The ‘Law & Practice’ sections provide easily accessible information on navigating the legal system when conducting business in the jurisdiction. Leading lawyers explain local law and practice at key transactional stages and for crucial aspects of doing business.
The ‘Law & Practice’ sections provide easily accessible information on navigating the legal system when conducting business in the jurisdiction. Leading lawyers explain local law and practice at key transactional stages and for crucial aspects of doing business.
## CONTENTS

1. Types of Trade Marks & Registration p.5  
   1.1 Types of Trade Marks p.5  
   1.2 Trade-Mark Register p.5  
   1.3 Registration Requirements p.6  
   1.4 Registering Signs p.6  
   1.5 Other Rights to Signs p.6  
   1.6 Registration Procedure p.6  
   1.7 Use in Commerce p.6  
   1.8 Registration of Series Marks p.7  
   1.9 Length of Registration Process p.7  
   1.10 Grounds for Refusal p.7  
   1.11 Process for Overcoming Objections p.8  
   1.12 Consideration of Prior Rights p.8  
   1.13 Third Party Rights p.8  
   1.14 Revoke, Change, Amend or Correct an Application p.8  
   1.15 Assigning an Application or Granting a Licence p.8  
   1.16 Remedies Against the Trade Mark Office p.8  
   1.17 Use of a Trade Mark p.8  
   1.18 Dividing a Trade Mark p.8  
   1.19 Length of Term of Protection p.8  
   1.20 Requirements for an Exhaustion p.9  
   1.21 Participation in the Madrid System p.9  

2. Assignment and Licensing p.9  
   2.1 Assignment Requirements or Restrictions p.9  
   2.2 Procedure for Assigning a Trade Mark p.9  
   2.3 Registering or Recording the Assignment p.9  
   2.4 Trade Marks and Security p.9  
   2.5 Licensing Requirements or Restrictions p.9  
   2.6 Procedure for Licensing a Trade Mark p.9  
   2.7 Registering or Recording the Licence p.9  

3. Opposition Procedure p.9  
   3.1 Filing an Opposition p.9  
   3.2 Opposition Procedure p.10  
   3.3 Legal Remedies p.10  

4. Initiating a Lawsuit p.10  
   4.1 Actions to Pursue Infringement p.10  
   4.2 Initiating Infringement Proceedings p.10  
   4.3 Effect of Decisions on Infringement Actions p.10  
   4.4 Jurisdiction of Courts p.11  
   4.5 Prerequisites to Filing a Lawsuit p.11  
   4.6 Representation for Parties p.11  
   4.7 Interim or Preliminary Injunctions p.11  
   4.8 Protection for Potential Defendant p.11  
   4.9 Obtaining Information and Evidence p.11  
   4.10 Initial Pleading Standards p.11  
   4.11 Representative or Collective Actions p.11  
   4.12 Restrictions on Trade Mark-Owners p.11  

5. Infringement p.12  
   5.1 Action for Infringement p.12  
   5.2 Signs and Infringement p.12  
   5.3 Defences Against Infringement p.12  
   5.4 Role of Experts and/or Surveys p.12  
   5.5 Administrative or Criminal Offence p.12  
   5.6 Custom Seizures p.12  

6. Revocation/Cancellation p.13  
   6.1 Remedies and Reasons p.13  
   6.2 Trade Mark Office and Civil Courts p.14  
   6.3 Statutory Limitation or Time Period p.14  
   6.4 Initiation of Revocation/Cancellation Proceeding p.15  
   6.5 Partial Revocation/Cancellation p.15  
   6.6 Possibilities of Amendment p.15  
   6.7 Revocation/Cancellation and Infringement p.15  

7. Trial & Settlement p.15  
   7.1 Special Procedural Provisions p.15  
   7.2 Determination of Cases p.16  
   7.3 Possibilities of Settlement p.16  
   7.4 Other Court Proceedings p.16
8. Remedies p.16
8.1 Existing Remedies p.16
8.2 Rights and Remedies p.16
8.3 Different Types of Remedies p.17

9. Appeal p.17
9.1 Special Provisions p.17
9.2 Factual or Legal Review p.17

10. Other Trade Mark Issues p.17
10.1 Recognition of Dilution p.17
10.2 Protection of Famous Marks p.17
10.3 Special Rules Relating to Surnames p.17

11. Costs p.18
11.1 Costs Before Filing a Lawsuit p.18
11.2 Costs Regarding an Infringement Action p.18
11.3 Costs of Litigation p.18

12. Alternative Dispute Resolution p.18
12.1 Common Way of Settlement p.18

13. Trade Marks and Other Intellectual Property p.19
13.1 Protection by Copyright p.19
SZA Schilling, Zutt & Anschütz For almost a century, Schilling, Zutt & Anschütz has been one of the most reputable German corporate law firms and advises domestic and international clients in nearly all areas of corporate and commercial law with currently over 80 attorneys. The IP/IT department of SZA is located in Mannheim and Frankfurt and practises currently with seven attorneys in all areas of Intellectual Property and Information Technology law as well as in the area of Data Protection law. Head of the IP/IT department is Dr Thomas Nägele, a certified Expert Attorney for Intellectual Property Law and author of numerous publications in his respective area. With the establishment of the China Desk SZA provides consultation for Chinese companies regarding investments and business activities in Europe in all fields pertaining to commercial law, especially such as protection of intellectual property, including the registration, defence, judicial and out-of-court enforcement of brands, patents and know-how. Further, in mutual cooperation with leading local law firms, SZA also provides consultation in the field of industrial property rights for European companies regarding their business in China.

Authors

Thomas Nägele is a partner specialising in intellectual property, trade mark & unfair competition, patent litigation, information technology, cyber security and data protection. He is a lecturer at the University of Heidelberg and a member of numerous professional bodies such as the executive committee of IZG - Interdisziplinäres Zentrum für Geistiges Eigentum (Interdisciplinary Centre for Intellectual Property) an der Universität Mannheim e.V. He has contributed a large number of articles to industry publications.

Anke Hofmann is an associate. Her practice covers copyright, unfair competition law, trade mark law, information technology law and litigation. She has produced numerous articles for industry publications.

Steffen Henn is of counsel (senior associate). His practice covers copyright, unfair competition law, trade-mark law, information technology law and litigation. He is a member of the Deutsche Vereinigung für gewerblichen Rechtsschutz und Urheberrecht (GRUR) e.V, Deutsche Gesellschaft für Recht und Informatik. He writes regularly for industry publications.

Alexander Stolz is an associate specialising in copyright, unfair competition law, trade mark law, information technology law, media law and litigation. He has made several contributions to German law journals.

1. Types of Trade Marks & Registration

1.1 Types of Trade Marks

German trade-mark law has different types of trade marks. Registered trade marks are the most commonly used. However, several unregistered signs – such as unregistered trade marks which acquired protection by extensive use, company designations (e.g. company names), domains and work titles – and indications of geographical origin are also protected. As Germany has a civil law system, rights in such marks are based on statutory law. However, beyond that, there is a variety of case law, specifying and implementing the statutory law. It is worth noting that such case law is not formally binding but has strong authority in practice.

1.2 Trade-Mark Register

The German trade-mark register is administered by the German Patent and Trademark Office (Deutsches Patent- und Markenamt, located in Munich, hereinafter referred to as “DPMA”). The register, which contains any trade marks applied for, registered, refused or cancelled, is freely available online. Registrations of trade marks are also published in the official electronic Trade Mark Journal (Markenblatt). Not to
be confused with the trade-mark register are the German commercial register (Handelsregister), in which companies (including company names) are listed, and the privately organised domain name register for the top level domain “.de”.

1.3 Registration Requirements
Protection as a trade mark may accrue from:

• the entry of a sign as a trade mark in the register kept by the DPMA (registered trade mark);
• the use of a sign in the course of trade, insofar as the sign has acquired public recognition as a trade mark within the relevant trading public (trade mark acquired by use); or
• a trade mark constituting a famous mark within the meaning of the Paris Convention for the Protection of Industrial Property (hereinafter referred to as “Paris Convention”) (famous trade mark).

An application to enter a trade mark in the register must be submitted to the DPMA and must contain the following:

• information permitting verification of the identity of the applicant;
• a reproduction of the trade mark; and
• a list of the goods and/or services for which registration is sought.

As a general rule, any company, partnership and any private individual can apply for a trade mark for any type of goods or services. A business establishment is not required.

The formal requirements how to submit a trade mark application for the different trade mark types are stipulated in detail in the German Trade Mark Regulation (Markenverordnung).

1.4 Registering Signs
Provided that the sign is appropriate to be distinctive, any type of perceptible sign might be protected as a trade mark. Consequently, besides word marks and figurative marks (which are the most common trade mark types) there are also combined word/figurative marks, sound marks, olfactory marks, colour marks, movement marks, slogans and three-dimensional marks. Combinations of different trade mark types are also possible, for example, three-dimensional signs with a word or image component. However, as a trade mark may only be registered if it is graphically representable under German law, the registration of olfactory marks is currently hardly possible. By contrast, ideas or business concepts are not eligible for trade-mark protection.

1.5 Other Rights to Signs
The right to a name of an individual or an entity is protected under the German Civil Code (Bürgerliches Gesetzbuch, BGB). That means that if the right of a person to use a name is disputed by another person, or if the interest of the person entitled to the name is injured by the unauthorised use of the same name by another person, the entitled person may require the other to remove the infringement.

Moreover, company designations and work titles enjoy protection as commercial designations under the German Trade Mark Act (Markengesetz, MarkenG, hereinafter referred to as “TMA”). Company designations are signs used in the course of trade as a name, company name or special designation of a business operation or an enterprise. Business symbols and other signs intended to distinguish the business operation from other business operations which are regarded as symbols of the business operation within an involved trading community will be deemed equivalent to the special designation of a business operation.

Furthermore, indications of geographical origin are eligible for protection under the TMA which features some special provisions for them.

Internet domains can be registered as a trade mark if they meet the general requirements for trade-mark registration. Internet domains can also be protected as a business designation under the TMA if the general requirements for such protection are met.

1.6 Registration Procedure
After receiving the application and fees, which must be paid within three months after filing the application, the DPMA examines whether the application meets the formal requirements and whether there are absolute grounds for refusal to reject the registration of the trade mark. If the fees are not paid in due time, the application is deemed withdrawn.

If all the requirements are met, the trade mark is registered. The registration of the trade mark is published in the official electronic Trade Mark Journal. On special request, and subject to payment of an additional fee, the application process can be accelerated.

Multi-class applications are allowed. The application fee for up to three classes is EUR300. The class fee upon filing application for the fourth class and for each additional class is EUR100.

1.7 Use in Commerce
German trade-mark law does not require use in commerce of the applied trade mark as of the date of filing of the application. However, the TMA stipulates the “compulsory use” of the trade mark for all goods and services for which the trade-mark is registered. This means that the trade mark-owner must assiduously use the trade mark in trade for all goods and services for which it is protected in Germany in order to maintain the right to the trade mark. If the trade mark is not
used within a continuous period of more than five years, the trade mark may be cancelled upon request of any third party. For details please see 1.17 Use Requirements.

1.8 Registration of Series Marks
German trade-mark law allows the registration of series marks, if all applications have the same applicant and the same proposal for the leading class.

1.9 Length of Registration Process
The registration procedure is usually completed within about seven to eight months. It may take longer if the DPMA requires further information from the applicant. The application will be examined faster upon request and subject to payment of a (modest) additional fee.

It is at the applicant's discretion to decide whether to file the application with or without the help of a patent attorney or of an attorney-at-law. However, persons who do not reside in Germany must appoint an attorney in Germany or an attorney established in the European Union (hereinafter referred to as “EU”) to act on their behalf in the registration proceedings.

1.10 Grounds for Refusal
Absolute grounds for refusal by the trade-mark office to register a trade mark are:

• the trade mark cannot be depicted graphically;
• the form of the trade mark:
  (a) results from the very nature of the respective good itself (eg the shape of a pot with a handle as such);
  (b) is necessary to obtain a specific technical result (eg the shape of a Lego brick); or
  (c) adds substantial value to the respective good (eg the design of a specific pair of jeans);
• the trade mark:
  (a) is devoid of any distinctive character with regard to the respective goods or services (eg “soap” for soap). However, this absolute ground of refusal may be repudiated if the trade mark in question, has been established as a distinguishing sign for the goods or services for which it has been filed in the relevant public (ie it has acquired a secondary meaning [Verkehrsdurchsetzung])
  before the date of the decision on registration; furthermore, this ground for cancellation is applicable only if it is raised within ten years from the registration of the trade mark;
  (b) consists solely of signs or indications which may, in trade, be used to designate the kind, quality, quantity, intended purpose, value, geographical origin, or time of production of the respective good or of the rendering of the respective service, or other characteristics of the goods or services (eg “fresh” for vegetables). However, this absolute ground of refusal may be repudiated if the trade mark in question has acquired secondary meaning before the date of the decision on registration;
  (c) consists exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade (eg “Masterbuilder House” (“Baumeister Haus”)) for houses and real estate. However, this absolute ground of refusal may be repudiated if the trade mark in question has acquired secondary meaning before the date of the decision on registration;
  (d) is of such a nature as to deceive the public, eg with regard to the nature, quality or geographical origin of the respective good or service (eg “Bolshoi State Ballet” if the applicant has no connection to any institution of the respective state);
  (e) is contrary to the ordre public or the accepted principles of morality (eg trade marks which are offensive against minorities);
  (f) contains national coats of arms, national flags or other national emblems, or coats of arms of a domestic place, a domestic association of municipalities or of another domestic association of municipal entities (eg the German flag);
  (g) contains official approval marks and official marks indicating a warranty and which are excluded from registration as trade marks per notice as published by the Federal Ministry of Justice in the Federal Law Gazette (eg the official approval mark and marks indicating a warranty of the Republic of Cuba for rum);
  (h) contains the coats of arms, flags or other signs, seals, or designations, of international intergovernmental organisations and which are excluded from registration as trade marks per notice published by the Federal Ministry of Justice in the Federal Law Gazette (eg the coat of arms of the United Nations);
  (i) may evidently be prohibited from use subject to other provisions (ie outside of trade-mark law) in the public interest (eg the English slang-word for marijuana cigarette “reefer” is not eligible for trade-mark protection for tobacco goods because the German Narcotics Act prohibits the advertising of marijuana); or
  (j) has been applied for in bad faith.
1.11 Process for Overcoming Objections

If absolute grounds for refusal are identified during the application examination process, the applicant will be notified in writing and will have the opportunity to make a statement. The statement will be examined. If it does not overcome all deficiencies stated in the notification, a decision will be taken to refuse the application (or possibly, part of the application). In this case, the applicant has the opportunity to have this decision reviewed by filing a request for reconsideration (Erinnerung) or appeal proceedings (Beschwerde).

For details please see 4.4 Courts with Jurisdiction to Hear Trade Mark Matters.

1.12 Consideration of Prior Rights

The DPMA does not check the existence of prior rights. Owners of prior rights can initiate opposition proceedings following the registration of the trade mark. For details please see 3 Opposition Procedure.

1.13 Third Party Rights

Third parties do not have the right to participate during the registration procedure. After the publication of the trade mark in the official electronic Trade Mark Journal, owners of earlier rights have the opportunity to object to the registration. For details please see 3 Opposition Procedure.

1.14 Revoke, Change, Amend or Correct an Application

After the DPMA has received the application, it is no longer possible to alter the trade mark applied for (even though the information provided is incorrect), except where the amendment relates to the correction of errors of wording or obvious mistakes. However, the applicant can withdraw the application at any time or restrict the contained list of goods and services.

In particular, design marks cannot be updated or refreshed in the course of time. Therefore, a new design usually requires a new trade-mark application.

1.15 Assigning an Application or Granting a Licence

A trade mark application constitutes a right conferring prospective entitlement, which can be assigned and licensed.

1.16 Remedies Against the Trade Mark Office

The registrant can file an objection against the orders of the DPMA and can also file an appeal to the German Federal Patent Court (Bundespatentgericht).

1.17 Use of a Trade Mark

A trade mark is required to be consistently used for the goods or services in respect of which it is registered unless there are legitimate grounds for non-use. The requirements for a serious use of trade mark are as follows:

(1) the use must serve for the purpose of identifying the goods and services covered by the registration. For instance, this is the case when the trade mark is used as a product label;

(2) the use must be made by or with the consent of the proprietor (eg by a licensee);

(3) the use of the trade mark in a form that deviates from the registration is only sufficient insofar as the deviations do not change the distinctive character of the trade mark;

(4) the use in national territory, also including the affixing of the trade mark on goods or their wrapping or packaging in this country if the goods are exclusively intended for export;

Important indicators for the seriousness of the use are the amount of marketing spendings for the trade mark and the revenue created by the trade mark. After expiry of a grace period (five years) a trade mark which is not seriously used may be cancelled upon request of any third party.

There is no need for a trade mark-owner to use a special symbol (eg TM or *) to denote that a mark is registered or existing. However, the use of such a symbol might have a positive effect with regard to the mark's distinctiveness in the relevant public in cases in which the mark is rather descriptive.

1.18 Dividing a Trade Mark

The applicant may divide the application by declaring that the application for the trade mark will continue to be dealt with thenceforth as a divisional application for the goods and services listed in the declaration of division. In this case, the seniority of the original application is to be retained for each sub-application. The application documents required (see the first part of 1.3 Registration Requirements) are to be submitted for the divisional application. If the application documents are not submitted within three months after receipt of the declaration of division, or if the fee in accordance with the Patent Costs Act (Patentkostengesetz) for the division proceedings is not paid within this period, the divisional application is deemed to have been withdrawn. The declaration of division cannot be revoked.

1.19 Length of Term of Protection

The term of protection of a registered trade mark commences on the date of application and ends after ten years on the last day of the month corresponding in name to the month in which the date of application falls. The duration of protection may be extended by terms of ten years each, potentially ad infinitum. The renewal of the trade mark is subject to payment of a renewal fee and, if the renewal is requested for goods and services in more than three classes, also subject to payment of an additional class fee for each further class. A
registration may also be extended partially for only some of the classes and goods protected by the respective trade mark.

1.20 Requirements for an Exhaustion
Under the TMA, the proprietor of a trade mark or of a commercial designation is not entitled to prohibit a third party from using the trade mark or the commercial designation for goods which have been put on the market under this trade mark or this commercial designation by him or her or with his or her consent in Germany, in any other of the other Member States of the EU or in any other contracting party to the Agreement on the European Economic Area (hereinafter referred to as “EEA”). This does not apply if the proprietor of the trade mark or of the commercial designation opposes the use of the trade mark or of the commercial designation for legitimate reasons, in particular if the condition of the goods has been changed or impaired after being put on the market.

1.21 Participation in the Madrid System
The TMA shall be applied mutatis mutandis to the international registration of trade marks in accordance with the Madrid Agreement Concerning the International Registration of Marks (Madrid Agreement on Marks, hereinafter referred to as “MMA”) and in accordance with the Madrid Protocol of 27 June 1989 Relating to the Madrid Agreement Concerning the International Registration of Marks (Protocol Relating to the Madrid Agreement on Marks, hereinafter referred to as “PMMA”).

Under the TMA, the application for the international registration of a trade mark entered in the register in accordance with the MMA or PMMA is to be submitted to the DPMA. Internationally PMMA-registered trade marks are to be examined for absolute grounds for refusal in the same way as German trade marks.

2. Assignment and Licensing

2.1 Assignment Requirements or Restrictions
Trade marks may generally be freely assigned from one owner to another. There are no formal requirements for such an assignment and no approval from the DPMA is required. The (pending) application for the registration of a trade mark as such may also be freely transferred.

2.2 Procedure for Assigning a Trade Mark
A trade mark is assigned by means of a contractual agreement. The further conditions of the agreement are subject to negotiation between the parties. The assignment agreement is not subject to any specific formal requirements; however, it is strongly recommended that such an assignment agreement be concluded in writing for the purpose of preservation of evidence.

2.3 Registering or Recording the Assignment
The parties of a trade-mark assignment are under no obligation to give notice on the change of the owner of the trade mark to the DPMA which administers the German trade-mark register. However, it is recommended that the new owner have the register changed appropriately as the TMA contains a refutable presumption that the registered owner of a trade mark is the actual owner of the trade mark (Section 28 paragraph 1 of the TMA). In particular, if the new owner needs to defend the trade mark, it is considerably easier to raise claims when the new owner is also the registered owner. However, the new owner may have the change of ownership recorded with the DPMA at any time.

2.4 Trade Marks and Security
Trade marks are part of the owner’s property and may be subject to rights in rem, assigned by way of security, and may be levied in execution. Rights in rem and actions under levy in execution may be recorded in the German trade mark register. However, it is worth noting that such a recording is just declaratory and does not have a legal effect.

2.5 Licensing Requirements or Restrictions
There are no formal requirements for licence agreements on trade marks. Any trade mark, whether registered or not, may be the subject of a licence agreement. The scope (eg exclusive, non-exclusive, all or part of the services and/or products for which the trade mark is protected, limited in time or perpetual) of the respective licence and further licensing conditions may be freely negotiated between the parties.

2.6 Procedure for Licensing a Trade Mark
A trade mark is licensed by way of contractual agreement between the parties under German law. The further conditions of the agreement are subject to negotiation between the parties. In itself, a licence agreement is not subject to any specific formal requirements. However, it is strongly recommended that a licence agreement be concluded in writing for the purpose of preservation of evidence.

2.7 Registering or Recording the Licence
Unlike in many other countries, a registration of the licence in the German trade-mark register is neither necessary nor possible.

3. Opposition Procedure

3.1 Filing an Opposition
An opposition against a trade-mark registration may be filed in writing within three months after the publication of the registration of a trade mark on the grounds of a risk of confusion with an earlier trade mark, trade-mark application or commercial designation by the owner of such prior right.
According to German case law, an opposition may also be filed by a licensee. A representation of the opponent is not obligatory. The opposition fee amounts to EUR120 and must be paid within the deadline for filing the opposition. Otherwise, the opposition will be deemed as not having been filed. In the case of the involvement of an attorney, the attorney fees depend on the individual agreement between attorney and client.

3.2 Opposition Procedure
Although not mandatory, it is common practice (and to be recommended) to substantiate the opposition in detail. With regard to an opposition based on non-registered trade marks or commercial designations, the opposing party is required to provide evidence with regard to the existence and ownership of such rights. Subsequently, the challenged party will be given the opportunity to respond to the opposition. The filing of a counter-statement is not mandatory. However, it is common practice that the applicant files a counter-statement describing the grounds on which the opposition should be rejected.

The opposition procedure is a summary proceeding. The owner of the challenged trade mark may respond to the opposition by raising the plea of non-use, provided that the earlier trade mark has been registered for at least five years on the date of publication of the contested registration. In that case, the opponent has to substantiate that the trade mark has been used within the relevant five-year period. The DPMA will render a decision on the opposition and either cancel the newly registered trade mark entirely or partly or reject the opposition.

3.3 Legal Remedies
The decision rendered by the DPMA on the opposition may be challenged by the losing party by filing a request for reconsideration (Erinnerung) or an appeal (Beschwerde) to the German Federal Patent Court. Both remedies have to be filed within one month after the contested decision was served upon the respective party.

Whilst the request for reconsideration is only available against a decision rendered by a single member of the DPMA, an appeal may be filed in any case.

The decision process of the DPMA is rather slow; thus, appeal proceedings may easily go on for 12 months or more until a decision is rendered. If an appeal decision of the Federal Patent Court is appealed to the German Supreme Court (Bundesgerichtshof, hereinafter referred to as “BGH”), the duration of the proceedings is considerably longer, being at least a further 24 months.

4. Initiating a Lawsuit

4.1 Actions to Pursue Infringement
Out of court, the owner of a trade mark (or of any other sign protected under the TMA) may send a warning letter to the alleged infringer and demand a declaration of agreement to cease and desist from the respective trade-mark infringements, threatening further legal action in the event of non-compliance. Furthermore, court actions (ie preliminary injunction or regular infringement proceedings) may also be brought before the competent court directly, ie without sending a warning letter first. However, if in such a case the defendant immediately concedes the claims as justified, the trade mark-owner usually has to bear the legal costs of the proceedings.

Before sending a warning letter, in particular in cases when the trade mark infringement is not clear-cut, the trade mark-owner may also send an authorisation inquiry (Berechtigungsanfrage) to the (alleged) infringer first, requesting an explanation why he or she believes they are entitled to use the respective trade mark. An authorisation inquiry, unlike a warning letter, contains neither a request to cease-and-desist from using the trade mark nor a threat of further legal action in case of non-compliance. It serves the purpose of substantiating the suspicion of a trade-mark infringement and does not create the risk of a counter-action because of raising non-existing claims.

Infringement claims may not be raised on the basis of a trade-mark application, but only by the owner of a registered or unregistered trade mark or any other sign protected under the TMA. Licensees might be entitled to raise infringement claims by a respective consent of the trade mark-owner.

4.2 Initiating Infringement Proceedings
With regard to trade-mark infringements, the regional courts (Landgerichte, LG) have exclusive jurisdiction. Furthermore, in each German state there is a limited number of specialised regional courts which deal exclusively with trade-mark cases. Thus, a trade mark-owner would have to review which regional court is competent for the alleged trade-mark infringement in the respective case.

4.3 Effect of Decisions on Infringement Actions
The courts dealing with trade-mark infringement cases are bound by the decisions of the DPMA and the German Federal Patent Court only with respect to the (non-)existence of trade-mark rights. Furthermore, an infringement court cannot completely deny the distinctiveness of an existing trade mark. However, with regard to all other legal questions (eg likelihood of confusion) the court is free to decide.
4.4 Jurisdiction of Courts
Trade-mark matters have to be brought before specific regional courts in the first instance. In the second instance, the higher regional court (Oberlandesgericht, OLG) which is competent for the district of the regional court will decide on an appeal. An appeal decision of a higher regional court may be appealed on points of law only to the BGH and subject to certain conditions (see also 9.1 Special Provisions for Trade Marks).

4.5 Prerequisites to Filing a Lawsuit
There are no prerequisites with regard to filing a lawsuit. However, an immediate filing of a lawsuit without sending a warning letter might have implications on the obligation to bear the costs if the defendant immediately acknowledges the claims raised as justified.

4.6 Representation for Parties
Due to the exclusive jurisdiction of the regional courts in trade-mark matters, the parties need to be represented by a lawyer.

4.7 Interim or Preliminary Injunctions
The owner of a trade mark or any other sign protected under the TMA may file for a preliminary injunction against the alleged infringer if the prerequisite of urgency is met. This commonly requires that the action for preliminary injunction is filed not later than four weeks after the right-holder became aware of the potential infringement.

4.8 Protection for Potential Defendant
In defence against actions for a preliminary injunction, a potential defendant may proactively file a protective brief (Schutzschrift) substantiating the reasons why an alleged infringement does not exist. A potential defendant may also file an action for declaratory judgment of non-infringement. However, once the trade mark-owner files a counter-claim based on the alleged infringement, there is no justified interest in the declaratory judgment, so that the potential defendant has to withdraw the application for declaratory judgment to avoid unnecessary costs.

4.9 Obtaining Information and Evidence
German (trade mark) law does not provide for disclosure or discovery. However, if (i) the infringement is obvious, or (ii) the owner has already filed an infringement action against the infringer, the owner of a trade mark or commercial designation has a special claim for disclosure of certain information against third parties who, to a commercial extent, possessed infringing goods, used infringing services, rendered services which were used for the infringement or took part in any such action. In addition, during infringement proceedings, the defendant may be ordered to disclose specific information (eg with regard to the revenue generated by the infringing goods or services) to the claimant as part of the infringement claims.

4.10 Initial Pleading Standards
In order to initiate a lawsuit (preliminary and regular proceedings), a statement of claim has to be filed with a court competent for trade-mark matters. The statement of claim has to specify the claims raised, and the facts and grounds on which such claims are based on have to be set out in detail. In a case where the statement of claim is based on more than one trade mark right, according to the most recent jurisprudence the claimant has to specify the order in which the rights shall be considered by the court. Apart from that, trade-mark proceedings follow the applicable rules for non-intellectual property civil law proceedings.

Pleadings in trade mark cases may be supplemented on a case-by-case basis, in particular by claims based on unfair competition and/or tort law.

4.11 Representative or Collective Actions
German trade-mark law does not contain rules for representative or collective actions.

4.12 Restrictions on Trade Mark-Owners
There are restrictions on the trade mark-owner according to specific trade-mark law rules and restrictions based on general principles under German civil law.

German trade-mark law provides that the owner of a trade mark shall not be entitled to prohibit the use of a trade mark with a later time-rank to the extent that they have acquired, for a period of five successive years, in the use of this right whilst being aware of such use, unless the third party was acting in bad faith when applying for or acquiring any trade-mark right. Furthermore, the trade mark-owner is not entitled to prohibit any third party from using a trade mark in relation to goods which have been put on the market under that trade mark or commercial designation by the trade mark-owner themselves or with their consent in the Federal Republic of Germany, one of the Member States of the EU or a contracting state of the treaty on the EEA. See also 5.3 Defences Against Infringement Claims.

With regard to general civil law principles under German law, a trade mark-owner may not assert rights where no legitimate interests can be shown and claims are raised solely in order to harm a third party. German Unfair Competition law may even prevent a trade mark -owner from asserting their rights on the basis of an impediment ban and/or in a case where a trade mark-owner primarily intends to generate legal fees to be paid by third parties.
5. Infringement

5.1 Action for Infringement

Necessary parties to an action for infringement are the trade mark-owner as claimant and at least one third party as alleged infringer(s). A licensee may only bring an action with the approval of the trade mark-owner. Furthermore, a non-licensee or any other party may only bring an action on behalf of the trade mark-owner with the approval of the trade mark-owner and based on their own legitimate interest with regard to the infringement claims raised.

Under German trade-mark law, the filing of an action for infringement based on a trade-mark application is not possible; such action is possible only on the basis of a registered or existing unregistered trade-mark right or commercial designation. On a case-by-case basis, it might be possible to raise claims based on unfair competition or general law principles (eg acting in bad faith) in order to take an action to stop infringement before the registration of a mark.

5.2 Signs and Infringement

In order to find a trade-mark infringement due to a likelihood of confusion with regard to the origin of the goods and services in question, the competing signs need to be compared firstly. The similarity of the signs is examined on the basis of established case law as to whether oral, conceptual or visual similarity exists. Secondly, a comparison of the goods and services for which the respective signs seek protection is conducted in accordance with principles established by case law. Finally, the degree of distinctiveness of the earlier trade mark has to be determined. Then, by conducting an overall assessment of the similarity of the signs and of the goods and services and the distinctiveness of the earlier trade mark, it must be established that these combined factors lead to a likelihood of confusion.

As the use of a sign as a trade mark is a necessary criterion for a trade-mark infringement, the claimant has to establish that the defendant has actually used the sign in such a way and not otherwise (eg purely descriptively).

5.3 Defences Against Infringement

As a defence, a defendant may invoke an earlier right to use a specific sign. A defendant may also refer to the use of their own name or address or the use as an indication concerning the kind, quality, quantity, intended purpose, value, geographical origin, time of production or time of rendering a service or other characteristics of the goods or services as far as the use of the trade mark by a third party is necessary and in accordance with good-faith practices in industrial or commercial matters. Furthermore, a limitation or forfeiture of rights may be invoked as a defence. Forfeiture under trade mark law requires that, after the grace period, the claimant has not used its trade mark for a period of five years. Besides, defences based on general civil law principles are applicable. In this regard, a defendant may argue that the claimant is acting in bad faith when asserting its trade-mark rights due to a lack of a legitimate interest and/or due to the trade mark being acquired in bad faith. See also 4.11 Restrictions on a Trade Mark Owner Asserting Rights.

5.4 Role of Experts and/or Surveys

Expert statements and/or surveys may be presented by the parties and in particular surveys may constitute a decisive factor for certain issues of a case. However, when presented by one of the parties, the courts will consider expert statements or surveys as part of a party’s submissions only and decide whether it is necessary for the court to initiate its own survey or request an expert statement as evidence.

5.5 Administrative or Criminal Offence

Trade-mark infringement may constitute a criminal offence if it is conducted in the course of trade, and may be prosecuted in criminal law proceedings. The initiation of criminal investigations requires the trade mark-owner to file a complaint with the public prosecutor, unless (i) the trade-mark infringer acts systematically for financial gains or (ii) as a member of a criminal organisation; in these cases the public prosecutor may initiate criminal investigations ex officio at any time becoming aware of a trade-mark infringement. Such criminal investigation may eventually lead to criminal proceedings against the alleged infringer. A trade mark-owner may benefit from criminal investigations and proceedings by possibly having the authorities search the premises of the infringer and confiscate goods in a fast and efficient way and due to the possibility of inspecting the files of the authority in order to gain information on the alleged infringer as preparation for a civil law action for damages.

5.6 Custom Seizures

In order to obtain border control actions against potential trade-mark infringements, an application has to be filed with the customs authorities. Once such an obligation has been processed and control measures have been granted, the customs authorities will seize goods entering or leaving the territory of Germany or the EU which are found to be infringing. If the owner of the goods does not oppose to the seizure within two weeks, the goods will be confiscated. In the case of an opposition by the owner of the goods, the trade mark-owner is requested to obtain a court decision confirming an infringement of its trade mark. If infringement cannot be established, the trade mark-owner may be liable for damages. If infringement is established, the trade mark will either be removed from the goods, if possible, or the goods will be destroyed.
6. Revocation/Cancellation

6.1 Remedies and Reasons

German trade mark law contains numerous grounds for the revocation and cancellation of trade marks.

- A trade mark can be subject to cancellation if it was registered in contravention of absolute grounds for refusal in the first place. Absolute grounds for refusal are related to the character of the respective trade mark as such, ie irrespective of any third-party (trade mark) rights. To put it simply: a trade mark which contravenes any absolute ground of refusal is, generally, not eligible for trade mark registration. For details, please see 1.10 refusal of registration.

- Furthermore, a trade mark may be cancelled if it was registered contrary to relative grounds for refusal. In contrast to absolute grounds for refusal (see preceding paragraph), relative grounds for refusal result from the relation of the respective trade mark to earlier pending third-party trade mark registrations and/or earlier registered or unregistered third-party trade marks or other earlier rights. Consequently, a cancellation for relative grounds for refusal is not possible if the owner of the respective earlier right has consented in the registration of the trade mark before the application for cancellation was filed. Relative grounds for refusal apply to trade marks which:

  (a) (i) are identical to a pending or registered trade mark with earlier priority (ie which has an earlier application date or, in the case of other rights protected by the TMA, have an earlier date on which they qualified for protection), and
  (ii) which are registered for goods or services which are identical to the goods or services for which the pending or registered trade mark with earlier priority seeks or enjoys protection;

  (b) (i) due to the identity with, or similarity to, a pending or registered trade mark with an earlier priority, and
  (ii) the identity or similarity of the goods or services covered by the respective trade marks, constitute a likelihood of confusion for the general public, including the likelihood of association with the earlier trade mark;

  (c) (i) are identical to, or similar to, a pending or registered trade mark with an earlier priority, and
  (ii) which have been registered for goods or services which are not similar to the goods or services for which the pending or registered earlier trade mark seeks or enjoys protection,

  provided that

(iii) the earlier trade mark is well-known in Germany, and

(iv) the use of the registered younger trade mark would unfairly exploit, or be detrimental to, the distinctive character or the repute of the earlier well-known trade mark without justifiable reason;

(d) (i) are identical with, or similar to, a trade mark with an earlier priority which is famous in Germany in the sense of Article 6 bis of the Paris Convention, and

(ii) if the additional requirements as described in the preceding three items of this list are met, and

(iii) if the application was not authorised by the owner of the well-known trade mark;

(e) has been registered in the name of an agent or representative of the trade mark-owner, without that owner’s consent;

(f) could be subject to prohibition of use for the entire state territory of Germany by the owner of

(i) a trade mark acquired by use with an earlier priority, or

(ii) a commercial designation with an earlier priority;

(g) could be subject to prohibition of use for the entire state territory of Germany by the owner of any other right which has not been mentioned in the preceding items and which has an earlier priority than the trade mark (such other rights include in particular, without limitation, rights to a name, the right to one’s personal portrayal, copyrights, denominations of variety, indications of geographical origin and other intellectual property rights).

German trade-mark law, however, contains several exceptions to the possibility of cancellation of trade marks for contravention to relative grounds for refusal. With regard to earlier trade marks and commercial designations which have an established reputation, cancellation of the younger trade mark is only possible if those earlier rights are already well-known in respect of the German trade-mark law (see 1.3 Registration Requirements) on the date which is applicable for the seniority status of the younger trade mark.

Furthermore, a cancellation for contravention to relative grounds for refusal is not possible if the earlier trade mark could itself have been cancelled on the date of the publication of the registration of the younger trade mark because of revocation or contravention to absolute grounds for refusal (see 1.10 Refusal of Registration).
Moreover, a trade mark may be revoked at any time as a result of a waiver by the owner.

The trade mark may also be revoked due to abandonment or lapse because of insufficient use of the trade mark, and because of further reasons which relate to the character of the trade mark, the specific use of the trade mark or the character of the trade mark-owner. In more detail:

(a) A trade mark may be revoked for abandonment or lapse if, within a continuous period of five years starting with the registration date, the trade mark has not been seriously used in the sense of German trade mark law (see 1.17 Use Requirements). However, that lapse does not occur if at the end of the five-year period and prior to the filing of a cancellation request, the use of the trade mark has started or was resumed. Nevertheless, if this use commences or resumes within three months preceding the filing of the cancellation request, following the expiry of an uninterrupted period of five years of non-use, it will not be taken into account in cases where preparations for the commencement or resumption take place only after the trade mark holder became aware that the application for cancellation may be filed.

(b) Furthermore, a trade mark may be revoked if:

(i) as a result of acts by, or the inactivity of, the owner, the trade mark became the common name in the trade for the goods or services for which the trade mark is registered;

(ii) as a result of the use of the trade mark by its owner or with the owner’s consent, with regard to the goods or services for which it is protected, the trade mark is liable to mislead the general public, in particular, without limitation, as to the nature, quality or geographical origin of the respective goods or services; or

(iii) if the trade mark-owner no longer meets the requirements for being a trade mark-owner as stipulated by the TMA, ie if the trade mark-owner dies (in the case of an individual) or ceases to exist (in the case of a legal entity or a business partnership) without a legal successor which qualifies as a trade mark-owner.

(c) In addition, a trade mark may be cancelled if it was registered in contravention of absolute grounds for refusal (see 1.10 Refusal of Registration) for an owner who is not eligible for trade-mark ownership (this ground for cancellation is of little practical relevance), or if it contravenes the general prerequisites for the protection of a trade mark as stipulated by the TMA (see 1.10 Refusal of Registration).

(d) Last but not least, a trade mark may be cancelled because of pre-existing rights of third parties, ie rights with an earlier priority as stipulated by the TMA (on priority, see preceding bullet under (a)).

6.2 Trade Mark Office and Civil Courts

Whether a cancellation action is heard before the DPMA or the civil courts depends on the claimed ground for cancellation.

In the case of cancellation for lapse, the claimant may either file a request for cancellation with the DPMA or directly file a claim for cancellation of the trade mark with the competent civil court. If the owner of the respective trade mark objects within two months after the DPMA has given notice to them with regard to that cancellation request, the claimant needs to file a claim for cancellation with the civil courts if they want to pursue the cancellation further.

If the claimant demands a cancellation for registration in spite of an absolute ground of refusal, it is mandatory to file that complaint with the DPMA. The DPMA’s decision may be appealed to the German Federal Patent Court, a special court for, inter alia, specific trade mark cases. The decision of the German Federal Patent Court may, in certain cases, be subject to an appeal on points of law to the BGH. Claims based on earlier rights of the claimant may not be brought before the DPMA, only before the civil courts.

6.3 Statutory Limitation or Time Period

German trade-mark law stipulates several time limitations for remedies with regard to the different grounds for cancellation.

• Cancellation is only possible if the cause for cancellation still subsists on the date on which the decision on the application for cancellation is handed down, in a case where the reason for cancellation is one of the absolute grounds for refusal described in 1.10 Refusal of Registration and 6.1 Remedies and Reasons for Revocation/Cancellation. Furthermore, if the trade mark has been registered in breach of any of the absolute grounds for refusal described in 1.10 Refusal of Registration, the registration may only be cancelled if the application for cancellation is filed no later than ten years after the respective date of registration.

A cancellation ex officio is only possible with regard to the absolute grounds for refusal outlined in 1.10 Refusal of Registration above if:

(i) the cancellation proceedings are initiated within a period of two years from the date of registration;

(ii) the absolute ground of refusal still subsists at the time of the decision on the cancellation; and
In the case of indications of geographical origin, the claim may be made by:

(iii) the registration has evidently been made in breach of any of the aforementioned absolute grounds for refusal (ie only in clear-cut cases. The DPMA will not conduct a full-scale review of whether the respective ground of refusal is fulfilled in the respective case at hand).

- In the case of relative grounds for refusal (see 6.1 Remedies and Reasons for Revocation/Cancellation), the registration may not be cancelled because of the registration of a trade mark with earlier seniority where the owner of the earlier trade mark has tolerated the use of the younger trade mark for the goods or services for which it is protected for a period of five consecutive years whilst being aware of such use, unless the application for the registration of the younger trade mark has been made in bad faith. The same applies with regard to the owner of an earlier right to

(i) a trade mark acquired by use (see 1.3 Registration Requirements),

(ii) a well-known trade mark (see 1.3 Registration Requirements),

(iii) in a commercial designation (see 1.5 Other Rights to Signs) or

(iv) in a name of a plant variety.

6.4 Initiation of Revocation/Cancellation Proceeding
Several grounds for cancellation are available to any person, irrespective of whether or not that person has any legal or commercial interest whatsoever in the cancellation of the respective trade mark. This applies with regard to the cancellation for abandonment or lapse (see 6.1 Remedies and Reasons for Revocation/Cancellation) and the cancellation because of absolute grounds for refusal (see 1.10 Refusal of Registration).

Furthermore, cancellations because of absolute grounds for refusal may be executed ex officio. However, this is hardly relevant in practice because a cancellation ex officio is subject to strict limitations.

Any cancellation proceedings which are based on earlier third-party rights can only be initiated by the owner of the respective right or persons (ie a licensee) that have been authorised by the owner to initiate cancellation proceedings. In the case of indications of geographical origin, the claim may be made by:

- any competitor of the trade mark-owner;
- certain associations for the promotion of commercial or self-employed interests;
- certain qualified organisations for the protection of interests of customers; and
- the chambers of industry and commerce and the chambers of crafts.

6.5 Partial Revocation/Cancellation
Partial cancellation is possible if the respective reason for cancellation only applies to a part of the goods and/or services for which the respective trade mark is protected.

6.6 Possibilities of Amendment
An amendment of the respective trade mark itself is not possible in cancellation proceedings. However, the owner may restrict the respective trade mark during cancellation cases at any time.

6.7 Revocation/Cancellation and Infringement
Insofar as the civil courts are competent for decisions regarding the cancellation of a trade mark (see 6.2 Where to Bring an Action), the respective ground for cancellation may generally be introduced into an infringement case before the respective civil court. If the DPMA and German Federal Patent Court have jurisdiction over the cancellation action (see 6.2 Where to Bring an Action), the infringement trial may be stayed by the respective civil court until the cancellation decision has been reached.

7. Trial & Settlement

7.1 Special Procedural Provisions
Trade-mark proceedings before the civil courts in infringement and cancellation proceedings follow the standard procedural rules as laid down in the German Code on Civil Process (Zivilprozessordnung, ZPO).

Trials before the Federal Patent Court and the BGH in appeal cases (Beschwerden) against decisions of the DPMA in registration proceedings generally also follow these same general rules. However, the TMA stipulates several special provisions for these trials: most notably, the Federal Patent Court investigates the relevant facts of the case ex officio and is not bound by the facts submitted by the participants and the motions of the participants to take evidence. Furthermore, an oral hearing will be held only if:

- any participant requests an oral hearing,
- a taking of evidence is necessary, or
- the Federal Patent Court deems an oral hearing to be useful for the resolution of the case (Sachdienlichkeit).

With regard to the costs of trial, the Federal Patent Court may order that any or part of the necessary legal costs which the participants have incurred for the trial are to be borne by one of the participants for reasons of equity. If the court does not hand down such an order, each participant has to bear their cost alone.
7.2 Determination of Cases
The cases are generally determined by legal judges alone; however, in infringement cases, it is possible to have the case heard by a chamber for commercial matters (Kammer für Handelsachen) at the competent regional court. The case will then be heard by one professional judge and two lay judges with a commercial background. Juries do not exist under German law.

The parties have no direct influence on who hears their case. However, in certain specific cases, they may reject a judge because of concerns of bias. In such a case, the court (without the judge in question) decides whether or not the rejection is justified.

7.3 Possibilities of Settlement
During a pending trial, the parties can settle the case at any time by reaching an agreement. Such a settlement agreement can be made out of court as well as before the court. In the case of the former, the parties need to end the trial (eg by withdrawing the claim etc). The latter ends the trial and – depending on the content of the settlement – provides the parties with an enforceable title. The courts are required by law to seek an amicable solution of the dispute at all times during the proceedings. It is thus not uncommon that the court – usually in an oral hearing – makes a proposal for a settlement agreement. However, the parties are free to follow such a proposal, to amend it or to reject it.

7.4 Other Court Proceedings
An infringement case may be stayed by the court if a parallel cancellation/revocation trial is pending (see 6. Revocation/Cancellation). However, the infringement court is not obliged to do so.

8. Remedies
8.1 Existing Remedies
Trade mark-owners – whether of a registered trade mark or any other right protected by provisions of the TMA – have a whole bouquet of remedies against infringements. Subject to the respective legal prerequisites, they may apply for (i) (permanent) injunctive relief (meaning an order to refrain from making use of the trade mark or the infringing sign); (ii) disclosure of information on the origin and the distribution channel of infringing goods; (iii) damages; (iv) destruction or recall of infringing goods; and (v) publication of the judgment. Business owners should be aware that they are also liable for the acts of their employees and agents. Besides, apart from the direct infringer, all contributors to a trade-mark infringement are also liable (eg the persons who ordered the infringing goods or devices). If the trade mark-owner wins the court proceedings, they do not, as a general rule, have to bear any legal expenses, inclusive of their own attorney fees, unless they exceed the statutory fees; however, this is different in proceedings before the DPMA and the German Federal Patent Court (see 7.1 Special Procedural Provisions).

German law does not recognise enhanced damages for intentional infringement. Hence, with regard to the scope of damages there is no difference between intentional or negligent infringement. However, it is worth noting that, unlike negligent acts of infringement, intentional trade-mark infringement may constitute a criminal offence and therefore be prosecuted by the Public Prosecutor’s Office, resulting in fines or imprisonment (see 5.5 Administrative or Criminal Offences).

Even if the focus of trade mark-owners is usually on civil action against infringers, it is worth noting that the initiation of criminal proceedings, depending on the individual case, may be an effective tool to increase the pressure on the infringer (see 5.5 Administrative or Criminal Offences).

Apart from the aforementioned possible remedies in a main action, a judge may order immediate (preliminary) precautionary measures in cases of infringement or imminent infringement if the trade mark-owner substantially justifies such a request. A preliminary injunction, enforceable by legal process, may include, inter alia, an order to the defendant to refrain from making use of the trade mark or the infringing sign, a request for information, and a sequestration of infringing goods by a bailiff.

Last, but not least, a trade mark-owner may file a request for a seizure of infringing goods with respect to the territory of the EU. The border authorities will seize the goods provided the infringement is obvious (see 5.6 Customs Seizures).

8.2 Rights and Remedies
For the reimbursement of costs please see the general explanation in 10.3 Responsibility for Paying Costs of Litigation. In short, if no infringement has occurred, the alleged infringer will not have to bear any attorney costs unless their own attorney costs exceed the statutory fees.
Furthermore, even though a trade-mark infringement has actually occurred, the full cost burden (inclusive of all court and statutory attorney fees) will be ordered to be borne by the trade mark-owner if (i) they fail to send a warning letter to the infringer giving the latter an opportunity to settle before filing an application for injunctive relief; or (ii) the infringer immediately acknowledges the infringement in the court proceedings (ie does not bring forward any arguments against the claim of the trade mark-owner in court). Such an acknowledgment does not, however, affect the validity of damage claims. Thus, to avoid the risk regarding legal costs, a warning letter is highly recommended from the perspective of the trade mark-owner (see 4.1 Actions Available to Pursue Infringement).

Assuming that a defendant is confronted with an alleged trade mark infringement (eg by receiving a warning letter), and following that, the trade mark owner does not file a lawsuit, the alleged infringer is entitled to file an action for declaration of non-infringement. If the court proceedings lead to the outcome that the allegation was wrongful (so-called “negative declaratory judgment” [negative Feststellungsklage], see 4.7 Protection for the Defendant), all legal expenses and costs are borne by the trade mark owner.

Independently of any infringement proceedings, the defendant may at any time attack the validity of the trade mark. During revocation proceedings before the Federal Patent Court the civil infringement proceedings may be suspended if there are prospects for success for the invalidity action (see 6. Revocation/Cancellation).

If it turns out in the further proceedings that an ordered preliminary injunction or border seizure was unjustified, the alleged infringer has a claim for compensation. In particular, the trade mark-owner is liable for loss of profits.

8.3 Different Types of Remedies
As already mentioned, the remedies for the different types of trade mark or other rights obtaining protection under the TMA do not differ (see 8.1 Remedies for the Trade Mark Owner).

9. Appeal

9.1 Special Provisions
In general, the general civil law rules apply in appellate procedures, with some minor modifications. Appeals against first instance decisions (Berufung) – which will usually be admissible in trade mark cases due to the high value of the amount in dispute (Streitwert) – will be conducted before the higher regional courts. Within one month from service of the full version of the judgment, the appellant must submit a statement of appeal. Within one more month the appellant must submit a statement on the grounds of appeal describing the reasons why they consider the judgment to be erroneous and the significance of these errors for the judgment.

The second appellate level (Revision) before the BGH is subject to explicit permission to appeal being granted. This permission may be granted by the higher regional court or by the BGH after filing a non-admission complaint (Nichtzulassungsbeschwerde) against the denial to grant a second appeal. For the filing of a non-admission complaint and the non-admission complaint respectively, the same deadlines apply as in the first-level appeal (see preceding paragraph). The content requirements are similar, too, whereby it must be submitted by an attorney admitted to practice before the BGH.

9.2 Factual or Legal Review
On the first appellate level, as a general rule, a full review of the facts of the case and on points of law will take place. However, a statement of completely new facts compared to the first-instance proceedings is only permitted subject to certain restrictions.

In contrast, the BGH is bound by the facts found by the first instance and the first appellate level court. Thus, the second level appeal is on points of law only.

10. Other Trade Mark Issues

10.1 Recognition of Dilution
In German Trade Mark Law, the term “dilution” does not exist, which is why a trade mark cannot be opposed or prevented to be used in a lawsuit due to “dilution”. However, a trade mark may be contested for the reasons outlined under 6. Revocation/Cancellation. “Dilution” is rather used synonymously for a detriment to the distinctive character of a well-known trade mark which may cause a trade mark infringement.

10.2 Protection of Famous Marks
Trade marks which are (not yet) registered or in use in Germany can be protected if they are famous marks in the sense of Article 6bis of the Paris Convention (see 1.3 Registration Requirements).

10.3 Special Rules Relating to Surnames
The owner of a trade mark cannot prohibit someone from using their own surname as a mark in the course of trade. However, the user of a mark with a later priority may be ordered to apply necessary and reasonable measures to prevent confusion.
11. Costs

11.1 Costs Before Filing a Lawsuit
Attorney fees – as well as court fees – are subject to the value of the amount in dispute and the activities of the attorney. Circumstances influencing the value of the amount in dispute are, for example, the reputation of the trade mark, the quantity of infringements, the number of infringers and represented parties, and the complexity of the decisive legal issues. Every activity of the attorney will be remunerated according to the provisions of the German Act on Reimbursement for Lawyers (Rechtsanwaltsvergütungsgesetz). It determines the relevant business fee unit for every legal task and, in an annexed schedule, the applicable fee for the specific amount in dispute.

If the attorney’s legal task is limited to the out-of-court assertion of trade mark claims (eg the sending of a warning letter) in a normal case of infringement of a trade mark of average value (where the usual amount in dispute is EUR100,000), the statutory prescribed attorney fee would be EUR1,953.90 plus reasonable expenses and telecommunications costs. Where appropriate, approximately the same costs for an additional patent attorney may be added.

Even if, by law, the statutory legal fees may not be undercut, clients and attorneys are free to agree on a (significantly) higher fee rate by contract which is quite common in IP cases (and in general), at least at well-known law firms. Hourly rates between EUR200 and EUR600, depending on the seniority of the involved counsel, are common practice. Thus, attorney fees usually exceed the amount of the statutory fees by a great deal.

11.2 Costs Regarding an Infringement Action
The aforesaid principles also apply for attorney fees in court proceedings. Assuming an amount in dispute of EUR100,000, after a first-instance proceeding including an oral hearing, attorneys on both sides will each invoice EUR3,757.50 (plus expenses, etc) on the basis of the applicable statutes. Again, due to individual fee agreements the parties’ attorney costs may be significantly higher (see 11.1 Typical Costs Before Filing).

Court fees are calculated in a very similar way according to the Court Fees Act (Gerichtskostengesetz). The value in dispute – which represents the financial interest of the plaintiff – determines the court fee which is multiplied by a number of fee units subject to the court’s actions. A normal proceeding with a written judgment amounts to three fee units. Expenses, remuneration of witnesses or experts, cost for service of process or translation costs will be added. A lawsuit with a value of EUR100,000 will thus cause court fees in the amount of EUR3,078 (plus expenses, etc).

11.3 Costs of Litigation
Firstly, the claimant is responsible for paying accrued court fees in order to start the proceedings. During the dispute, expenses incurred for procedural actions are borne by the party which requests them. But ultimately the losing party is required to reimburse the prevailing party for all costs of litigation fees inclusive of court fees, expenses and attorney fees of both parties in the statutory amount; this does not include higher costs due to a fee arrangement (see the last paragraph of 11.1 Typical Costs Before Filing). The judgment rendered by a court always encompasses a decision on the reimbursement of cost. In the case of a partial win, the statutory amount of the total cost will be split pro rata.

12. Alternative Dispute Resolution

12.1 Common Way of Settlement
In spite of the growing significance of ADR in Germany, it is at present not very common in IP matters, even less in trade mark cases. Apparently, the reason for this is the excellent work of German courts in litigating trade mark and other IP cases. Compared to other countries, the courts work relatively fast and at reasonable cost and usually provide a substantial level of expertise. Thus, it is not necessary for the parties to rely on ADR in order to receive a proper solution of their dispute. Furthermore, a fruitless attempt at ADR is not prerequisite for any court action. Nevertheless, ADR may still be appropriate in cases of long-term and multinational agreements between the parties rather than in infringement cases.

The most common ADR method in IP matters is arbitration. Provided that the parties conclude a valid arbitration agreement in an arbitrable matter (please note: the question of the validity of a granted intellectual property right is not an arbitrable matter), an action before a state court is not admissible. For all arbitral proceedings conducted in Germany, the 10th Book of the German Code on Civil Procedure (Zivilprozessordnung, Sections 1025 to 1066) applies. The law is based on the UNCITRAL Model Law and Germany is party to various international arbitration treaties such as the New York Convention.

Parties are then free to agree on the language used in the arbitral proceedings, the place of arbitration and the person and the number of arbitrators. Pertaining to the procedural rules, the parties may agree to pre-drafted arbitration rules (eg by the ICC) or leave it to the arbitral tribunal to decide how to approach fact-finding and taking of evidence. In Germany, however, facts and evidence must usually be provided by the parties. “Discovery” rules are not applicable and witnesses are questioned by the judge (no cross-examination). The tribunal’s final ruling has the same status as a final court judgment and can be declared enforceable. It includes a deci-
sion on the costs, taking into consideration all circumstances of the case, in particular the outcome.

German courts normally do not intervene in a pending arbitration. However, exceptions are made, for instance, for the appointment or challenge of arbitrators if there is no agreement between the parties, interim measures or assistance in taking evidence or enforcement of orders. Moreover, the court can set aside an arbitral tribunal's jurisdiction under specific circumstances if certain essential prerequisites of German Law are not met.

For the sake of completeness, the existing special ADR programmes in domain name disputes deserve to be mentioned as well. Unlike the ICANN UDRP conducted by the WIPO Arbitration and Mediation Centre, inter alia competent for generic top level domains, and the EURid alternative dispute resolution mechanism provided by the Czech Arbitration Court for the top level domain “.eu”, the German central registry for the top level domain “.de” (DENIC eG) does not offer an ADR service. There is only the possibility to file a “dispute entry” by which an infringing domain name is transferred to the right-holder after the latter has successfully claimed for a deletion of the domain in court. Thus, domain name disputes usually end up before German courts anyway.

13. Trade Marks and Other Intellectual Property

13.1 Protection by Copyright

Intellectual property rights are not mutually exclusive. In general, a trade mark might also be protected in parallel by other rights (e.g., a copyright in the case of a very creative logo), provided that the respective protection requirements are met.