

Italy

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Ownership and scope of marks

1 Who may apply?

Any natural person or legal entity may apply for an Italian trademark. As to foreign entities, the condition to be satisfied to apply for registration in Italy is that the origin country must recognise the same right to an Italian citizen. Finally, even the national, regional, provincial and municipal public administrations can apply for registration. A mala fide registration is not valid.

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

Any sign can be registered unless is not generic and descriptive to the extent that such sign is capable of being represented graphically and of distinguishing the goods or services for which is intended. In particular, such sign may include words (also people's names) drawings, letters, numbers, sounds, the shape of goods or their packaging, combinations thereof, and musical phrases. The law recognises specific limitations to the registration such as – for instance – portraits (without the consent of the subject portrayed), names of renowned individuals, signs adopted in the artistic, literary, political or sporting field and logos, signs and denominations of groups or non-profit organisations.

Trademark office procedures

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

Depending on the number of classes of goods for which the registration of a trademark is sought, the cost may vary; as an average value, registering a simple trademark for up to three classes in Italy, without taking into account potential objections, costs around €600 plus €200 as further costs. As per the timing, it usually takes up to six months from the filing to the registration.

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

The Nice classification has been adopted as a model by the Italian trademark authorities.

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

No, but apart from this preliminary examination based on the existence of prior registered trademarks, the Italian law provides an examination procedure on different basis. This examination

phase is based only on formal criteria. In other words, the Italian Patent and Trademark Office (the IPTO) verifies whether the application complies with the legal requirements (in particular distinctiveness, descriptiveness, etc).

The IPTO may raise objections and require clarifications from the applicant and for this purpose can give the applicant up to two months to respond. In the event the applicant fails to respond, the application will be rejected with the service of a formal communication. The IPTO can decide to reject an application in whole or in part.

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

Effective use is required by Italian law to establish an unregistered trademark. Indeed, an unregistered mark has to acquire a level of renown not purely local (ie, confined to a city or specific area). Unregistered marks that have gained renown exclusively within a specified territory will enjoy protection only within that territory.

The proof required by the IPTO to demonstrate use is usually constituted by an advertising and promotional activity as long as this is sufficient to ingrain into consumers a knowledge of the mark.

7 Is there an appeal process if the application is denied?

Against the rejection in whole or in part of an application for a trademark, it is possible to file an appeal within the deadline of 60 days from the day of the service of the communication of rejection with the Appeal Commission.

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

Under the new IP code (recently enacted by the government through the Legislative Decree No. 30 dated 10 February 2005) an opposition system before the IPTO has been created. Unfortunately, at the time being, a specific procedure before the IPTO is not effective yet, thus the only feasible remedy remains the ordinary legal action before a judicial authority pursuant to the Italian civil procedure rules.

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

The first registration is valid for a 10-year period. Before the expiration of the above term, the rightholder has to file a renewal of the registration by paying the relevant tax fees.

- 10** What are the benefits of registration?

Registration grants the applicant the exclusive right to use the trademark subject to the registration in any advertising and trading communication as of the day the application is filed.

Assignment

- 11** What can be assigned – trademark with goodwill, without goodwill, all of the goods and services, some of the goods or services? Must other business assets be assigned to make it a valid transaction?

A trademark can be assigned with or without goodwill for all or only a part of the goods and services for which it was originally registered, without any obligation regarding the assignment of other business assets for the validity of the transaction. In any case, the assignment has to avoid any misrepresentation regarding the characteristics of goods and products that are crucial to the assessment of the public. In terms of principle, the assignment of only a part of the goods shall be excluded in connection with fungible items, otherwise confusion would arise owing to the coexistence of two owners for the same trademark and the same goods. In practice, however, this issue is often solved because of the high level of specialisation of goods and services so that even products aimed at serving the same purpose and sharing similar characteristics may be deemed not fungible with each other.

- 12** What documents are required?

Any agreement that is valid and binding between the parties as to the assignment of a trademark has to be recorded with the register held by the Italian Trademark and Patent Office. For this purpose, a power of attorney in the name of a patent agent carrying out the recordal is usually signed at the time of the closing of the assignment agreement.

- 13** Must the assignment be recorded for validity?

The assignment does not have to be recorded for being valid; however, the failure to record makes the assignment ineffective against subsequent bona fide assignees. In order to obtain the recordation, the interested party has to file the relevant application with the Italian Office attaching either the original or a certified copy of the assignment agreement duly notarised.

- 14** Are security interests recognised?

Yes and they have to be recorded.

Markings

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

There are no symbols or words that have to be used in order to indicate trademark use or registration. The law prohibits

conducts, including the use of words or indications, that would mislead the consumer leading to believe that a certain sign is protected as a registered trademark. In practice, the letter ‘®’ is usually used to indicate that a trademark is registered in Italy.

Trademark enforcement proceedings

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

A trademark holder can bring civil and criminal actions to enforce his right against infringing entities. Any criminal proceedings will be exclusively dealt with by the criminal courts, which can impose fines and order imprisonment. Civil proceedings regarding trademark infringement have to be started before the IP specialised court divisions existing in 12 geographical districts that apply the corporate procedural rules. Furthermore, recently enacted laws provide for the availability of administrative proceedings to be commenced against trademark infringers as well as the purchasers of products bearing infringed trademarks.

Procedural format and timing

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

Under the new laws, any civil action brought against an infringer is dealt under the scheme of the corporate procedural rules. This reduces significantly the time frame for the enforcement of industrial property rights. As regards the ordinary litigation, a two-part procedure is established which begins with the parties exchanging statements to very tight deadlines; the court then intervenes to attempt a settlement, decide on the evidence to be produced by the parties or seek technical expertise, as the case may require. Discovery devices are not generally known under the Italian Law, while live testimony and experts can be heard in the course of the action upon the court’s authorisation. Civil proceedings on IP issues are decided by a panel of judges, one of whom is appointed by the president of the competent specialised IP division to introduce the case to the panel. The length of civil proceedings varies from approximately 18 months to two-and-a-half years, depending on whether a court expert is appointed.

Provided the requirements of urgency and likelihood of success on the merits are fulfilled, a trademark holder can commence interim proceedings seeking to obtain remedies more swiftly than under ordinary litigation. An ordinance over the request of a pre-trial injunction is usually issued within 30 days from the filing of a petition.

As regards criminal actions, they are usually commenced upon filing of a criminal complaint specifying the alleged infringement. Upon the decision of the public prosecutor the claim is either dropped or a formal charge is filed. In this latter respect a judge is appointed to follow the case.

Procedural

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

Under the Italian Law, the burden of proof regarding both infringement and dilution rests on the plaintiff.

Standing

19 Who is entitled to seek a remedy (trademark owner, licensee, etc) and under what conditions? Who has standing to bring a criminal complaint?

A trademark owner can bring an action against the infringing use of his sign or the unlawful exploitation of his rights under any conditions; exclusive licensees may act for the protection of a trademark independently from the trademark owner; whereas those without an exclusive licensing are usually allowed to join the proceedings already commenced by the trademark owner. Anyone has the standing to file a criminal report thus allowing the authority to start criminal proceedings where needed.

Foreign activities

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

Except for infringements of a Community trademark – where the action can be commenced in the jurisdiction of the defendant's domicile and remedies can be obtained with effect in other jurisdictions in the EU, infringing activities taking place outside Italy cannot be judged by an Italian court.

In the case of well-known trademarks (article 6 of the Paris Convention), the activities made in other jurisdictions to increase the notoriousness of the sign may be of help to support claims within the local territory.

Discovery

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

Differently from common law countries, the Italian legal system recognises discovery only to the extent of authorising the judge to compel a party to disclose certain elements or to be questioned on specific queries where the other party succeeds in providing serious indicia of the validity of a claim, specifying what evidence shall be in the possession of the counterparty.

Timing

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

Under the corporate procedure rules the timing of proceedings for trademarks infringement and dilution have been reduced to 18 months up to two-and-a-half years from the service of the writ of summons to a first-instance decision. As for the appeals, the average time frame is between two and years two-and-a-half years from the filing of the petition.

Litigation costs

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

Even if it is always difficult to predict, a typical cost range for trademark litigation shall take into account the fees of each party's lawyer, the fees of experts where needed and all the relevant costs plus the court fees. The Italian system applies a statutory set of fees for lawyers the amount of which varies depending on the value of the litigation. An average estimate for a litigation claiming damages in the amount of €1 million is approximately up to €25,000 for a first-instance decision and up to €35,000 for the appeal. The sum that the losing party may have to pay is decided by the judge on the basis of all the fees and costs borne by both parties in handling the litigation.

Appeals

24 What avenues of appeal are available?

It is possible to appeal a decision before the Court of Appeals in the second instance, for the evaluation of the correctness of the former proceedings. New facts and documents can be submitted only under limited conditions. The Supreme Court is the highest court of appeal but it can decide only on the application of the law or the correctness of the reasoning followed by the judge rather than the merits of the case.

Defences

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

The main defences are that the trademarks at issue are not confusingly similar or that they refer to goods or services that are not similar. Often, the defendant of a trademark infringement action raises issues regarding the validity of the sign unlawfully used as a counterclaim. Depending on the circumstances of the cases, various defences are available (ie, non-use, lack of distinctive capacity; exhaustion of the trademark; failure to comply with formal requirements; etc).

Remedies

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

In civil proceedings brought against the validity of a trademark or for trademark infringement, the specialised court divisions may grant the following remedies:

- a declaration of nullification or invalidation of the trademark (to be annotated in the IPTO register);
- an injunction against the manufacture, trade or use of the infringing goods;
- destruction of all infringing marks, packaging and materials (where deemed appropriate by the judicial authority);
- seizure and destruction of the infringing goods and equipment used in their manufacture;
- damages; and
- publication of the court's decision.

Interim injunctions can be obtained as remedies in cases where

Update and trends**Protection of 'Made in Italy'**

In a recently published decision, the Italian Supreme Court (criminal division) issued guidelines on the use of the designation 'Made in Italy' stating that in the case of foreign products the sign can be lawfully used only when the manufacturing of the goods bearing it takes place entirely in Italy or if the last phase of the manufacturing process occurs in Italy, in line with the principles of the Community Customs Code.

In its earlier case law, the Italian Supreme Court allowed the use of the word 'Italy' or of the name of an Italian city

together with the name of the Italian manufacturer for industrial products made outside the Italian territory but under the control of the Italian manufacturer. The difference with respect to the 'Made in Italy' designation to the court's reasoning is due to the specific aim of informing consumers that the products bearing the 'Made in Italy' sign are totally or substantially manufactured in Italy. Said aim requires a strict approach and imposes a strong connection with the Italian territory. In addition, the narrow view of the court grants a high standard of protection to the designation despite the lack of statutory provisions that govern its use.

the applicant complies with the legal requirements by showing that (i) the urgency of the matter requires the immediate issuance of a restraining remedy to avoid the risk of serious and irreparable harm, and (ii) the likelihood of success on the merit. Under the new procedural rules, interim injunctions are permanent even without the need to start a subsequent ordinary action.

From the criminal perspective, the penalties available for the enforcement of trademarks are set out in the Criminal Code under:

- article 473 (infringement and unauthorised use of trademarks);
- article 474 (import of infringing products and goods); and
- article 517 (sale of industrial products bearing misleading signs. This provision applies to unregistered marks since it concerns the sale of goods bearing distinctive signs that are likely to cause mistake or to deceive as to the origin or quality of the goods themselves).

The penalties for such criminal conduct include fines and imprisonment of up to three years, as well as publication of the court's decision. In addition, the IP code provides for the imposition of fines on anyone who manufactures trades, exhibits or imports goods that infringe industrial property rights and on anyone who adopts a sign that is misleading as to the registration of a trademark.

Alternative dispute resolution

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

No specific body of ADR exists for trademark infringement cases, therefore the parties willing to rely on it will have to agree upon the terms of the arbitration. Usually, arbitrations are used in connection with licensing agreement and, more generally, contractual obligations concerning the use of trademarks.



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