

AMERICAN UNIVERSITY OF ARMENIA

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LL.M. Program
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TITLE

Cancellation of trademark registration as a result of non-use

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NUMBER OF WORDS

9200

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Introduction

We live in the era of progress and innovations. In this kind of fast developing environment where the information is very quickly spread the protection of intellectual property rights in some cases has become more challenging. Having a well-structured legislation is some kind of a guarantee, a protection layer for the sole proprietors and entrepreneurs to start their business.

The geopolitical situation of Armenia is full of challenges in regards to the development of the economy: constantly violated ceasefire situation regarding the NK conflict, blockade from two neighboring countries, lack of natural resources, low investment rate after the events of May 2018, the current situation with Coronavirus pandemic and its consequences, etc. Taking into consideration these facts the State should stimulate economic development inside the country, as well as bring foreign investments to Armenia. These actions should be backed by strong legislation, which will grant the entrepreneurs and their companies protection and mechanism for redress.

The grey areas in Trademark law generally and regarding the cancellation of the trademark registration as a result of non-use particularly, hinder the regular development of the activities of organizations and individual entrepreneurs in conditions of free competition. The law should be enforceable and work the same way for everyone. It should be structured in a way that no fraudulent action can bypass the regulation prescribed by it. On the other hand, the judges and the judiciary should pay close attention to lawful and fair regulation of existing issues.

The purpose of this paper is to 1) to identify the main issues present in the Law of the Republic of Armenia on Trademarks regarding the cancelation of the trademark registration as a result of non-use, 2) study the relevant legislation of various countries on these matters, 3) analyze the situation in Armenia in comparison with international best practices and make suggestions to improve the Armenian legislation.

The research of the relevant provisions of the Armenian Trademark law, as well as the case studies and the opinions of the practitioners and representatives of relevant governmental organizations on this matter showed that current regulations on the matter of cancelation of the

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trademark registration as a result of non-use lack necessary preciseness. Legislative gaps are present, which allows the trademark owners avoid the consequences of provisions prescribed by law and preserve the rights to the trademark. Another issue in this regard is that the judges are either not competent enough or not enough willing to dig into the problem and consequently make superficial decisions on the lawsuits.

The research of the international best practices shows that the provisions of the relevant legislations are structured in a better manner and are more precise. It should be noted that the courts, litigators, trademark examiners and trademark attorneys have established a well-developed practice on the matter of what is considered to be "use" of a trademark and what is the procedure for the revocation of the trademark as a result of non-use.

Taking these facts into account, it can be safely assumed that the possible implementation of the best practices used by leading countries regarding the regulations on cancellation of trademark registration as a result of non-use, as well as the development of certain guidelines, will lead to the improvement of the relevant legislation and as well as promote the advancement of the market of goods and services within the country.

Chapter 1. Current situation in Armenia

In May 1997 Armenia had adopted the law on Trade and Service marks, Place of Origin of the Goods¹, which got further finalization and entered into force on March 20, 2000². The issues related to trademarks were regulated by this law until 2010, when Armenia adopted the Law of the Republic of Armenia on Trademarks³, which is the main law regulating *the*

https://www.arlis.am/documentview.aspx?docid=398

https://www.arlis.am/documentview.aspx?docid=34950

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¹ Հայաստանի Հանրապետության օրենքը «Ապրանքային և սպասարկման նշանների, ապրանքների ծագման տեղանունների մասին» (1997թ.), available at

² Հայաստանի Հանրապետության օրենքը «Ապրանքային և սպասարկման նշանների, ապրանքների ծագման տեղանունների մասին» (2000թ.), available at

³ The Law of the Republic of Armenia on Trademarks, available at https://www.aipa.am/en/TrademarkLaw/
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relationships regarding the registration, legal protection and use of trademarks and service marks⁴.

Trademark related issues are a matter of civil law. Chapter 69 §2 Article 1171 of the Civil Code of the Republic of Armenia⁵ stipulates the conditions for legal protection of trademark (service mark). According to Article 1171(4) the *types of trademarks, the signs not registered as trademarks, procedure for the registration, revocation of registration and declaring it as invalid, as well as the cases of granting legal protection to unregistered trademarks shall be prescribed by law⁶. The Civil Code gives reference to the Law of the Republic of Armenia on Trademarks as the main law which applies to relations pertaining to legal protection of trademarks, which are not regulated by the Civil Code.*

Apart from national legislation Armenia has signed and ratified numerous international treaties and as a party of those treaties shall comply with the rules and conditions set out in those treaties. Among those treaties are the Paris Convention for the Protection of Industrial Property⁷, Madrid Agreement Concerning the International Registration of Marks⁸, Singapore Treaty on the Law of Trademarks⁹ and others. The exhaustive list of the treaties signed and ratified by Armenia can be found on the official website of the Intellectual Property Agency of the Republic of Armenia¹⁰.

⁴ The Law of the Republic of Armenia on Trademarks Chapter 1 Article 1, *available at* https://www.aipa.am/en/TrademarkLaw/

⁵ Civil Code of the Republic of Armenia, available at

http://www.translation-centre.am/pdf/Translat/HH Codes/CIVIL CODE en.pdf

⁶ Civil Code of RA Chapter 69 §2 Article 1171(4), available at

http://www.translation-centre.am/pdf/Translat/HH Codes/CIVIL CODE en.pdf

⁷ Paris Convention for the Protection of Industrial Property, *available at* https://www.aipa.am/u_files/file/IntAgreementsEN/trt_paris_001en.pdf

⁸ Madrid Agreement Concerning the International Registration of Marks, *available at* https://www.aipa.am/u_files/file/IntAgreementsEN/trt_madrid_gp_029en.pdf

⁹ Singapore Treaty on the Law of Trademarks, available at

https://www.aipa.am/u_files/file/IntAgreementsEN/trt_singapore_001en.pdf

¹⁰ https://www.aipa.am/en/international-treaties/

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In addition to these, it should be noted that The Republic of Armenia is a party to the Treaty on Eurasian Economic Union¹¹, which entered into force on January 2, 2015 for Armenia, where the Annex 26 of the Treaty is a protocol on the Preservation and Protection of Intellectual Property Rights¹².

However, it is claimed by the practitioners that the provisions on cancellation of trademark registration as a result of non-use stipulated by the Law of the Republic of Armenia on Trademarks are drafted poorly, which means that the owner of the trademark can easily bypass them and keep his mark alive without using it. The presumed legislative gap leads or may lead to unfair overcoming of revocation motion of the registered trademark filed with the court or of a counterclaim in proceedings on protection of rights. To have a deeper understanding of the issue, the relevant provisions of the law are being discussed below. Chapter 2 Article 17 of the Law of the Republic of Armenia on Trademarks¹³ stipulates provisions on use of the trademark and consequences of non-use and the Chapter 4 Article 21¹⁴ of the law provides the provisions on revocation of the registration of a trademark. After studying the formulations of the above-mentioned articles and taking into consideration also the relevant provisions set out in the international treaties there are four main issues that can be outlined.

Question 1. Counting from the date of the registration of the trademark or, in case of filing the claim (counterclaim) at a later date, counting back from the date of filing, an uninterrupted time period of what length should be considered in regards of the fact that the trademark was not used or not put to genuine use in the Republic of Armenia by the proprietor or the person having right to use the trademark with respect to the goods and/or services for which that trademark is registered?

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https://uic.am/wp-content/uploads/2015/01/Havelvats 26.pdf

¹¹ Պայմանագիր «Եվրասիական տնտեսական միության մասին», available at https://www.arlis.am/DocumentView.aspx?docID=120371

¹² Արձանագրություն «Մտավոր սեփականության օբյեկտների նկատմամբ իրավունքների պահպանության և պաշտպանության մասին», available at

¹³ See footnote 3

¹⁴ See footnote 3

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After studying the relevant provisions of the national legislation and international contracts, it becomes evident that the Chapter 4 Article 21 of the Law of the Republic of Armenia on Trademarks¹⁵ and the Annex 26 of the Treaty on Eurasian Economic Union¹⁶ provide different time periods of non-use after which it is possible to file a revocation application for non-use. Chapter 4 Article 21(1)¹⁷ sets a time period of five years, whereas the Annex 26 Section III Article 13 of the Treaty¹⁸ provides for a shorter time period: three years. It is known that international treaties prevail over native legislation, so here arises the question: is there a contradiction between the national legislation and the Treaty and which one should prevail?

The answer to this question may be found in *Potomac Tobacco Company v. International Masis Tabak*¹⁹ case, where the Court has come to a conclusion that the Treaty establishes rights, obligations and a uniform policy for the Contracting States and the rules laid down therein apply to legal persons and natural persons resident in those States when regulating relations between themselves.

To find out the position of the State regarding this issue an interview was conducted with the Deputy Head of the Intellectual Property agency of the Republic of Armenia Kristine Hambaryan²⁰. Ms. Hambaryan agreed with the Court's interpretation, confirming that logically the conditions of the Treaty should apply to the parties of the Treaty. If one of the parties of the given case is not a party of the treaty the Law on Trademarks of the Republic of Armenia²¹ should apply.

From my perspective the Court's interpretation is logical. If consider for example a treaty between Armenia and France, the provisions of that Treaty will apply to the transactions between legal and/or natural persons of France and Armenia only. Those provisions will not apply to the representatives of other states who are not a party to the treaty. In that case either the relevant law of the Republic of Armenia or the law of the treaty signed with that state will apply, if there

¹⁵ See footnote 3

http://www.datalex.am/?app=AppCaseSearch

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¹⁶ See footnote 12

¹⁷ See footnote 3

¹⁸ See footnote 12

¹⁹ ԱՎԴ2/0752/02/17, available at

²⁰ Hambaryan, Kristine. Personal interview. 6 April 2020

²¹ See footnote 3

⁴⁰ Marshal Baghramyan Avenue

is such treaty. Neither will the provisions of the treaty apply to legal and/or natural persons of Armenia operating in Armenia, because the provisions and conditions set up by the Treaty will apply only to interstate relations between legal and/or natural persons of France and Armenia. Thus, here again the relevant law of the Republic of Armenia will apply.

The Treaty on Eurasian Economic Union is signed by five member countries and the regulations should apply only to the members of the Treaty, other countries cannot benefit from the provisions set up by this Treaty. The regulations of the Treaty and the Annexes should apply only to interstate relations between legal and/or natural persons of the member states. To sum up, according to this analogy, the interpretation made by the Court seems logical.

Question 2. What is the procedure of filing the revocation motion?

The revocation procedure has gone through some changes during these years. According to the information that the Deputy Head of the Intellectual Property agency of the Republic of Armenia Kristine Hambaryan²² shared during the interview, previously the Appeal Board of the Intellectual Property Agency (IP Agency) served as first instance for the revocation proceedings. Whereas now, the Appeal Board of the Agency is occupied only by the appeal applications for the rejected trademarks. To file a revocation motion the party should directly file the motion to the court.

According to the experts of the field this change was made intentionally in order to help the courts/judges get more specialized in intellectual property law. So, basically now there are three instances for the proceedings: First Instance Court, Court of Appeal, Court of Cassation. Previously there was just one instance more: Appeal Board of the IP Agency, First Instance Court, Court of Appeal, Court of Cassation.

Question 3. What does the requirement of genuine use mean, does it infer use within an uninterrupted period of time?

²² See footnote 20 40 Marshal Baghramyan Avenue

According to the Chapter 2 Article 17(2) of the Law of the Republic of Armenia on Trademarks²³ the registered trademark should be in genuine use within a continuous period of five uninterrupted years after the date of the registration of the trademark or, in case of filing the claim (counterclaim) at a later date, during an uninterrupted period of five years immediately preceding the filing of the claim (counterclaim), by the proprietor or the person entitled by the law, otherwise the trademark may be cancelled with regard to all or part of the goods and/or services for which it is registered.

Chapter 2 Article 17(3) further elaborates on what should be inferred under the notion of "genuine use": a trademark shall be considered to be in genuine use if the right holder or the person having a right to use that trademark according to this Law has used the trademark with regard to goods or services produced for a certain uninterrupted period of time or with periodically resumption or being in commercial circulation, provided that the mentioned use corresponds with the level of consumption of that good or service.²⁴

It follows from the provision that for certain types of goods and/or services, which are produced periodically, the requirement for an uninterrupted period of time is logically absent, as the nature of these goods and/or services implies periodicity (interruption).

However, the formulation of the law is vague in regards to "goods or services produced for a certain uninterrupted period of time". What does a certain uninterrupted period of time mean: a month, a year, more than one year? For those goods and/or services which are not produced on a periodical basis the provision does not provide enough certainty on the time period during which the use of the trademark should be uninterrupted.

It should be noted, that if the owner or the person having the right to use the trademark provides facts that the use of the trademark was suspended due to insuperable, unforeseen circumstances beyond his control, the registration of the trademark will not be cancelled in relation to all or part of the goods and/or services.

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²³ See footnote 3

²⁴ The Law of the Republic of Armenia on Trademarks Chapter 2 Article 17(3), *available at* https://www.aipa.am/en/TrademarkLaw/

According to Chapter 4 Article 21(2) of the Law of the Republic of Armenia on Trademarks²⁵ the trademark can be revoked partially when the registered trademark is used only for some of the goods and/or services for which it is registered. The grounds for revocation of the trademark exist only in respect of those goods and/or services for which the trademark is not used. Therefore the petitioner's revocation motion can be satisfied only regarding those goods and/or services for which the registered trademark is not used.

Question 4. How does the case, when the trademark has become the subject of a concession or license agreement affect the possibility of the cancellation of the trademark?

Chapter 2 Article 17(4) of the Law of the Republic of Armenia on Trademarks provides the following: the claim or counterclaim for the revocation of trademark may not be satisfied if during the interval between the period of filing the claim or counterclaim the trademark has become a subject to assignment or license contract or genuine use of the trademark has commenced or resumed.²⁶

The same article further states that if the owner of the trademark did not put the trademark into genuine use for five consecutive years and has commenced or resumed the use three month prior to the filing of the claim, which happens to be after the end of the five-year period, then the fact of the use is not taken into consideration if the preparation of the commencement or resumption of the genuine use of the trademark has occurred only after the proprietor became aware that a revocation motion may be filed.

The provision, however, gives regulation only for the commencement or resumption of genuine use after the proprietor was aware of the possibility of filing a revocation motion, but it lacks regulation for the case when trademark has become the subject of a concession or a license agreement when the trademark owner has been notified of the possibility of filing a claim or a counterclaim for cancellation of the trademark registration.

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²⁵ See footnote 3

²⁶ The Law of the Republic of Armenia on Trademarks Chapter 2 Article 17(4), *available at* https://www.aipa.am/en/TrademarkLaw/

This is a grey area in the regulation of the provision of the law and the practice shows

that the owners of trademarks use this gap for their advantage and resort to various scams to

avoid cancellation of the trademark registration. A widespread trick used by the trademark

owners is passing it to a related person formally as a matter of concession or a license agreement

solely to keep the trademark alive and restricting others from the ability to gain the right to use it.

The next chapter is dedicated to studying the relevant legislation of various countries to

see whether the current regulations of the law of the Republic of Armenia on Trademarks are in

line with the international best practices.

Chapter 2. International best practices

For the purposed of this chapter Trademark law regulations, as well as case studies of

different countries such as the United States, the United Kingdom, the countries of the European

Union, Japan, China and Singapore were examined in order to see what are the solutions used by

the leading countries in respect of the issues outlined in the previous chapter.

United Sates

On July 5, 1946 the United States adopted the Lanham Act²⁷, which is the federal statute

that governs trademarks, service marks, and unfair competition. Section 14 of the Lanham Act²⁸

stipulates the provisions of the cancelation of the registration of the trademark.

Among other grounds for revocation of the registered trademark the act provides for

cancelation as a result of abandonment and non-use for five years following the date of the

²⁷ Lanham Act, available at

https://www.bitlaw.com/source/15usc/index.html

²⁸ Lanham Act 15 U.S.C. §1064, available at https://www.bitlaw.com/source/15usc/1064.html

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registration of the trademark. There are some similarities in the procedure of proving the abandonment and non-use, but these two concepts are quite different in nature.

Under Section 45 of the Lanham Act²⁹ abandonment constitutes a situation when the use of the trademark has been discontinued with intent not to resume use. Intent not to resume may be inferred from circumstances. The burden of proving abandonment of a mark initially lies with the party filing the claim. Once the claimant has proved non-use for three consecutive years a presumption of abandonment arises, and *the burden shifts to the trademark owner to show use during the three-year period or that despite the three years of nonuse, there was intent to resume use of the mark within a reasonably foreseeable time³⁰. What is important to note, is that in case of cancellation proceeding on the grounds of abandonment, the intent is of a decisive importance.*

It is harder to prove abandonment when three years of consecutive nonuse is not present. The burden remains with the party bringing the claim to show non-use and lack of intent to resume use by a preponderance of evidence, which is a difficult burden for a party to meet³¹.

Moving on to the non-use case, it should be noted that the burden for proving is similar to the situation with an abandonment claim. In *United Global Media, Inc. v. Bonnie Tseng*³²,112 USPQ2d 1039 (TTAB 2014) [precedential] *the applicant filed a use based application and an opposition claim followed the filing*³³. The opposition filed with the Trademark Trial and Appeal Board (TTAB or Board) was sustained for nonuse. TTAB also held that the application was void *ab initio*. The Board clarified that there must be use in connection with **all** the goods and services identified in the application before filing an application with the USPTO (United States Patent and Trademark Office) based on use of the trademark.

To cancel the trademark registration the petitioner can present a *prima facie* case of non-use based on the owner's inability to show any evidence that there was use of the trademark

²⁹ Lanham Act 15 U.S.C. §1127, *available at* https://www.bitlaw.com/source/15usc/1127.html

³⁰ Abandonment and Nonuse of a Trademark, *available at* https://www.ny-trademark-lawyer.com/abandonment-and-nonuse-of-a-trademark.html (last visited Apr. 21, 2020)

³¹ See footnote 30

³² United Global Media, Inc. v. Bonnie Tseng, 112 USPQ2d 1039 (TTAB 2014), available at http://ttabvue.uspto.gov/ttabvue/ttabvue-91200786-OPP-37.pdf

³³ See footnote 30

⁴⁰ Marshal Baghramyan Avenue

in commerce. Once a *prima facie* case is established, the burden shifts to the registrant to show genuine use of the trademark, similar to an abandonment claim.

Under Section 45 of the Trademark Act, while stipulating the conditions under which a trademark is considered abandoned that were discussed above, the provision gives an important explanation on what the "use" of a trademark means.

"Use" of a mark means the bona fide use of such mark made in the ordinary course of trade, and not made merely to reserve a right in a mark 34 .

In Yazhong Investing Ltd. v. Multi-Media Tech. Ventures, Ltd.³⁵, 126 USPQ2d 1526 (TTAB 2018) [precedential] the petitioner sought to cancel four registrations of the respondent. The grounds for cancellation were fraud and abandonment, as well as cancellation of two of the registrations on additional grounds of non-use. All of the registrations referred to the mark GIDGET for goods and services in multiple classes numbering in excess of one hundred individual items.

Though the respondent stated that the mark GIDGET had continuously been used from 2005 through 2012, he failed to present any verifiable evidence of sales.

The respondent also indicated that he did not realize that the continuous use should be established in regards to all of the goods and services listed in the registrations, but rather thought that having use on at least one of the goods is what the law requires. It was also indicated by the respondent that ongoing licensing efforts to license the mark were in process. However, it was shown that from at least 2008 through 2012, there was no use of the GIDGET mark. Consequently, *a prima facie* case of abandonment was established shifting the burden of proving an intention to resume use of the mark to the respondent.

It is important to note that evidence of an intent to resume use must be more than a subjective intention; rather, there must be verifiable objective facts, moreover, the intention to resume use must be "within the reasonably foreseeable future."³⁶

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³⁴ See footnote 29

³⁵ Yazhong Investing Ltd. v. Multi-Media Tech. Ventures, Ltd.,126 USPQ2d 1526 (TTAB 2018), available at https://e-foia.uspto.gov/Foia/RetrievePdf?system=TTABIS&flNm=92056548-05-07-2018

³⁶ Trademark Cancellation and Abandonment Issues, *available at* https://www.trademarklitigationguide.com/trademark-cancellation-and-abandonment-issues/ (last visited Apr. 21, 2020)

The Respondent failed to bring necessary evidence to prove the intent to use. Instead, the Board noted that the respondent's evidence simply showed the attempts to secure additional investors. *In totality, the Board concluded that the respondent's activities did not constitute use or an intent to resume use, but rather merely an intent to reserve rights in the mark.* Accordingly, the trademark registration was cancelled due to abandonment.

Any natural or legal person can file a petition or claim for cancellation. A petition for cancellation is filed with the Trademark Trial and Appeal Board (TTAB), or a claim for cancellation is filed with a court having jurisdiction over the trademark owner³⁸. Decisions made by the TTAB may be appealed in the United States Court of Appeals for the Federal Circuit in Washington, D.C. or in a United States District Court having jurisdiction over the owner of the registration. The decision of a United States District Court may be appealed in the Circuit Court of Appeals for the Circuit in which the District Court is located.

It is important to understand what is understood under "requirement of use" in the USA. "The issue of use is probably one of the most common problems faced by trademark owners in connection with protection and maintenance of trademark rights in the United States" states trademark attorney Max Vern (partner in Amster, Rothstein & Ebenstein LLP Law Firm) in his article on practical aspects of Use Requirements in American trademark practice. Vern presents that unlike the majority of countries worldwide, who require use of trademark to protect the registrations from possible non-use invalidation, very few countries, besides the United States (Canada, until the enactment of the new Law, and Philippines), require use for the purpose of application and/or registration as well as continued maintenance of the mark.

In order to meet the trademark's use thresholds the following points should be presented by the owner of the trademark.

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³⁷ See footnote 36

³⁸ ICLG Trade Mark Laws and Regulations - USA: Trade Marks 2020, *available at* https://iclg.com/practice-areas/trade-marks-laws-and-regulations/usa (last visited Apr. 21, 2020)

³⁹ Max Vern, *Requirement of use in the USA*, CTC Legal Media, 23 (2017), *available at* https://www.arelaw.com/images/The%20Trademark%20Lawyer%20-%20August%202017%20-%20Max%20Vern.p https://www.arelaw.com/images/The%20Trademark%20Lawyer%20-%20August%202017%20-%20Max%20Vern.p https://www.arelaw.com/images/The%20Trademark%20Lawyer%20-%20August%202017%20-%20Max%20Vern.p https://www.arelaw.com/images/The%20Trademark%20Lawyer%20-%20August%202017%20-%20Max%20Vern.p https://www.arelaw.com/images/The%20Trademark%20Lawyer%20-%20August%202017%20-%20Max%20Vern.p <a href="https://www.arelaw.com/images/The%20Trademark%20Lawyer%20-%20August%202017%20-%20Max%20Vern.p <a href="https://www.arelaw.com/images/The%20Trademark%20Lawyer%20-%20August%202017%20-%20Max%20Vern.p https://www.arelawyer.pdf https://www.arelawyer.pdf https://www.arelawyer.pdf https://www.arelawyer

1. Use in commerce

"Use in commerce" is defined as a *bona fide* use in the ordinary course of trade. It cannot be made merely to reserve a right in the trademark. Such use must be of the type that can be regulated by the US Congress⁴⁰.

The use must be in the United States, meaning that actual sales of goods or provision of services should be made on the territory of the United States. Offering goods to US consumers abroad cannot constitute "use in commerce" as far as the Congress cannot regulate such activity. Whereas, web-sales to US consumers with delivery of goods to their US addresses may meet the requirement for the "use in commerce".

2. Genuine use

Genuine use implies to be a part of the owner's daily business activity. It cannot be token and made in a way to simply meet the use requirement.

3. Use by the registrant

Use must be by the trademark's registered owner (the declarant in the Declaration of Use) or by a third party on the basis of a certain relationship between the user and the registrant, for example a license agreement.

4. Use in the form as registered

Even though it is common for the owners to periodically update or refresh the rendition of a trademark, for example change the font, letter size, etc., the trademark should remain "essentially the same" as shown in the registration.

⁴⁰*Id.* at 25

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5. Current use

The trademark must be in a current use at the time of filing an appropriate Declaration and not beforehand. The use requirement will not be met in case when the use in the past has been ceased by the time of filing the Declaration.

6. Use on listed goods and services

Use must be in connection with all the goods and services specifically listed in the registration application. The listed items for which the use is not established, will be removed from the registration. Though it is not required to prove use on each listed item when filing the Declaration, the USPTO may request additional specimens of use.

To show the use of the trademark in commerce the registrant must submit *specimens of use* in support of the Declaration of Use.

Photographs of tags, labels, or containers and packaging that show the trademark as it is used in commerce are considered optimal specimens for traditional trademarks. *Printed media provided as a part of the product, such as assembly or operation manual, may be also acceptable*

For services, the most commonly used specimens are photographs of promotional material, e.g. pamphlets, brochures, printed or online media advertising, etc.⁴²

"Point of sale" displays, such as posters or displays used at commercial venues, exhibitions, trade shows, etc. are also considered acceptable. Whereas, the material used to conduct business, such as invoices, shipping documents, and warranties are not specimens of use in commerce⁴³.

⁴¹ See footnote 40

⁴² See footnote 40

⁴³ See footnote 40

⁴⁰ Marshal Baghramyan Avenue

United Kingdom

The United Kingdom adopted the Trade Marks Act⁴⁴ in 1994. The Section 46 of the Act⁴⁵ stipulates the provisions for revocation of the trademark registration.

The trademark registration can be revoked if (a) no genuine use of the trademark has been made in the UK by the trademark owner or with his consent for five years following the date of completion of the registration procedure in relation to the goods or services for which the trademark was registered, or (b) there has been an interruption of such use for a consecutive period of five years, and for both cases there is no proper reason for non-use.

In those cases where the five-year non-use period has expired, but use of a trademark resumes within three months before an application for revocation is made, the application should be disregarded and the registration shall not be revoked. However, this exception will not apply if the preparations for commencement of use began after the proprietor became aware that the application might be made.

Section 46(5) of the Act states that, where grounds for revocation exist in respect of only some of the goods or services for which the trade mark is registered, revocation shall relate to those goods or services only.⁴⁶

Any natural or legal person may commence revocation proceedings by submitting an application form to the UK Intellectual Property Office (UKIPO). The trademark owner has two months to file a defense and counterstatement. The burden of proof is on the owner of the trademark to either demonstrate genuine use, or show that there are proper reasons for non-use.

The registered proprietor should demonstrate *evidence of use* showing that the trademark has been used by him or with his consent during the relevant five year period or in the five years leading up to the date of the application. For example, the followings may be presented as

http://www.legislation.gov.uk/ukpga/1994/26/contents

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⁴⁴ The Trade Marks Act, available at

⁴⁵ The Trade Marks Act Section 46, available at

http://www.legislation.gov.uk/ukpga/1994/26/section/46

⁴⁶ The Trade Marks Act Section 46(5), available at http://www.legislation.gov.uk/ukpga/1994/26/section/46
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evidence: the financial turnover from sales of these goods and/or services registered under the trademark, copies of sales invoices or similar sales records showing how the goods and/or services have been advertised and if possible provide examples of such advertising, etc.

Evidence is normally given in the form of a witness statement, unless the Tribunal decides that it should be provided by way of an affidavit or statutory declaration.⁴⁷

A witness statement is a legal document which provides information based on the witness' own personal knowledge and sticks to the facts that relate to the grounds for revocation. The witness statement does not have to be sworn under oath, but it must be signed by the person making it and it must include a statement of truth, which is a statement signed by the witness verifying that the contents of the witness statement are true⁴⁸. It should be noted that the witness statement will be returned if the statement of truth is not provided.

Generally it is not required to present actual samples of the product bearing the trademark. However, if those samples need to be submitted as exhibits to a witness statement, photographs of the product bearing the trademark on it would be acceptable.

European Union

Nowadays trademark law in the European Union rests on the coexistence of national trademarks and European Union trademarks. The latest European Trademark Reform implies substantial changes both for Community trademarks and for the owners of national trademarks in the territory of the EU. The reform package comprises of two legislative documents:

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⁴⁷ Intellectual Property Office, *Guidance on Revocation (non-use) proceedings*, (2019), *available at* https://www.gov.uk/government/publications/trade-marks-revocation/revocation-non-use-proceedings (last visited Apr. 22, 2020)

 $^{^{48}}$ *Id*

1. The European Union Trademark Regulation⁴⁹ sets out rules applicable to EU trademarks and came into force on 23 March 2016 although not all changes have been implemented immediately⁵⁰.

2. The new Trademarks Directive⁵¹ intends to further harmonize the national trademark systems of the EU member states⁵². It came into force on 13 January 2016 but further implementation by each EU member state is required. The deadline for the implementation of the large majority of changes was set to 14 January 2019 at the latest. Whereas, the introduction of mandatory office proceedings for revocation and declaration of invalidity for trademarks should be implemented by 14 January 2023.

Chapter 2 Section 4 Article 19 of the Directive (EU) 2015/2436⁵³ of the European Parliament and of the Council of 16 December 2015 to approximate the laws of the Member States relating to trademarks stipulates provisions on absence of genuine use as ground for revocation. If the trademark has not been put to genuine use in the Member State in connection with the goods and/or services for which it is registered within a continuous five-year period, the trademark is liable for revocation, unless there are proper reasons for non-use. The trademark should be revoked in the case, where during the interval between expiry of the five-year period and filing of the application for revocation, genuine use of the trademark has been commenced or resumed. However, the commencement or resumption of use, which began three-month preceding the filing of the application for revocation, should be disregarded, if the preparations for the commencement or resumption occurred only after the proprietor became aware that the application for revocation may be filed.

⁴⁹ Regulation (EU) 2015/2424, available at

https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2015.341.01.0021.01.ENG&toc=OJ:L:2015:341 :TOClink

⁵⁰ DLA Piper, *EU trademark reform – Issues*, available at

https://www.dlapiper.com/en/us/focus/eu-trademark-reform-issues/ (last visited Apr. 22, 2020)

⁵¹ Directive (EU) 2015/2436, available at

https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2015.336.01.0001.01.ENG&toc=OJ:L:2015:336 :TOC

⁵² DLA Piper, *supra*.

⁵³ See footnote 51

⁴⁰ Marshal Baghramyan Avenue

For the purposes of this paper it is more expedient to examine the national legislation on Trademarks of several individual EU member states.

France

The French Intellectual Property Code⁵⁴ was adopted on 1 July, 1992 replacing earlier laws relating to industrial property and artistic and literary property. The Article L714-5 of the Code⁵⁵ regulates the conditions for revocation of the trademark registration. The owner of trademark, who has not put his mark to genuine use in connection with the goods and/or services for which the trademark is registered during an uninterrupted period of five years, shall be liable to revocation of his rights, unless there are good reasons for non-use. The starting point of this period is fixed at the earliest on the date of registration of the mark according to the methods specified by a decree of the Council of State.

The followings are deemed to be a use within the meaning of the Article L714-5⁵⁶:

- 1. the use made with the consent of the trademark holder;
- 2. the use made by a person authorized to use the collective trademark in compliance with the regulations;
- 3. the use of the trademark, by the holder or with his consent, in a modified form which does not alter the distinctive character, whether or not the mark is registered in the name of the holder in the form used;
- 4. the affixing of the trademark on products or their packaging, by the holder or with his consent, exclusively for the purpose of export.

https://www.legifrance.gouv.fr/affichCode.do?cidTexte=LEGITEXT000006069414&dateTexte=20200208

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⁵⁴ Code de la Propriété Intellectuelle, available at

⁵⁵ Code de la Propriété Intellectuelle Livre VII Chapitre IV Article L714-5, *available at*https://www.legifrance.gouv.fr/affichCodeArticle.do;jsessionid=3B0A63E299E611B5DA9B0FD5FEECCD8C.tplgf
r27s 1?idArticle=LEGIARTI000039381616&cidTexte=LEGITEXT000006069414&dateTexte=20200208

⁵⁶ See footnote 55

The commencement or resumption of genuine use of the trademark after the five-year period should be disregarded, if it occurred within three months prior to the request for revocation and after the owner has gained knowledge of the possibility of a revocation application. The burden of proving use rests with the owner of the trademark. It should be noted that in one of its recent decisions the Paris Court of Appeal ruled that the trademark should be put to genuine use for every good and/or service for which revocation is sought and not merely for parts of the goods and/or services. Proof may be provided by any means but evidence usually is composed of the number of sales, advertisements, press articles, etc.

If there are proper reasons for non-use, the trademark owner should present the facts, which should constitute an obstacle independent of the will of the owner that made the use of the trademark impossible.

French Patent and Trademark attorneys provide a guide list to proving use of the trademark:

- 1. the evidence must have the exact date on it, for example the date of publication of a magazine with the advertising or the date of invoices, etc.;
- 2. the date should fall within the five-year period;
- 3. the trademark should appear on the evidence to show that the proof corresponds to the trademark;
- 4. the trademark put to use should be the one registered, however use of the trademark in an altered form which does not change its distinctive nature is permissible;
- 5. evidence should be presented for each good and/or service (even for similar goods) listed in the registration;
- 6. the use should be done by the owner of the trademark or with his one consent;
- 7. the use should be done in France, affixing of the trademark on goods in France exclusively for export will also be counted as use in France;
- 8. the use should be serious, therefore the owner should assemble a number of evidences;
- 9. the evidence should be presented in French.

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With the European Trademark Reform package the procedure for filing an action for invalidity or revocation of a trademark in France got simplified with the introduction of an administrative procedure before the Institut National de la Propriété Industrielle (INPI) starting from April 1, 2020. Thus, revocation proceedings should exclusively be submitted to the INPI. However, if the revocation is requested as a counterclaim in an infringement action, it will remain under the jurisdiction of the competent courts (Tribunal de Grande Instance).

The decisions of INPI as well as the decisions of the first instance court may be appealed before the competent Court of Appeal.

The decisions of the Court of Appeal may be appealed before French Supreme Court (Cour de cassation) only on questions of law.

Germany

The initial Act on the Protection of Trademarks and other Signs⁵⁷ was adopted October 25, 1994. After the adoption of the European Trademark Reform package *intensive preparatory* work was done by the Federal Ministry of Justice and Consumer Protection combined with expert support by the German Patent and Trade Mark Office (DPMA), the Trade Mark Law Modernisation Act (Markenrechtsmodernisierungsgesetz), and thus the amendment of the Trade Mark Act to implement the TMD (Trade Mark Directive 2015/2436 of 16 December 2015), has undergone the legislative process and entered into force in January 2019⁵⁸.

Chapter 4 Section 25 of the Trademark Act⁵⁹ provides for provisions on exclusion of rights for lack of use. The trademark may be revoked, if the trademark has not been used within

⁵⁷ Act on the Protection of Trade Marks and other Signs, *available at* http://www.gesetze-im-internet.de/englisch markeng/

⁵⁸ German Patent and Trade Mark Office, *Information on the amendment of the European Union Trade Mark Directive*, (2020), available at

https://www.dpma.de/english/our_office/publications/background/reformofeuropeantrademarklaw/index.html (last visited Apr. 22, 2020)

⁵⁹ Act on the Protection of Trade Marks and other Signs Chapter 4 Section 25, *available at* http://www.gesetze-im-internet.de/englisch_markeng/englisch_markeng.html#p0185
http://www.gesetze-im-internet.de/englisch_markeng/englisch_markeng.html#p0185
http://www.gesetze-im-internet.de/englisch_markeng/englisch_markeng.html#p0185
http://www.gesetze-im-internet.de/englisch_markeng/englisch_markeng.html#p0185
http://www.gesetze-im-internet.de/englisch_markeng/englisch_markeng.html#p0185

the last five years prior to the filing of revocation motion, as long as the trademark has been registered for at least five years at that time.

If the genuine use of the trademark begins before the revocation application is filed, the registration of the trademark will not be cancelled even if it has not been used for more than five years. However, this is not applicable to the case when the use commenced less than three months before the revocation application after the owner became aware of the potential filing.

The revocation application based on non-use may be filed by any natural or legal person. The request for revocation of a trademark may be submitted either to the German Patent and Trade Mark Office (DPMA) or by means of a civil claim in ordinary proceedings. With respect to the revocation motion the owner of the contested trademark should provide evidence of genuine use of the trademark.

According to Chapter 4 Section 26 of the Trademark Act⁶⁰ the presence of following elements constitutes use of the trademark:

- 1. The trademark must be seriously used (should be put into genuine use) in Germany by the owner of the trademark for the goods and/or services in respect of which it is registered, unless there are legitimate grounds for non-use.
- 2. The use of the trademark with the consent of the owner is considered as use by the owner.
- 3. The use of the trademark in a form differing from the registration is also considered use of a registered trademark as long as the distinctive character of the trademark is not altered.
- 4. The affixing of the trademark on goods or their wrapping/packaging in Germany if the goods are exclusively intended for export is also considered as use in Germany.

Japan

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⁶⁰ Act on the Protection of Trade Marks and other Signs Chapter 4 Section 26, available at http://www.gesetze-im-internet.de/englisch_markeng/englisch_markeng.html#p0188
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Japan adopted the Trademark Act⁶¹ on April 13, 1959. Latest amendments to the Act entered into force on July 1, 2019. Chapter 5 Article 50 of the Act⁶² stipulates provisions on trial for rescission of trademark registration.

In the case when the trademark has not been put to use in the territory of Japan in connection with any of the designated goods and/or services for three consecutive years by the owner of the trademark without proper causes for non-use, any natural or legal person may file a revocation application of the registration of the trademark in connection with the relevant goods and/or services.

Once a revocation motion is filed, three or five examiners-in-charge examine the case. The burden of proving genuine use of the trademark within three years prior to the filing of the revocation application rests with the owner of the trademark. However, the commencement or resumption of use made within three month before the date of the filing of the revocation motion and only after the proprietor of the trademark became aware that an application was going to be filed, will be disregarded.

The decision on revocation application may be appealed before the Board of Appeals, which is a part of the Japan Patent Office. The next instance is the Intellectual Property High Court. The Japan Supreme Court is the ultimate body.

China

The Trademark Law of the People's Republic of China⁶³ was adopted on March 3, 1983. The latest amendments came into effect on November 1, 2019. Main changes aimed to strengthen the provisions tackling bad-faith trademark registrations, as well as, to intensify the punishment for trademark infringement.

https://wipolex.wipo.int/en/text/535946

⁶¹ Trademark Act, available at

⁶² See footnote 61

⁶³ Trademark Law of the People's Republic of China, *available at* http://sbj.cnipa.gov.cn/zcfg/sbflfg/201911/t20191122_308740.html http://sbj.cnipa.gov.cn/zcfg/sbflfg/201911/t20191122_308740.html http://sbj.cnipa.gov.cn/zcfg/sbflfg/201911/t20191122_308740.html http://sbj.cnipa.gov.cn/zcfg/sbflfg/201911/t20191122_308740.html http://sbj.cnipa.gov.cn/zcfg/sbflfg/201911/t20191122_308740.html http://sbj.cnipa.gov.cn/zcfg/sbflfg/201911/t20191122_308740.html

Chapter VI Article 49 of the Act⁶⁴ stipulates conditions for revocation of trademark. Any individual may apply to the Trademark Office (TMO) for the cancellation of the registered trademark, if the trademark has not been put to use for three consecutive years by the owner of the trademark, without a proper reason for non-use. The Trademark Office makes a decision within nine months from the date of the filing of the application. This time period may be extended for three month in the case of exceptional conditions.

According to Chapter VI Article 48 of the Act⁶⁵ the use of the trademark implies use on the goods, the packaging or containers of the goods, the trading documents and/or the use of the trademark in advertising, exhibitions, and other commercial activities.

The trademark owner in its defense to the revocation action may bring forward the following grounds:

- 1. the registered trademark has been put to use prior to the filing date of the revocation application;
- 2. the three years of non-use are due to *force majeure*;
- 3. the three years of non-use are due to the restrictions imposed by the government;
- 4. the three years of non-use are due to bankruptcy liquidation;
- 5. the three years of non-use are due to other justifiable reasons not attributable to the owner.

The decision of the TMO may be appealed to the Trademark Review and Adjudication Board of the State Administration for Industry and Commerce (TRAB). The decision of the TRAB may be further appealed to the People's Court initiating first-instance legal proceedings. The decision of the first instance may be further appealed to a higher-level court initiating second-instance proceedings. In general, the decisions of the second-instance court are the ultimate decisions.

Singapore

⁶⁴ See footnote 64

⁶⁵ See footnote 64

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Singapore adopted the Trade Marks Act⁶⁶ in 1998. The latest amendments to it entered into force on June 10, 2016. Part II Article 22 of the Act⁶⁷ stipulates provisions on revocation of the registration of the trademark. The registration of a trademark may be revoked if within five-year period after the registration of the trademark, if it has not been put to genuine use in Singapore, by the owner of the trademark or with his consent, in relation to the goods and/or services for which it is registered, or if such use has been suspended for an uninterrupted period of five years, without any proper reasons for non-use.

It should be noted that use in a form differing in elements which does not alter the distinctive character of the trademark from the one in which it was registered is considered as use of a trademark. Moreover, applying the trademark to the materials for the labelling and packaging of the goods in Singapore solely for export purposes is also considered as use in Singapore.

In the case when the use of the trademark is commenced or resumed after the expiry of the five-year period and before the filing of the application for revocation, the registration of the trademark should not be revoked. However, any commencement or resumption of use should be disregarded, if preparations for the commencement or resumption began within the period of three months prior to the failing of the application for revocation and after the owner became aware that an application may be filed.

It should be noted that the revocation should relate only to those goods and/or services listed in the registration of the trademark, for which grounds for revocation exist.

According to Part II Article 22(5) of the Trade Marks Act⁶⁸ any natural or legal person may file a revocation application either to the Registrar or to the Court. In the case, when the proceedings relating to the trademark in question are pending in the Court, the application must be filed to the Court. In any other case if the application is submitted to the Registrar, the application may at any stage of the proceedings be referred to the Court.

⁶⁶ Trade Marks Act, available at

https://sso.agc.gov.sg/Act/TMA1998#P1II-P4 21-

⁶⁷ See footnote 66

⁶⁸ See footnote 66

⁴⁰ Marshal Baghramyan Avenue

Chapter 3. Analysis

This chapter is aimed at analyzing the studies conducted in the previous chapter comparing with Armenian realities in order to find solutions to questions stressed out in Chapter 1.

Question 1 raised in Chapter 1 of this paper relates to the length of the time period after which the revocation application may be filed on the basis of non-use. Studies of the relevant legislations of different countries in Chapter 2 showed that in such countries as the United States, the United Kingdom, countries of the European Union (particularly France and Germany) and Singapore the time period is set for five years. In Japan and China, however, the time period is shorter: three years.

The current Armenian Trademark law was developed in a way to comply with the standards of the European Union countries. Chapter 4 Article 21 of the Law of the Republic of Armenia⁶⁹ set a five-year period for the revocation applications. Thus, the time period of five-years is in compliance with European legislation. However, as mentioned previously Armenia is a party to the Treaty on Eurasian Economic Union. The Annex 26 of the Treaty on Eurasian Economic Union⁷⁰ sets a different time period: a three-year period of non-use, which is similar to the relevant laws of Japan and China.

As discussed previously the different time periods cast some seeming contradiction. Even though the Court has given an answer to this question in *Potomac Tobacco Company v. International Masis Tabak*⁷¹ case, the existence of different time periods continues to be a source of discussion and debate for the practitioners in Armenia. This leads to an assumption that it

⁶⁹ See footnote 3

⁷⁰ See footnote 12

⁷¹ See footnote 19

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would be preferable to make some changes which would give an end to the controversy in this respect.

During the interview with the Deputy Head of the Intellectual Property agency of the Republic of Armenia Kristine Hambaryan⁷², Ms. Hambaryan told me that some time ago a draft on legislative changes to the Trademark law was circulating. According to it, among other changes, the time period for revocation proceedings on the basis of non-use should have been changed to three years. For some reasons the circulation of the draft was suspended. However, Ms. Hambaryan stated that the draft is going to enter into circulation again soon (she could not provide exact information regarding the dates) and the above-mentioned change is included in the draft. Thus, it can be assumed that the issue of this question will be resolved in the near future.

Question 2 concerns the procedure of filing the revocation application. In this aspect there is an interesting picture: in the countries of European Union the tendency is to shift the revocation proceedings from the courts to the Trademark Office, whereas in Armenia the situation is quite the opposite. The reason behind the decision of the EU countries as well as the UK and the US is the following: the courts are too overloaded, so to bring the situation to a balance these countries have adopted the strategy of shifting some amount of the load to the Trademark Offices. In Armenian reality the courts and judges were not (and still are not) very specialized in IP proceedings. To help the courts/judges develop in this sphere the policy was adopted to shift the revocation proceedings from the Appeal Board of the IP Agency to the courts.

Taking into consideration that the courts/judges are still not that well specialized in terms of intellectual property related proceedings, it is still more expedient to leave the revocation proceedings under the jurisdiction of the courts. With some legislative changes made to the Trademark law, which will reduce the grey areas of the current act, there is hope that the courts/judges will become more competent in this particular field in the near future.

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⁷² See footnote 20 40 Marshal Baghramyan Avenue

Question 3 raises the issue regarding the requirement of genuine use. The relevant provisions of the Trademark law of the Republic of Armenia do not provide a precise description of what should be inferred under "genuine use". In this regard among all the countries studied in Chapter 2 of this paper the example of the US is more outstanding as it is quite precise and detailed.

The US model presents a detailed explanation of use composed of six components: use in commerce, genuine use, use by the registrant, use in the form as registered, current use and use on listed goods and services. Also it is clear for the trademark owner what can be considered as a specimen of use. It should be noted that if the trademark has not been used within an uninterrupted period of three years with no intent to resume use, the trademark is to be deemed abandoned. What is more important is that the evidence of an intent to resume use must be more than a mere intention, verifiable objective facts should be presented. Moreover, the intention to resume use must be "within the reasonably foreseeable future".

It would also be useful to have well developed guidelines for proving use of the trademark as it is done in France by Patent and Trademark attorneys⁷³. A similar list will make the notion of "genuine use" more clear for the owners and will help them overcome the revocation proceedings in an efficient way.

Describing what is considered to be genuine use in Chapter 2 Article 17(3) of the Law of the Republic of Armenia⁷⁴ it is mentioned that the owner should use the trademark "for a certain

⁷³ French Patent and Trademark attorneys provide a guide list to proving use of the trademark:

^{10.} the evidence must have the exact date on it, for example the date of publication of a magazine with the advertising or the date of invoices, etc.;

^{11.} the date should fall within the five-year period;

^{12.} the trademark should appear on the evidence to show that the proof corresponds to the trademark;

^{13.} the trademark put to use should be the one registered, however use of the trademark in an altered form which does not change its distinctive nature is permissible;

^{14.} evidence should be presented for each good and/or service (even for similar goods) listed in the registration;

^{15.} the use should be done by the owner of the trademark or with his one consent;

^{16.} the use should be done in France, affixing of the trademark on goods in France exclusively for export will also be counted as use in France;

^{17.} the use should be serious, therefore the owner should assemble a number of evidences;

^{18.} the evidence should be presented in French.

⁷⁴ See footnote 24

uninterrupted period of time" which sounds vague and uncertain. A clarification should be made in respect of that "certain" period of time. Similar to the example of the US that certain period of time may be set to three years with the current regulations of the law. Later the time period may be reduced to one and a half year, when the changes to the Trademark act would inter into force and the time period for filing a revocation application on the grounds of non-use would be reduced to three years.

It should be noted that as in all the countries studies in Chapter 2 in Armenia as well the registration of the trademark should be revoked only in respect of those goods and/or services which are listed in the registration but are not put into use without any justifiable reason. In this regard the Armenian legislation is in line with the international best practices.

Question 4 relates to the possibility of cancellation of the trademark when the trademark has become the subject of a concession or license agreement.

Chapter 2 Article 17(4) of the Trademark act of Armenia⁷⁵ gives regulation for the commencement or resumption of genuine use after the proprietor was aware of the possibility of filing a revocation motion, but it lacks regulation for the case when trademark has become the subject of a concession or a license agreement when the trademark owner has been notified of the possibility of filing a claim or a counterclaim for cancellation of the trademark registration. This legislative gap is widely used by the owners who successfully escape the revocation of their trademark and manage to preserve it by passing the trademark to a related person formally as a matter of concession or a license agreement and restricting others from the ability to gain the right to use it.

It should be noted that in all the countries that were discussed in Chapter 2 of this paper it is importantly stressed that the actions of the trademark owner cannot be intended merely to preserve the rights to the trademark. In this light it is important to have regulations for the cases when the trademark has become the subject of a concession or license agreement in order to escape cancellation and preserve the trademark. The provision may be similar to the one

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⁷⁵ See footnote 26

regarding the commencement or resumption of genuine use after the proprietor was aware of the possibility of filing a revocation motion.

I would suggest to divide Article 17(4) and separate the cases of the commencement or resumption of the use from the concession or license agreement. The provision on the concession or license agreement may be similar to the one regarding the commencement or resumption of genuine use after the proprietor was aware of the possibility of filing a revocation motion. The possible formulation of the provision will be provided below.

So, basically I would propose to make the following changes to the Article 17 of the Trademark act of Armenia:

- 1. Remove the part regarding the concession or licensing of the trademark from 17(4). I would suggest that 17(4) stipulate solely the provisions on commencement or resumption of the use.
- 2. Add another point to this article. Move the existing provisions under 17(5) to 17(6).
- 3. In the place of 17(5) put the regulations on concession or license agreement.

Article 17. Use of the Trademark and Consequences of Non-use

(...)

5. The claim or counterclaim for the revocation of trademark may not be satisfied if during the interval between the period of filing the claim or counterclaim the trademark has become a subject to concession or license agreement. However, if the concession or licensing of the trademark has taken place three months prior to the filing the claim or counterclaim for of the trademark and the latter period began at the earliest on expiry of the continuous period of five years of non-use then the concession or license agreement shall not be taken into consideration if the concession or licensing of the trademark has occurred only after the proprietor becomes aware that the claim or counterclaim for revocation may be filed.

 (\ldots)

Conclusion

The studies conducted for this paper and the analysis made show that the Armenian legislation in general is aligned with the international standards, yet some substantial gaps are present.

Chapter 1 of this paper was dedicated to presenting the overall picture of the current situation related to the cancellation of trademark registration as a result of non-use and identifying the main issues in this regard. The reasons underlying the problems present in the overall picture of the situation in Armenia are both objective and subjective.

Among the objective reasons may be mentioned the fact that the Law of the Republic of Armenia on Trademarks was adopted relatively late than in other countries and the field of Intellectual Property in Armenia is unfortunately still not well developed. As a consequence the courts are not sufficiently specialized in this sphere. However, this leads to one of the subjective reasons, which is the fact that the judges besides lacking necessary competence in this particular field are also unwilling to dig into the problem and consequently make superficial decisions. Another subjective reason is the mentality of Armenian people, who are very inventive and love to resort to various scams. To keep them in the frames of the law, a strong and well-structured legislation is required, which will not leave any grey areas letting them bypass the law.

In Chapter 2 the best practices of various countries were presented. Studying the experience of such countries as the United States, United Kingdom, France, Germany, Japan, China and Singapore brought to the conclusion that having a properly structured legislation, well established case law and judges and attorneys of high competence are the key components ensuring the steady development of the IP sphere in general and trademark law in particular.

The aim of the next chapter was to make a comparative analysis of the Armenian realities and international practices in order to suggest ways of improvements in the Law of the Republic of Armenia on Trademarks. With more clear and precise formulations of the provisions of the law regarding the cancellation of the trademark registration as a result of non-use and well

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developed guidelines helping understand the notion of "genuine use" and listing necessary components for proving the use of the trademark, the issues currently present in Armenia will at least be reduced.

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