

CJEU clarifies rules governing joint ownership of national and EU trademarks

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- The CJEU issued this preliminary ruling following a request by the Italian Court of Cassation
- EU trademark legislation does not lay down any rules governing the formation of collective consent on the part of joint proprietors of a trademark
- The grant or termination of a licence to use a jointly owned national or EU trademark is a matter of national law

On 27 April 2023 the Court of Justice of the European Union (CJEU) issued its decision in [Case C-686/21](#), following a request for a preliminary ruling from the Italian Court of Cassation (the Italian Supreme Court) on joint ownership of a trademark.

Background

VW, SW CQ and ET are joint owners of Italian and EU trademarks for LEGEA, registered for sports goods. In 1993 the joint proprietors unanimously granted Legea Srl an exclusive licence to use the LEGEA trademarks for an indefinite period and free of charge. In December 2006 VW expressed his dissent to the continuation of the licence. On 16 November 2009 Legea brought an action against VW before the Court of Naples.

The court found Legea's use of the trademark to be lawful until 31 December 2006, but unlawful after that date, following the dissent expressed by one of the proprietors. The decision was appealed. The Court of Appeal of Naples reversed the first-instance decision, finding Legea's use of the trademark after December 2006 to be lawful, considering that a three-quarters majority of the proprietors allowed the continuation of the licence.

Questions referred for a preliminary ruling

Hearing the case on appeal, the Italian Court of Cassation deemed it opportune to refer the following questions to the CJEU for a preliminary ruling:

1. Whether the EU rules, insofar as they provide for the exclusive rights of the proprietor of an EU trademark and for the possibility of such trademark being owned by several individuals in shares, should be interpreted as meaning that the assignment of a licence to a third party can be decided upon by a majority of the joint proprietors, or as meaning that it requires their unanimous consent; and
2. In case unanimous consent is required, whether any of the joint proprietors, after an EU mark or national mark has been assigned to a third party by unanimous decision, may unilaterally withdraw from that decision.

CJEU ruling

The CJEU held that the applicable EU rules (Articles 9, 16 and 22 of [Regulation 40/94](#) and Articles 5 and 8 of [Directive 89/104](#), which correspond to Articles 9, 19 and 25 of [Regulation 2017/1001](#) and Article 10 and 25 of [Directive 2015/2436](#)) specify only that trademarks confer exclusive rights on the proprietor, and that they may be the subject of a licence. Article 16(3) of Regulation 40/94 also acknowledges the possibility of joint ownership of EU trademarks.

In contrast, the mentioned provisions do not lay down any rules governing matters related to the exercise of joint ownership of trademarks. With specific reference to EU trademarks, considering the lack of EU rules on the formation of common consent on the part of the joint proprietors, the CJEU held that the same trademark, as an object of property, shall be dealt with as a national trademark registered in the particular member state.

The CJEU also clarified that the fact that the EU rules contain no explicit reference to joint ownership of national trademarks does not mean that such joint ownership is excluded, but only that it is governed by national law.

The CJEU therefore concluded that the relevant EU legislation should be interpreted as meaning that, in the case of joint proprietorship of a national or EU trademark, the formation of common consent, on the part of the joint proprietors, to grant or terminate a licence to use the trademark, is governed by the national law applicable to each case.

Comment

Following this judgment by the CJEU, the Italian Court of Cassation will now have to decide the case applying Italian law. As specified in the [opinion of the advocate general](#) in this case, the relevant provision would be Article 6 of the Italian Intellectual Property Code, which, in case of joint ownership of a trademark, refers to the provisions of the Italian Civil Code relating to joint ownership, to the extent that they are compatible.

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