

**Poland
Pologne
Polen**

Question Q214

Protection against the dilution of a trade mark

Contributors:

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I. Analysis of current law and case law

1. Do the laws of your country provide for protection against dilution of a trademark? If so, which laws?

As regards the Republic of Poland, reputed trademarks are eligible for protection against dilution. This is guaranteed by the law of 30 June 2000 – the Law on Industrial Property (LIP), as well as the Law of 16 April 1993 on Combating Unfair Competition (CUC). Protection of reputed registered trademarks is provided under Article 132(2)(iii) of the LIP, according to which “*a right of protection for a trademark shall not be granted if the trademark is identical or similar to a trademark registered earlier or applied for registration with an earlier priority date (provided that the latter is subsequently registered) on behalf of another party for any kind of goods, if it without due cause would bring unfair advantage to the applicant or be detrimental to the distinctive character or the repute of the earlier trademark.*” The above provision shall apply accordingly to reputed, unregistered trademarks which became well-known.

Protection against dilution of a trademark can also be sought under Articles 3 and 10 of the Law on Combating Unfair Competition. Pursuant to Article 3 of the CUC, “*the act of unfair competition shall be the activity contrary to the law or good practices which threatens or infringes the interest of another entrepreneur or customer.*” Where the infringer’s activity is likely to mislead potential customers as to the origin or quality of goods, Article 10 can be applied: “*such indication of products or services or its lack, which may mislead customers in relation to the origin, quantity, quality, components, manufacturing process, usefulness, possible application, repair, maintenance and another significant features of products or services, as well as concealing the risks connected with their use, shall be the act of unfair competition.*”

2. Is there a legal definition of dilution in your legislation or case law?

The Polish legislation does not provide for a definition of dilution. It is assumed in literature and judicial decisions, in agreement with the EU legislation, that dilution constitutes a kind of infringement of trademark reputation, and may have two forms: loss of individuality of the mark (dilution by blurring), or depreciation of the reputation of the mark (dilution by tarnishing). The loss of individuality, that is losing a capability to evoke automatic associations with original products, occurs when another party is using an identical or similar mark for different kind of goods. On the other hand, depreciation of the reputation of the mark takes place when an identical or similar mark to a reputed trademark is used by another party in a degrading or ridiculing way.

3.1. Which trademarks are afforded protection against dilution? What are the eligibility criteria?

Protection against dilution is afforded to reputed trademarks. Trademark reputation is defined by its high quality, attractiveness, advertising value and the whole of customers' positive ideas about the products marked therewith. Reputation of a mark is strictly connected with its high distinctiveness. A reputed trademark must have a high capability to evoke automatic associations with the products for which it was registered, as well as with their manufacturer.

3.2. To be eligible for protection against dilution, does a mark need to be distinctive? If so, does the protection depend upon the mark being inherently distinctive or are marks that have acquired distinctiveness through use also protected?

Protection against dilution is afforded to distinctive trademarks, irrespective of whether their distinctiveness is inherent or acquired through use.

3.3.1. To be eligible for protection against dilution, does a mark need to have a reputation or be well-known or famous? If so, when does a mark have a reputation, when is it well-known or when is it famous? Are the factors mentioned in paragraph 15 and 22 above relevant for determining whether a mark has a reputation, is well known or famous? For what point in time does this have to be assessed?

As mentioned above, the protection against dilution is afforded to reputed trademarks. The notion of reputation has not been defined under any particular law. As it is assumed in judicial decisions and literature, the investigation into whether a trademark has obtained reputation or not should involve,

apart from taking into consideration a significant degree of being well-known among potential customers, the circumstances of each individual case with focus on the following factors:

- participation in the market (both with regard to the quantity and value of the sale of goods), the scope and duration of advertising of goods under a mark;
- territorial and time extension of using the mark;
- licenses granted for use of the mark, quality of goods under the mark;
- trademark value as assessed by independent financial institutions;
- the volume of outlays on trademark promotion;
- price relation between the goods under the mark and substitute goods;
- whether or not the mark is used by third parties, and potentially to what extent.

3.3.2. For a mark to have a reputation or to be considered well known or famous, must it meet a certain knowledge or recognition threshold? If so, what is that threshold? What percentage of population awareness is required? How widespread must the awareness be across the country? If a mark is well known or famous in one country what effect, if any, does this have with regard to other countries?

As set forth in judicial decisions, for a mark to have a reputation, it must be known to a significant part of the relevant public - its target customers. However, in judicial decisions there is no definition of “a significant part” and subsequently in each case the knowledge of the mark must be evaluated individually. In case of well-known trademarks, it is necessary that a trademark exceed a 50% knowledge threshold among potential customers. Reputation of a mark must be examined and proven in the country where the protection is sought. Evidence of reputation of the mark in other countries is considered insufficient to prove its reputation in Poland. Such evidence is regarded only as supplementary.

3.3.3. What is the relevant population in determining the knowledge, recognition or fame of the mark, the general public at large or the relevant sector of public? Is recognition or fame in a limited product market (“niche market”) sufficient?

The relevant population in determining the knowledge, recognition or fame of the mark is the public that is concerned by the trademark, that is, depending on the product or service marketed, either the public at large, or a more specialized public. If the goods or services designated by the mark have a specific application, or are exclusively destined to professional use, the relevant public is limited to the specific purchasers of the products concerned.

3.4. To be eligible for protection against dilution, is it required that the mark has been used in, or that the mark has been registered or that an application for registration of the mark has been filed in the country where protection is being sought?

To be eligible for protection against dilution, a mark must fulfill the said requirements.

3.5. Are there any other criteria a mark must comply with to be eligible for protection against dilution?

3.6. Is eligibility for protection against dilution a matter of law or an issue of fact? Who bears the burden of proof regarding the eligibility criteria? How does one prove that a mark meets the eligibility criteria? Are sales and advertising figures sufficient or is survey evidence required? Which evidential standard must this proof satisfy?

Eligibility for protection against dilution is an issue of fact. The burden of proof regarding the eligibility criteria is on the owner of the right of protection. The following evidence can be presented in order to prove that the mark meets the criteria: decisions of administrative bodies, court decisions, opinion polls, marketing researches, certificates and rewards, press articles, sworn or affirmed statements, financial reports, invoices, advertising and promotional materials.

3.7. Is there any registry of eligible marks in your country? If so, what is the evidentiary value of registration? Can it be challenged in litigation?

There is no registry of marks eligible for protection against dilution in Poland.

4. Does your law require the existence of a “mental association” or “link” between the earlier trademark and the later trademark? If so, in which circumstances does a “mental association” or “link” between the earlier trademark and the later trademark exist? Are the factors mentioned in paragraph 27 and 28 above relevant for assessing the existence of such a “mental association” or “link”? Are there other factors to take into account? Is the assessment of a link a question of fact (so something that can be established by market surveys), or is it a question of law to be established by the courts or authorities on the basis of such factors?

Article 132(2)(iii) of the LIP quoted in the answer to question 1 provides that a right of protection for a trademark shall not be granted, if the trademark is identical or similar to a reputed trademark registered or applied for registration with an earlier priority (provided that the latter is subsequently registered)

on behalf of another party for any kind of goods, if it without due cause would bring unfair advantage to the applicant or be detrimental to the distinctive character or the repute of the earlier trademark. The factors mentioned in paragraph 27 are relevant for assessing the existence of such a “*mental association*” or “*link*”. However, the link must be assessed globally, taking into account all factors relevant to the circumstances of the case. The lack of similarity between trademarks or goods bearing it may lead to findings that there is no detriment to the reputation of an earlier trademark.

5. Does such “mental association” or “link” between the earlier trademark and the later trademark automatically result in detriment to the earlier trademark’s repute or distinctive character? Or does detriment have to be proved over and above the existence of a “mental association” or “link”?

The abovementioned “*mental association*” or “*link*” between the earlier trademark and the later trademark does not automatically result in detriment to the earlier trademark’s repute or distinctive character. The detriment has to be proved in case-by-case basis. In case where the reputation of a trade mark and the similarity of goods is proved, the dissimilarity of trademarks may prevent the risk of consumers confusion and therefore the dilution is avoided.

6. Are the same factors taken into consideration to assess the existence of detriment as those already discussed for the link? Are there additional ones?

See the answer to question 5. There are not additional factors.

7. Must actual dilution be proved or is a showing of likelihood of dilution sufficient? Whose burden of proof is it? How does one prove dilution or likelihood of dilution? Does detriment require evidence of a change in the economic behaviour of the average consumer or that such change in behaviour is likely? If so, what is a change in the economic behaviour of the average consumer? Is reduced willingness to buy goods sold under the earlier mark a change in the economic behaviour? How do you prove a change in the economic behaviour of the average consumer or likelihood of such change in behaviour?

The actual dilution must be proved. The burden of prove that the trademark has been diluted shall be on the holder of the right of protection. All requirements and factors set in the judgment of the Court of Justice of the EU in case C-252/07 *Intel Corporation Inc. v. CPM United Kingdom Ltd*, should be considered accordingly. However, until completing the survey, there was no Polish case law which would relate to this issue.

8. What is the extent of protection afforded to marks which are eligible for dilution protection? May the owner of the earlier trademark object
- to the registration of a later trademark?
- to the actual use of a later trademarks?

- in respect of dissimilar goods only or also in respect of similar goods?

Reputed trademarks enjoy broader protection in the Republic of Poland. They are not only protected against the risk of confusion among customers, but also against the risk of dilution and its further parasitic use. Pursuant to Article 296(2)(iii) of the LIP, *“infringement of the right of protection to a trademark consists in unlawful use in the course of trade of a trademark identical or similar to a reputed trademark registered for any kind of goods, if such use without due cause would bring unfair advantage to the user or be detrimental to the distinctive character or the repute of the earlier trademark”*. Protection against parasitic use and dilution of the mark is also afforded beyond the similarity of goods. It concerns any kind of goods, irrespective of the factual scope of registration and use of the reputed trademark. However, if two conflicting marks are destined for different kinds of goods, it is necessary to provide evidence of parasitic use of the reputation of the earlier mark or its dilution by the later mark.

The owner of the earlier mark can file with the Polish Patent Office his remarks (the so-called *“observations”*) against granting protection to the later mark. However, observations are only regarded as supplementary materials for an examiner reviewing a given application. If such mark, despite observations, proceeds to registration, then it is possible to file a formal opposition against granting the right of protection thereto. According to Article 246(1) of the Law on Industrial Property, *“Within six months of the publication in the Official Journal of the Polish Patent Office of the mention of the grant of protection, any person can give a reasoned notice of opposition against a valid decision of the Patent Office on the grant of the right of protection”*. Based on article 296(1) of the LIP, it is possible to demand the cessation of use of the later trademark. Accordingly, *“Any person whose right of protection to a trademark has been infringed, or any person enjoying the same status under the quoted Law, can demand the cessation of infringement, the surrender of unlawfully obtained profits, or - if infringement is intentional - the redress of its consequences”*. The cases regarding trademark infringement are examined in civil proceedings before common courts in accordance with the general principles.

II. Proposals for adoption of uniform rules

The Groups are invited to put forward proposals for adoption of uniform rules with a view to protecting trademarks against dilution. More specifically, the Groups are invited to answer the following questions:

1. Which trademarks should be eligible for protection against dilution? What should the eligibility criteria be? Should recognition or fame in a limited product market (“niche market”) be sufficient?

Reputed and famous trademarks shall be eligible for protection against dilution. A famous trade mark and its reputation, besides its recognition, shall be also characterized by the following characteristics:

- market share/participation (both quantity and value of sold goods),
- range and long-lasting of an advertisement of the product bearing a trade mark,
- territorial and temporal range of use,
- licences granted for trade mark use, quality of goods bearing a trade mark,
- value of a given sign in assessment of an independent financial institution,
- size and extent of expenditures spent on promotion of a mark,
- the relationship on prices of substitute goods,
- if (and to what extent) the mark is used by third party.
- the contribution of the trade mark in the market,
- intensity and geographic scope of the use,
- intensity matching of goods with the trade mark,
- the size of expenditures on advertising and promotion of the trade mark.

2. Should it be a criteria for being eligible for dilution protection that the mark has been used in, or that the mark has been registered or that an application for registration of the mark has been filed in the country?

According to the Polish case law the reputation of a trade mark must be assessed and established in the country in which the protection is sought. If one would like to qualify a given trade mark as a reputed one in the Republic of Poland, then the argument of the international reputation of a trade mark is not sufficient.

3. Should there be a registry of eligible marks? If so, what should the evidentiary value of registration be? Should it be possible to challenge it in litigation?

We believe there is no need for a special registry.

4. Should the existence of a “mental association” or “link” between the earlier trademark and the later trademark be an independent requirement for a trademark dilution claim?

We believe that the existence of a “*mental association*” or “*link*” between the earlier trademark and the later trademark should not be an independent requirement for a trademark dilution claim.

5. Should detriment to the distinctive character or reputation of the earlier mark require evidence of a change in the economic behaviour of the average consumer or that such change in behaviour is likely?

The detriment to the distinctive character or reputation of the earlier mark should require the evidence of a change in the economic behavior, however we are aware of the fact the providing such evidence is a very hard task.

6. What should the remedies be for dilution of a mark?

We believe that current remedies provided in the Polish law are adequate.

Summary

In Poland, reputed trademarks are afforded protection against dilution. The trademarks that obtained reputation are perceived by customers as a proof of high quality, exceptionality and luxury. High value of reputed trademarks puts them at risk of being illegally used by unauthorized parties. Using the renown of someone else's trademark allows to easily promote one's own goods or services without bearing the necessary costs. The infringement of a reputed trademark may consist, for example, in dilution of its reputation. Dilution may have two forms: loss of individuality of the mark (dilution by blurring), or depreciation of the reputation of the mark (dilution by tarnishing).

Due to their special character, reputed marks enjoy broader protection than ordinary marks. An owner of a reputed trademark can oppose the registration or use of a later mark irrespective of whether the later mark is destined for similar or dissimilar goods. However, one must remember that in order to oppose a trademark destined for dissimilar goods it is necessary to, apart from proving the reputation of one's own mark, file evidence of its parasitic use or dilution. The owner of the reputed mark can enforce his claims in litigation before the Patent Office as well as in civil and criminal proceedings before common courts.

Résumé

Les marques de renommée bénéficient en Pologne d'un régime de protection particulier contre le risque de dilution. Les marques jouissant de ce statut évoquent dans l'esprit de clients l'impression de haute qualité, d'exception et de luxe. La grande valeur des marques renommées produit le risque de son emploi illégal par les personnes non autorisées. Le bénéfice de la renommée de la marque d'autrui facilite la promotion de ses propres produits ou services, sans dépenses considérables.

La contrefaçon d'une marque de renommée peut consister entre autres à la dilution de sa renommée. Le phénomène de dilution peut prendre forme de la perte de l'individualité de la marque ou de la dépréciation de sa renommée.

Grâce au caractère particulier les marques de renommée jouissent de la protection plus étendue que les marques qui n'ont pas atteint ce statut.

Le titulaire d'une marques de renommée peut formuler une opposition à l'enregistrement ou à l'utilisation d'une marque postérieure pour les produits similaires ainsi que pour les produits non similaires. Il ne faut toutefois pas oublier qu'en cas de l'opposition à l'égard de la marque désignant les produits non similaires il est indispensable de prouver à part la renommée de la maque, l'exploitation parasitaire ou la dilution de la marque de renommée.

Le titulaire de la marque de renommée peut faire valoir ces droits en contentieux devant l'Office des Brevets de la République de Pologne ainsi que dans la procédure civile ou pénale devant les tribunaux de droits communs.

Zusammenfassung

In Polen steht den renommierten Marken der Schutz vor Verwässerung zu. Die Marken, die diesen Status erlangt haben, geeignet sind, den Kunden einen Hinweis auf hohe Qualität, Einzigartigkeit und Luxus zu vermitteln. Der hohe Wert der renommierten Marken schafft das Risiko seiner unberechtigten Ausnutzung durch Unbefugte. Die Ausnutzung des Renommees einer fremden Marke erlaubt, eigene Waren oder Dienstleistungen ohne erhebliche Kosten leicht zu fördern. Die Verletzungen einer renommierten Marke können u.a. auf Verwässerung ihres guten Rufes beruhen. Die Verwässerung kann den Verlust der Individualität der Marke oder Entwertung des Renommees verursachen. In Hinsicht auf ihren besonderen Charakter genießen die renommierten Marken einen umfangreicheren Schutz als die Marken, die diesen Status nicht erlangt haben.

Im Falle der renommierten Marken ist möglich, sich der Eintragung oder Benutzung der jüngeren Marke für sowohl ähnliche als auch nicht ähnliche Waren zu widersprechen. Man soll jedoch darauf hingewiesen werden, dass im Falle eines Widerspruchs gegen Marke, die für die Bezeichnung von nicht ähnlichen Waren bestimmt ist, die Notwendigkeit gibt, nicht nur das Renommee der Marke sondern auch Schmarotzen beziehungsweise die Verwässerung nachzuweisen. Die Inhaberin einer renommierten Marke kann ihre Rechte sowohl im Streitverfahren vor dem Polnischen Patentamt als auch in Zivil- und Strafverfahren vor den ordentlichen Gerichten geltend machen.