

# Yearbook

2017/2018

A global guide for practitioners

**Austria**

**BINDER GRÖSSWANG Rechtsanwälte GmbH**

*Ivo Rungg and Hellmut Buchroithner*

**World  
Trademark  
Review**

Supported by



**MARQUES**



Authors

Ivo Rungg and Hellmut Buchroithner

## Legal framework

In Austria, trademarks can be protected and enforced as Austrian trademarks, EU trademarks and Austrian trademarks based on an international registration under the Madrid Protocol.

The national legal framework for trademarks is set out in the Trademark Protection Act (260/1970, *Federal Law Gazette*). Its provisions implement the EU Trademark Directive (89/104/EEC), which aimed to partially harmonise the national trademark laws of EU member states. The EU Customs Code and the Austrian Law against Product Piracy also apply.

EU trademarks are governed by the EU Community Trademark Regulation (207/2009) and its implementing regulation (2868/95), both amended by the Amending Regulation (2424/2015).

Further, Austria is a signatory to the following international treaties:

- the Paris Convention for the Protection of Industrial Property;
- the Agreement on Trade-Related Aspects of Intellectual Property Rights;

- the Madrid Protocol on the International Registration of Marks; and
- the Nice Agreement on the International Classification of Goods and Services.

## Unregistered marks

The names and pseudonyms of natural and legal persons are protected by the Civil Code. Improper use of names may give rise to claims for invalidation and compensation for damages.

Trade names (ie, the names of companies as listed in the Commercial Register) are protected under the Commercial Code (219/1897, *German Imperial Law Gazette*). According to Section 29 of the Commercial Code, trade names must be distinct from other commercial designations in the same location or political municipality. The protection of trade names is regulated in Section 37 of the Commercial Code and includes injunctive relief and compensation for damages.

Further, Section 9 of the Unfair Competition Act provides for the protection of unregistered company names and trade names, including trade dress, as long as they have been used in commerce and the trade

dress is well known to the public.

The protection of trade names starts with entry in the Commercial Register. In all other cases, unregistered marks require a ‘*verkehrsgeltungsnachweis*’, which measures the distinctiveness of the sign within the relevant trade circles, to establish protection. A *verkehrsgeltungsnachweis* can be proved in the course of a lawsuit (eg, through opinion polls).

### Registered marks

Any legal or natural person may apply for and own a trademark.

If the applicant does not have its domicile, seat or commercial establishment in Austria, it must appoint an Austrian attorney, patent attorney or notary as a local representative before the Austrian Patent Office. If the applicant has its domicile, seat or commercial establishment in the European Economic Area or Switzerland, it is sufficient to appoint a local authorised recipient. If a legal professional is appointed as representative, power of attorney is not required. However, the representative must be duly empowered. If the representative is not a legal professional, power of attorney is required (original or certified copy).

According to Section 1 of the Trademark Protection Act, any sign can be a trademark, as long as it can be permanently and intelligibly depicted graphically (eg, words, numbers and three-dimensional (3D) shapes). The most common trademarks in Austria are text, text-image and image trademarks. 3D, sound, hologram, position, colour and haptic marks are also allowed, as long as they can be depicted graphically. Therefore, movement, signal, fragrance and flavour marks may not be registered in Austria.

In order to be registered as a trademark, the sign must be capable of distinguishing the goods and services of one enterprise from those of others by either inherent or acquired distinctiveness.

Section 4 of the Trademark Protection Act states the main grounds for refusal of registration, as follows:

- marks that reproduce official symbols;
- marks that do not fulfil the requirements of Section 1 of the Trademark Protection

Act (ie, that cannot be represented graphically);

- marks that have no distinctiveness;
- marks that consist only of descriptive or generic elements;
- marks that consist only of a shape that:
  - results from the nature of the goods as such;
  - is necessary to obtain a technical result; or
  - gives substantial value to the goods;
- marks that are contrary to public policy or accepted principles of morality;
- marks that can deceive the public; and
- marks that wrongfully designate the geographical origin of wines and spirits.

However, some of these grounds for refusal – such as descriptiveness and genericness – are relative and can be overcome under certain conditions.

### Procedures

An application to register a trademark with the Austrian Patent Office can be filed online, by post or by fax (although not for colour marks). After receiving the application, the Austrian Patent Office examines the trademark application with regard to formality requirements and any absolute or relative grounds for refusal, and conducts a similarity research. The Austrian Patent Office notifies the applicant or its representative of such findings and the applicant or representative can file counterstatements or withdraw the application. The proceedings end either with registration of the trademark or rejection or dismissal of the application by way of a decision that can be appealed. After registration, the trademark is published in the *Österreichischer Markenanzeiger*. The trademark can be renewed indefinitely for 10-year periods.

The Austrian Patent Office does not guarantee certain timeframes for registration. However, in practice, unopposed proceedings may take between three and six months. The timeframes for opposition proceedings may be extended on application; therefore, the timeframe differs from case to case.

The Trademark Protection Act provides for an opposition procedure. The owner



## 3D, sound, hologram, position, colour and haptic marks are allowed, as long as they can be depicted graphically. Therefore, movement, signal, fragrance and flavour marks may not be registered in Austria

of an earlier trademark (registered or pending) can challenge a later conflicting trademark registration within three months of publication in the *Österreichischer Markenanzeiger*. Prior registration of a trademark or application thereof (provided that the trademark will be registered) constitutes grounds for opposition. A member of the competent division of the Austrian Patent Office will hear opposition proceedings. Opposition decisions of the Austrian Patent Office can be appealed to the Vienna Higher Regional Court.

In addition to opposition, a cancellation application may be submitted where a trademark infringes prior registered or well-known unregistered trademarks. Cancellation applications can also be based on commercial designations. A cancellation application can be filed by any party on the grounds that a trademark should not have been registered based on absolute grounds for refusal. Further, any party may request cancellation of a trademark that has not been in genuine use for five years. The Trademark Protection Act sets out further grounds for cancellation (eg, the trademark has become generic).

The Austrian Patent Office provides an online search tool whereby anyone can search for Austrian, EU and international trademarks that are protected in Austria. It is possible to search by name, application number, registration number, text contained in the mark, type of mark (eg, image, image and text, physical, colour, sound, hologram or position mark), state of the mark, application or registration date and Nice classes.

Further, the Service of Industrial Property

offers searches for identical and similar trademarks. The fees for such searches depend on the timeframe (eg, €130 for five classes within five working days, €160 within 24 hours and €180 within three hours). Each 10 additional classes cost €25. The search can also include trade names (for an additional fee of €35).

### Enforcement

Trademark infringement is subject to both civil and criminal penalties. When faced with actual or threatened infringement of their rights, rights holders are entitled to file a legal action. As stated in the Trademark Protection Act, the causes for legal action based on trademark infringement are the use of:

- an identical mark for identical goods or services;
- an identical or similar mark for identical or similar goods or services; or
- an identical or similar sign for dissimilar goods or services, where the registered trademark is well known in Austria and the use takes unfair advantage thereof.

The infringement of trademark rights entitles the registered rights holder or licensee (depending on contractual rights) to the following claims:

- Cease and desist – the infringer has the duty to stop the infringement.
- Adequate remuneration – this claim is irrespective of fault.
- Damages – if the infringer has acted negligently or intentionally, a claim for damages (based on lost profits) or delivery of the infringer's unfairly gained

profits is justified. Compensation is calculated using a reasonable royalty rate, usually equivalent to the payment of a hypothetical licence fee. Where the amount of damages cannot be assessed, it is possible to claim double the amount of the adequate remuneration instead. Such a claim requires proof of a minimum of gross negligence on the part of the infringer. A claim for damages must prove actual damage and establish a causal link between the infringement and the damage incurred. In addition, the burden of proof regarding negligence on the part of the infringer lies with the claimant.

- Destruction – the rights holder may request the seizure and destruction of infringing goods and the means used to reproduce the trademark. Alternatively, the offending trademark may be removed from the goods in question.
- Information – as long as doing so is not inappropriate in relation to the severity of the infringement or unlawful regarding confidentiality obligations, the infringer must disclose information regarding the origin and scale of the infringing goods and services.
- Accountability – the infringer must disclose financial information so that damages may be assessed.



**Ivo Rungg**

Partner

[rungg@bindergroesswang.at](mailto:rungg@bindergroesswang.at)

Ivo Rungg has been with Binder Grösswang Rechtsanwälte GmbH since 1998 and became a partner in 2001. He specialises in unfair competition law, advice for and enforcement of IP rights, copyright and IT and data protection law. He is head of the IP team at Binder Grösswang and advises leading Austrian and international clients. He is a member of the International Trademark Association, the German Association for the Protection of Intellectual Property, MARQUES and many other organisations. He is the author of numerous publications and a visiting lecturer in the faculty of law at the University of Innsbruck, and also teaches in seminars and conferences in the fields of IP, data protection and IT law.



**Hellmut Buchroithner**

Counsel

[buchroithner@bindergroesswang.at](mailto:buchroithner@bindergroesswang.at)

Hellmut Buchroithner has been with Binder Grösswang Rechtsanwälte GmbH since 1996 and was admitted to the Austrian Bar in 2001. He specialises in unfair competition law, advice for and enforcement of IP rights, copyright and industrial design law and IT and data protection law. He is a member of the IP team at Binder Grösswang and advises Austrian and international clients in unfair competition matters, trademark, copyright and know-how protection and concerning the development of mobile apps, provider issues and similar tasks in brand protection and in national and international administration of trademark portfolios. He is the author of numerous publications on unfair competition and IP law.



- Exclusion – the public may be excluded from the trial.
- Publication – the final decision will be published at the infringer's cost.

The rights holder may request a cease and desist order to stop the infringing use. A cease and desist claim requires the risk of reoffending. If the claimant proves infringement, the risk of reoffending is assumed and the defendant must disprove such assumption.

If there is an imminent risk of first infringement, it is also possible to file a preventive action for a cease and desist order.

Legal actions for cease and desist may be combined with applications for preliminary injunctions. Since the preliminary injunction is provisional, the court can grant interim relief only. As such, the outcome of the preliminary injunction must be reversible. Preliminary injunctions are enforceable immediately. However, the court granting the interim relief may suspend enforceability or make enforcement dependent on security.

The time limit to file a cease and desist order is not specifically regulated under the Trademark Protection Act. Therefore, such actions must be filed within three years of gaining knowledge of the infringement and infringer based on the general statute of limitations in Section 1489 of the Civil Code.



**Legal actions for cease and desist may be combined with applications for preliminary injunctions. Since the preliminary injunction is provisional, the court can grant interim relief only**

If the holder of earlier registered rights has knowingly tolerated the use of a later sign in Austria for five consecutive years, it is not entitled to request a cease and desist order for the use of the later sign. This is not the case if the later sign has been used in bad faith or if such registered trademark was applied for in bad faith.

According to the Trademark Protection Act, the Vienna Commercial Court has exclusive jurisdiction for civil law remedies based on trademark infringement. The further instances are the Vienna Higher Regional Court and the Supreme Court.

Further to civil infringement proceedings, the intentional infringement of trademark rights and unregistered trade names is punishable by a fine under the Trademark Protection Act. This fine may be set by the court up to 360 rates *per diem*. If the offence is committed on a commercial basis, an additional penalty of up to two years' imprisonment may be imposed.

Criminal infringement proceedings may be initiated only by the person or business damaged by the infringement – not by the public prosecutor. Not only is the infringement of registered trademarks punishable, but also the use of names, trade names or other special designations of a business in order to distinguish goods and services, if such use gives rise to a likelihood of confusion.

According to the Trademark Protection Act, the Vienna Criminal Court has exclusive jurisdiction for criminal law remedies based on trademark infringement.

Both individuals and legal entities may be the subject to criminal procedures for infringement; however, employees or other authorised persons who carry out the infringement on their employers' orders are not subject to criminal charges.

#### **Ownership changes and rights transfers**

A change of ownership of an Austrian trademark should be registered in the Trademark Register to ensure the publication of such proceedings. However, this recordal is merely declarative; even if the change of ownership is not recorded in the register, the acquirer can enforce its rights, but must prove

the acquisition of ownership. When filing for a change of ownership, it is necessary to attach the certificate of transfer (the original or a certified copy). Further, the signature of the former owner must be notarised or legalised.

Licences can be registered, although this is not a requirement. When doing so, the licence agreement must be submitted and the signature of the licensor must be notarised or legalised. Depending on the licence agreement, the licensee itself may start infringement proceedings without the licensor's consent.

### Related rights

A trademark which is a sufficiently original creative work (eg, a logo or even a slogan) can be protected simultaneously by copyright law where it meets the standards of originality under the Copyright Act.

### Online issues

The Austrian country-code top-level domains (ccTLDs) 'at', 'co.at' and 'or.at' are governed by nic.at GmbH, which manages the issuance and administration of these domains. When registering a domain name, the applicant must ensure that the domain name does not infringe third-party rights (eg, name rights or trademark rights) or unfair competition law. Applications are rejected only if they obviously infringe third-party rights. No special dispute resolution provision regulates the Austrian ccTLDs; relevant legal disputes are decided by the civil courts. However, legal disputes regarding a domain may be registered

with nic.at GmbH and a 'wait status' may be requested for a domain in order to prevent transfer before the end of the legal dispute. There is no special anti-cybersquatting act in Austria. However, the Unfair Competition Act provides protection against forms of cybersquatting (eg, domain grabbing).

There are three new generic top-level domains (gTLDs) in Austria – 'wien', 'tirol' and 'vig'. All three have been granted by the Internet Corporation for Assigned Names and Numbers. Alternative dispute resolution procedures are available for these new domains, such as the Uniform Domain Name Dispute Resolution Policy and the Legal Rights Objections. By filing an application for a new gTLD, the applicant agrees to accept the applicability of these alternative dispute resolution systems, which aim to facilitate fast and cheap resolution of domain name disputes. **WTR**

## BINDER GRÖSSWANG

### BINDER GRÖSSWANG Rechtsanwälte GmbH

Sterngasse 13

Vienna 1010

Austria

**Tel** +43 1 534 80 510

**Fax** +43 1 534 80 8

**Web** [www.bindergruesswang.at](http://www.bindergruesswang.at)

### Examination/registration

<b>Representative requires a power of attorney when filing? Legalised/notarised?</b>	<b>Examination for relative grounds for refusal based on earlier rights?</b>	<b>Non-traditional marks registrable?</b>
Yes (unless the representative is admitted to the Austrian bar; no legalisation/notarisation necessary).	No	Sound; hologram; colour; position marks, if capable of graphical depiction.

### Unregistered rights

<b>Protection for unregistered rights?</b>	<b>Specific/increased protection for well-known marks?</b>
Yes	Yes

### Opposition

<b>Opposition procedure available? Term from publication?</b>
Yes: three months from publication.

### Removal from register

<b>Can a registration be removed for non-use? Term and start date?</b>	<b>Are proceedings available to remove a mark that has become generic?</b>	<b>Are proceedings available to remove a mark that was incorrectly registered?</b>
Yes: five years from registration date and non-use for last five years.	Yes	Yes

### Enforcement

<b>Specialist IP/trademark court?</b>	<b>Punitive damages available?</b>	<b>Interim injunctions available? Time limit?</b>
Vienna Commercial Court	No	Yes: generally no specific time limit.

### Ownership changes

<b>Mandatory registration for assignment/licensing documents?</b>
No

### Online issues

<b>National anti-cybersquatting provisions?</b>	<b>National alternative dispute resolution policy (DRP) for local ccTLD available?</b>
No specific act; however, covered by Austrian Unfair Competition Act.	No