discretion of the claimant, also be competent."

(2) Article 155 of Law 11/1986, of March 20, 1986, on Patents shall be worded as follows:

"1. The following may act before the Spanish Patent and Trademark Office:

(a) interested parties empowered to act in accordance with Title III of Law 30/1992, of November 26, 1992, on Legal Rules for Public Administrations and Joint Administrative Procedure;

(b) industrial property agents.

2. Non-residents of a Member State of the European Community shall, in all cases, act through an industrial property agent."

4. Completion of Procedures

Where a time limit for completing a procedure relating to industrial property expires on a Saturday, the procedure in question may be validly carried out on the first working day following that Saturday.

5. Time limits for Settlement of Procedures

The maximum periods for settling the procedures governed by this Law shall be calculated from the date of receipt by the Spanish Patent and Trademark Office of individual applications, as follows:

(a) grant of distinctive signs: 12 months if the application is not suspended and has not been opposed, and 20 months if any of the said circumstances arises;

(b) renewal of distinctive signs: eight months if no suspension has occurred and 12 months in the opposite case;

(c) registration of transfers, real rights, contractual licenses and other amendments of rights or registration agreements: six months if no suspension has occurred and eight months in the case of suspension;

(d) restoration of rights: six months;

(e) conversion of international registrations: five months if the application for conversion refers to an international trademark already granted in Spain, and, in the opposite case, the period established for the procedure of granting national trademarks;

(f) conversion of EU trademarks: five months if the application for conversion refers to a Community trademark already registered and, in the opposite case, the period established for the procedure of granting national trademarks. In this case, the period shall be calculated from the date on which the applicant satisfies the requirements of Article

86(2) of this Law;

(g) any other industrial property procedure which is not subject to a specific settlement time limit: 20 months.

6. Official Industrial Property Gazette

(1) The Spanish Patent and Trademark Office shall publish periodically the Official Industrial Property Gazette in which applications, decisions and notifications relating to the service and procedures for the different forms of industrial property shall be entered, in accordance with the respective legislative provisions.

(2) The Spanish Patent and Trademark Office shall make the Official Industrial Property Gazette available to the public on an computer medium on which it may be read.

7. Application of the Restoration of Rights to Other Registrable Forms of Industrial Property

(1) The provisions contained in Article 25 of this Law shall apply, insofar as this is not incompatible with their own nature, to patents, utility models, topographies of semiconductor products and industrial and artistic designs.

(2) In addition to the exceptions provided for in Article 25(5), the restoration of rights shall likewise not apply to the time limits envisaged in Article 33(1) and (2) and in Article 39(2) of Law 11/1986 of March 20, 1986, on Patents.

8. Use of Electronic Resources

(1) The Ministry of Science and Technology is empowered to determine within a period of two years, in collaboration with the Autonomous Communities that have assumed the relevant powers, those cases in which communications and the exchange of documentation between the Spanish Patent and Trademark Office, the competent bodies of the Autonomous Communities where appropriate and the users of their services may, or where necessary shall, be filed or submitted using an electronic carrier. The general conditions, requirements and technical features of the communications and the various documents shall be fixed by decision of the Director General of the Spanish Patent and Trademark Office.

(2) Once the general conditions, requirements and technical

characteristics have been determined for the submission of applications and documents on magnetic media or electronically, the amount to which the charges to which said application and documents are subject shall be reduced by 15%, if they are submitted and the charges are paid previously or simultaneously by said technical means.

9. Communication of Protected Signs

For the purposes of the substantive examination of absolute prohibitions to be carried out by the Spanish Patent and Trademark Office, the following shall be communicated to that Office:

(a) by the competent body of the Ministry of Agriculture, Fisheries and Food: appellations of origin, protected geographical indications and names of protected plant varieties;

(b) by the competent body of the Ministry of Health and Consumer Affairs: the publication which, under the provisions of Article 15(3) of Law 25/1990 of December 20, 1990, on Drugs, makes of the list of official Spanish names for substances authorized in Spain, as well as the publication made by the World Health Organization of international non-proprietary names;

(c) by the competent bodies of the various public administrations: signs of public interest which, in accordance with Article 5(1)(k), are to be protected.

10. Contractual and Budgetary Rules for Database Consultations Carried out by the Spanish Patent and Trademark Office

(1) The consultations carried out by the Spanish Patent and Trademark Office of national or foreign databases on technological development or on industrial property in general shall not require contracts to be drawn up in the terms provided for in the revised text of the Law on Contracts for Public Administrations, approved by Royal Legislative Decree 2/2000 of June 16, 2000.

(2) The use of those databases shall require the existence of appropriate and sufficient credit in the expenditure budget of the Spanish Patent and Trademark Office. Payment to the suppliers for the consultations of said databases may be made by means of a record of payments for which proof must be provided.

11. Provision of Information Services by Means of Telematic Communication Networks

In cooperation with the Autonomous Communities, the Spanish Patent and

Trademark Office may make available free of charge, using telematic communication networks, the Official Industrial Property Gazette together with information on the legal status of files, on the identity and similarity of distinctive signs, patents, utility models and industrial designs, on historical archives and, in general, on aspects relating to industrial property the disclosure of which is considered appropriate for reasons of technological information or industrial property dissemination or for other justifiable reasons.

12. Application of Law 30/1992 of November 26, 1992, on Legal Rules for Public Administrations and Joint Administrative Procedure

The administrative procedures relating to industrial property, and in particular the procedures for registration, renewal and the recording of transfers of rights and other registration acts shall be governed by their specific rules and, additionally, by the provisions of Law 30/1992 of November 26, 1992, on Legal Rules for Public Administrations and Joint Administrative Procedure.

13. Amendment of Law 17/1975 of May 2, 1975, on the Establishment of the Independent Body "Industrial Property Registry"

(1) Article 3(1) of Law 17/1975 of May 2, 1975, on the Establishment of the Independent Body "Industrial Property Registry", is amended and worded as follows:

"1. The Chairman of the Body."

(2) Article 4 of Law 17/1975, of May 2, 1975 on the Establishment of the Independent Body "Industrial Property Registry", is amended and worded as follows:

"Article 4

(1). The Chairman of the Body shall be the Under-Secretary of the Ministry to which the Spanish Patent and Trademark Office is attached.

(2) The powers of the Chairman of the Body shall be to:

(a) define the Body's policy and establish the guidelines for its action;

(b) approve the management of the Director of the Body;

(c) be familiar with the operation of the Spanish Patent and Trademark Office, by means of the reports produced periodically by the Director;

(d) approve the preliminary draft income and expenditure budget, as well as the annual settlement thereof;

(e) approve the Body's annual activity report;

(f) adopt agreements, where appropriate, on subjects which by their

nature and importance are known to him."

(3) Article 5 of Law 17/1975, of May 2, 1975, on the Establishment of the Independent Body "Industrial Property Registry", is amended and worded as follows:

"Article 5

(1). The Director of the Spanish Patent and Trademark Office shall implement the guidelines drawn up by the Chairman of the Body and shall serve as the Body's legal representative and have effective powers of management for the services provided; he shall be responsible for supervising and monitoring all the entities dependent on the Body; shall settle all matters within the Body's remit, and his decisions relating to industrial property subjects for which he is competent shall mark the end of administrative procedures.

(2) The appointment of the Director of the Spanish Patent and Trademark Office shall be made by Royal Decree on a proposal by the Minister of the Department to which the Body is attached".

14. Prohibition on Grant of Names of Legal Persons which May Generate Confusion with a Known or Famous Trademark or Trade Name

The registration bodies competent to grant or verify names of legal persons shall reject the name or business name requested if it corresponds to or may generate confusion with a known or famous trademark or trade name under the terms of this Law, except where the authorization of the owner of the trademark or trade name has been obtained.

15. Cooperation of the Spanish Patent and Trademark Office with International Organizations and Foreign Offices

The training and cooperation activities carried out by the Spanish Patent and Trademark Office in collaboration with international organizations and those which it conducts with foreign industrial property offices or their workers as beneficiaries, and which may be regarded as assistance or subsidies, shall not be subject to an advertising and competition procedure.

16. Draft Law on Network Domain Names

At the appropriate time and following the necessary studies and consultations, the Government shall submit to the Congress of Deputies a draft law on the names included in the top-level country network domain ".es". The proposed enactment shall be based, inter alia, on

the criteria applied to distinctive signs protected by industrial property legislation.

17. Dissolution of Companies for Trademark Infringement

If a judgment for a trademark law violation requires a change of business name and the change is not made within one year, the company shall be dissolved as of right, and the Trade Registrar shall effect its removal ex officio, without prejudice to the provisions of Article 44 of this Law.

18. Draft Law on Names of Legal Persons

At the appropriate time and following the necessary studies and consultations, the Government shall submit to the Congress of Deputies a draft law on the rules governing the business names of legal entities.

19. Draft Law on Protected Appellations of Origin and Geographical Indications

At the appropriate time and following the necessary studies and consultations, the Government shall submit to the Congress of Deputies a draft law governing protected appellations of origin and geographical indications, to replace the current Law 25/1970 of December 2, containing the Statute on Vineyards, Wine and Alcohols.

Transitional Provision

1. Transitional Rules of Procedure

The procedures on trademarks, trade names and business signs initiated prior to the entry into force of this Law shall be conducted and settled in accordance with the earlier legislation.

2. Application of this Law to Rights Already Registered

(1) Trademarks and trade names granted during the period of validity of prior legislation shall be governed by this Law, except as provided for in the following paragraphs.

(2) Trademarks and trade names granted in accordance with the Industrial Property Statute which have not been renewed during the period of validity of the 1988 Law on Trademarks shall, for their renewal and the payment of five-year fees, follow the provisions below:

(a) The first renewal thereof following the entry into force of this Law shall be filed within the six months prior to the end of the 20 years of their legal existence and shall comply with the provisions of Article 32. This renewal shall be granted for ten years starting from the filing date of the original registration application. Subsequent renewals shall be made in accordance with the provisions of this Law;

(b) Up to the time of the first renewal made following the entry into force of this Law, these trademarks and trade names shall be subject, on pain of lapse, to payment of the corresponding five-year fees. For these purposes, the expiry date of the five-year fees shall be the last day of the month in which each fifth anniversary of the date on which registration was granted falls, and the corresponding payment shall be made within the three months prior to the expiry date or in the month following said date.

(3) Trademarks and trade names not included in the preceding paragraph the grant of which has been published, or the last renewal of which has been applied for under the terms of the 1988 Law on Trademarks, but prior to the entry into force of Law 14/1999 on Fees and Public Prices for Services Provided by the Nuclear Safety Council, shall be subject, up to the first renewal made following the entry into force of this Law, to payment of the corresponding five-year fees, on pain of lapse. For these purposes, the expiry date of the second five-year term shall be the last day of the month in which the fifth anniversary

of the filing date of the original registration application falls, and the corresponding payment shall be made within the three months preceding the expiry date or in the month following said date.

(4) The amount of the five-year fees to which the prior paragraphs refer shall be that provided for in schedule 1.11 of the Annex to this Law. Once the period for payment of the corresponding five-year fee has ended without the fee having been paid, it may be paid with a surcharge of 25 per cent within the first three months and of 50 per cent within the following three months, up to a maximum of six months.

3. Transitional Rules for Registered Business Signs

(1) Without prejudice to this transitional provision, business signs shall, as long as their registration is valid and insofar as this is not incompatible with their essential nature, be governed by the provisions of this Law.

(2) Business sign registrations shall temporarily pursue their existence in accordance with the following:

(a) within the six months following the entry into force of this Law, business signs which are in force may be renewed for a period of seven years beginning on the said entry into force. The application for such renewal shall be accompanied by proof of payment of 50 per cent of the renewal fee provided for in schedule 1.8(a) of the Annex, for a single class. Where the renewal of a business sign includes only municipalities located in a single Autonomous Community, the renewal application shall be filed with the competent bodies of said Community, which shall be responsible for ruling on it and recording the event, without prejudice to the timely notification to the Spanish Patent and Trademark Office, within a period of five days, of both the filing of the renewal application and the ruling, for the purposes of the appropriate register entry. At the request of the competent Autonomous Community bodies, the Spanish Patent and Trademark Office shall issue copies of these business sign files. The fees to be paid for the renewal of these titles shall be collected by the competent Autonomous Communities and shall be paid in the manner provided for by those Communities;

(b) business signs which have not been renewed in accordance with the previous subparagraph or those which are granted subsequent to the entry into force of this Law by virtue of the first transitional

provision, shall remain registered up to the end of the period of ten or 20 years for which they have been granted or most recently renewed. Payment for the business signs covered by this subparagraph, which are subject to five-year fees, shall be made, on pain of lapse, within the period provided for in paragraph (2) (b) or paragraph (3) of the second transitional provision, according to the legislation under which they have been granted or most recently renewed. Paragraph 4 of the said transitional provision shall also apply.

Once the period of valid registration provided for in the preceding subparagraphs has elapsed, registration of the business signs shall be permanently cancelled and the titles shall be protected by the general provisions on unfair competition, in accordance with Articles 6 and 12 of Law 3/1991 of January 10, 1991, on Unfair Competition and by the following transitional provision.

(3) During the period of valid registration for business signs:

(a) signs which are identical to a business sign previously applied for or registered may not be registered to designate the same activities as the goods, services or activities for which a trademark or trade name is applied for. For these purposes, the owner of a business sign may oppose the registration of said signs in accordance with Article 19, or request the invalidation of those signs where they have been registered in contravention of this paragraph;

(b) a business sign may be declared invalid or lapsed in the same manner and on the same grounds as provided for trademarks. It may also be declared invalid where it has been registered despite the fact that it does not differ sufficiently from a trademark, trade name or business sign, in this case for the same municipality, which precedes it and is intended for identical or similar goods, services or activities.

4. Extra-Registration Protection of Permanently Cancelled Business Signs

(1) The owner or beneficiary of a business sign which has been permanently cancelled under the provisions of the last subparagraph of paragraph (2) of the third transitional provision may oppose the use of a trademark or trade name within the municipality for which it has been protected by registration if said distinctive signs were subsequent to and incompatible with said sign as provided in paragraph 3(a) of the third transitional provision.

(2) Paragraph (1) shall cease to apply if the owner of a business sign has for a period of five consecutive years knowingly tolerated the use of the trademark or trade name within the municipality in which said title has protection, unless the application for these distinctive signs has been made in bad faith.

(3) The owners of trademarks or trade names registered subsequently may not oppose the use of the business signs envisaged in paragraph (1) even where those titles, pursuant to the preceding paragraph, can no longer be invoked against said subsequent trademarks or trade names.

(4) The rights granted in this transitional provision shall be exhausted 20 years after invalidation of registration, in accordance with the last subparagraph of paragraph (2) of the third transitional provision, or if the business sign ceases to be used for an uninterrupted period of three years.

5. Start of Registration Activities of the Competent Bodies of Autonomous Communities

The Autonomous Communities which, by statute, are empowered to enforce industrial property legislation shall, subject to coordination with the Spanish Patent and Trademark Office, publish in their respective Official Gazettes the date on which the competent bodies of the Autonomous Communities shall start their work of receiving and examining applications in accordance with this Law. Until the establishment of said bodies, the registration functions entrusted to them shall be performed by the Spanish Patent and Trademark Office. Similarly, until said bodies come into operation, the Spanish Patent and Trademark Office shall assign as filing dates to applications which, where appropriate, have been filed with the authorities of said Autonomous Communities the date that has been recorded by these Communities as the date of receipt of the documentation containing the items to which Article 13 refers.

6. Classification of Trade Names

(1) In the first renewal made after the entry into force of this Law, trade names granted under prior legislation shall be classified in accordance with Article 89 of this Law.

(2) The applicant for renewal shall submit his classification proposal without modifying the literal meaning of the list of activities,

although he may re-order them or renounce those of his choice. Should the Spanish Patent and Trademark Office not regard the classification submitted as correct, it shall propose a new classification to the interested party so that, within the period determined by regulation, he may take a decision thereon. Once this period has expired, the Spanish Patent and Trademark Office shall settle the matter, irrespective of whether the interested party has responded.

(3) For the first renewal the renewal fee provided for in schedule 1.8(a) of the Annex shall be paid for a single class. Subsequent renewals shall be subject to payment of the renewal fee at an appropriate rate, according to the number of classes which the renewal application contains.

7. Merger of Registrations

On the first renewal which takes place following the entry into force of this Law and at the request of the interested party, trademarks granted for different classes under prior legislation may be unified in a single registration, provided that the owner, the sign and the date are identical and the appropriate additional renewal fees are paid. The merger procedure shall be determined by regulation.

8. Lapse for Non-Payment of Five-Year Fees

Article 56 of this Law shall apply to trademarks, trade names and business signs to be declared lapsed for non-payment of the five-year maintenance fees.

Repeal Provision

1. All provisions of the same or lower rank which contradict or conflict with the provisions of this Law are repealed.

2. The following provisions are expressly repealed:

- (a) Law 32/1988 of November 10, 1988, on Trademarks;
- (b) the Industrial Property Statute, approved by the Royal Decree-Law of July 26, 1929, revised text approved by Royal Order of April 30, 1930, and ratified with force of law by the Law of September 16, 1931, Chapter II, Title XI, insofar as it relates to trademarks, trade names and business signs;
- (c) Law 17/1975, of May 2, 1975, on the Establishment of the Independent Body "Industrial Property Registry", Article 4(11), as regards trademarks, trade names and business signs, and Article 11(5), paragraph (2) (b);
- (d) Article 2 of Royal Decree-Law 8/1998, of July 31, 1998, on Urgent Industrial Property Measures;
- (e) Law 14/1999, of May 4, 1999, on Fees and Public Charges for Services Provided by the Nuclear Safety Council, sixth and seventh additional provisions and second transitional provision.

Final Provision

First Final Provision: Title of Competence

This Law shall be issued in accordance with the State's powers as regards industrial property legislation, as provided for by Article 149.1.9a of the Constitution.

Second Final Provision: Development of the Law

The Council of Ministers shall be authorized to enact such provisions for the implementation and development of this Law as may be necessary.

Third Final Provision: Entry into Force

This Law shall enter into force on July 31, 2002, except for the provisions of Title V, Article 85 and the third, fourth, eighth, tenth, eleventh, thirteenth, fourteenth and fifteenth additional provisions, which shall enter into force on the day following publication of the Law in the Official State Gazette.

ANNEX

The fees provided for in the second additional provision shall be as follows:

First Schedule: Acquisition, Defense and Maintenance of Rights

1.-(1) Fee for application for registration:

(a) of a trademark or trade name. For the first class applied for: 154.38 euros. For the second class and each of the successive ones: 100.00 euros.

(b) of a Certification or collective mark. For the first class applied for: 308.72 euros. For the second class and each of the successive ones: 200.00 euros.

(c) of an international registration (national fee): 41.43 euros.

(d) a Community trademark (receipt and forwarding fee): 27.61 euros.

1.-(2) Divisional fee. For each application or resulting divisional registration: 58.68 euros.

1.-(3) Fee for restoration of rights: 102.26 euros.

1.-(4) Fee for applications where no specific fee is indicated: 51.11 euros.

1.-(5) For each foreign or exhibition priority claimed: 21.20 euros.

1.-(6) Amendments: for the amendment of a procedure or characteristic, the list of goods or services, the regulations for use or, in general, any amendment of the file authorized by the Law, either of the application or of the registration of the trademark, when it is carried out spontaneously by the applicant or owner and not as a consequence of a suspension decreed ex officio: 22.50 euros.

1.-(7) Oppositions: for filing of an opposition: 42.00 euros.

1.-(8) Registration renewal fees for:

(a) a trademark or trade name. For the first renewed: 178.73 euros. For the second class and each of the successive ones: 120 euros.

(b) a Certification or collective mark. For the first class renewed: 359 euros. For the second class and each of the successive ones: 240 euros.

1.-(9) Delays: for delays in the payment of renewal and successive five-year fees (transitional rules), the extra charges shall be 25 per cent within the first three months and 50 per cent within the following three months, up to a maximum delay of six months.

1.-(10) Appeals and review of administrative acts: for the submission of an appeal or request for review: 95 euros.

1.-(11) Successive five-year fees (transitional rules): 79.90 euros.

Second Schedule Recording of Transfer of Rights and Other Amendments

2.-(1) For the recording or deletion of changes of ownership, licenses, real rights, purchase options or other restrictions or precautionary or enforcement measures. For each registration affected: 32.44 euros [up to a maximum of 6,768.37 euros].

2.-(2) For the registration of a change in the name of the owner. for each registration affected: 15.90 euros, up to a maximum of 2,654.25 euros.

Third Schedule: Other Services

3.-(1) Certifications: 16.40euros.

3.-(2) Consultation and viewing of a file: 3.46 euros.

3.-(3) Copying of documents relevant to a file: 11.05 euros plus a supplement of 1.10 euros for each page in excess of ten pages.

Fourth Schedule: Publications

4.-(1) For publication in the Official Industrial Property Gazette, at the request of an appellant, of an announcement of the lodging of an administrative challenge procedure relating to distinctive signs: 138.06 euros.

4.-(2) For publication in the Official Industrial Property Gazette, at the request of a party, of the failure of an administrative challenge procedure on distinctive signs: 138.06 euros.