

Law on Amendments to the Law on Trademarks

("Official Gazette of Montenegro", No. 40/16)

Article 1

In the Law on Trademarks ("Official Gazette of Montenegro", No. 72/10, 44/12 and 18/14) in Article 10, paragraph 2, the introductory sentence shall be amended to read as follows:

"The trademark holder shall be entitled to prevent other persons from using in the course of trade without his consent the following:"

In item 1 the words "earlier trademark" shall be replaced by the word "trademark".

Item 2 shall be amended to read as follows:

"any sign where, because of its identity with, or similarity to the trademark and the identity or similarity of the goods or services covered by the trademark and the sign, there exists a likelihood of confusion on the part of the public which includes the likelihood of association between the sign and the trade mark."

Article 2

In Article 11, after paragraph 2 a new paragraph shall be added to read as follows:

"Provision of paragraph 1 of this Article and Article 10 paragraphs 1 and 2 of this Law shall not affect provisions relating to the protection against the use of a sign other than for the purposes of distinguishing goods or services, where use of that sign without due cause takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the trademark."

Article 3

In Article 14, paragraph 1 item 2 after the word "production" the words: "of goods or of rendering of the service" shall be inserted.

Article 4

In Article 15, paragraph 1 after the word "reasons" the words: "for the trademark holder to oppose further commercialisation of the goods" shall be inserted.

Paragraph 2 shall be amended to read as follows:

“Putting on the market of goods that are marked with a trademark by the trademark holder or with his/her explicit consent, in the territory of the European Union or countries that are Parties to the Agreement on European Economic Area, shall exhaust the exclusive rights arising from the trademark in relation to those goods, unless there are legitimate reasons for the trademark holder to oppose further commercialisation of the goods, based on which the trademark holder retains the exclusive rights arising from the trademark.”

Article 5

In Article 16 at the end of paragraph 2, the full stop shall be deleted and added the following words "or to oppose its use."

Article 6

In Article 23, paragraph 3 is amended and shall read:

"The applicant proves the Union Priority Right with the submission of a certificate of priority right issued by the competent authority of a Member State of the Paris Union or Member State of the World Trade Organization and the translation of that certificate to the Montenegrin language, which is certified by a court interpreter."

After paragraph 3, a new paragraph shall be added to read as follows:

"The applicant is required to submit a certificate and a translation of the certificate referred to in paragraph 3 of this Article no later than three months from the date of filing of the request for the recognition of the Union Priority Right."

Article 7

In Article 31, paragraph 2 shall be amended to read as follows:

"An opposition referred to in paragraph 1 of the present Article may be filed by the holder of the earlier trademark or the licensee who has the approval of the trademark holder and by the holder of the right to the personal name, portrait, copyright or other industrial property rights from Article 8 paragraph 2 of this law."

Article 8

In Article 35 after paragraph 6 two new paragraphs shall be added to read as follows:

"The competent authority may issue a trademark certificate, at the request of the right holder, along with proof of the payment of the prescribed administrative fee.

The content of the trademark certificate referred to in paragraph 7 of the present Article shall be prescribed by the Ministry. "

Article 9

In Article 39 after paragraph 4 a new paragraph shall be added to read as follows:

"License agreement referred to in paragraph 1 of the present Article, the transfer of the trademark, the pledge and the levy of execution produce the legal effect against the third parties after entry in the Register."

In paragraph 5, the words "in the course of license validity, in respect of the registered trademark's representation, manner in which the trademark is being used" shall be replaced by the words "with regard to its duration, the form covered by the registration in which the trademark may be used."

Current paragraphs 5 and 6 shall become paragraphs 6 and 7.

Article 10

After Article 41 a new Article shall be added to read as follows:

"Trademark application as a property right

Article 41a

The provisions of Articles 39, 40 and 41 of this Law shall also apply to the applications for the trademark registration."

Article 11

In Article 50a, paragraph 3, the words "of the date of receiving notice" shall be replaced by the words: "from the date of issuance of a written notice of the competent authority".

Article 12

In Article 50b, paragraph 1, the words: "the receipt of a written notice" shall be replaced by the words: "the date of issuance of written notice of the competent authority".

Article 13

In Article 53, paragraph 1, the words: "may render" shall be replaced by the words: "shall render".

In paragraph 3, the words: "may render" shall be replaced by the words: "shall render" and the word "type" shall be replaced by the word "nature".

Article 14

In Article 55 after paragraph 3 a new paragraph shall be added to read as follows:

"A fine referred to in paragraphs 2 and 3 of the present Article may be imposed to a legal entity in the amount from 2,000 euros to 10,000 euros, to an entrepreneur from 500 euros to 3,000 euros, and to natural person and responsible person in the legal entity in the amount from 250 euros to 1,500 euros."

Current paragraphs 4 to 7 shall become paragraphs 5 to 8.

Article 15

In Article 55a, paragraph 2, the word "only" shall be replaced by the word "principally".

Article 16

In Article 59a, the words: "Articles 55 to 59 and Article 59b" shall be replaced by the words: "Articles 55 and 55a".

Article 17

In Article 60, paragraph 2 item 1 the words: "with Montenegrin citizenship residing in Montenegro" and the comma shall be deleted, and after the words: "university degree", shall be added the following words: "(VII1 level of education qualifications)".

In item 3, the words: "with its legal seat in Montenegro" shall be deleted.

Article 18

In Article 62a at the end of paragraph 2, the full stop shall be deleted and added the words: "through the market inspection."

Article 19

In Article 62b after paragraph 4, four new paragraphs shall be added to read as follows:

"The applicant referred to in paragraph 2 of this Article may also submit:

- 1) details based on which can be identified the shipment or the packing;
- 2) information on the place where the goods are located and/or the planned destination;
- 3) the name of the manufacturer, importer, owner or holder of the goods;
- 4) data on the estimated date of delivering or shipment of goods;
- 5) information on the means of transport used for the transportation;
- 6) sample of the goods, photos and the like.

The competent inspector is obliged to act upon the request referred to in paragraph 2 of this Article and to inform the applicant in writing about the performed inspection control and possibly taken measures, within eight days from the date of filing the request.

If the request referred to in paragraph 2 of this article proposes to urgently take measures and if the request contains sufficient information on deliveries of goods for which there is reasonable suspicion that the goods infringe the trademark, the competent inspector shall, within three days from submission of the request, notify the applicant about the performed inspection control and about the possibly taken measures.

The applicant referred to in paragraph 2 of this Article shall inform the competent inspector about the termination of the right to the trademark, if such right terminates during the proceedings upon the request."

Article 20

In Article 62c, paragraph 1 shall be amended to read as follows:

"When in the inspection control proceedings competent inspector assesses that during the production or the turnover of goods the trademark has been infringed, he is authorized to:

- 1) Temporarily prohibit the production or carrying out activities;
- 2) Temporarily seize the goods."

After paragraph 1, two new paragraphs shall be added to read as follows:

"In case of undertaking the measures referred to in paragraph 1 of the present Article, the competent inspector shall immediately, and no later than two days after undertaking the measures, notify in written form the trademark holder or the applicant of the request about the obligation to launch the procedure for the protection of the trademark before the competent Court, and holder of a trademark shall, not later than 15 days from the date of receipt the notification, submit to the competent inspector the evidence on the procedure launched before the competent court or imposed provisional measure.

The notification referred to in paragraph 2 of the present Article shall contain information about the name and address or the seat of the person from whom the goods were seized and, if possible, the name and address of the owner, importer and manufacturer of the confiscated goods, as well as the informations on the quantity and type of goods, and other information of importance."

At the end of paragraph 3 the full stop shall be deleted and words: "otherwise they shall be borne by the controlled entity" shall be added.

After paragraph 5, three new paragraphs shall be added to read as follows:

"The temporarily seized goods will be returned to the person from whom it was seized if:

- 1) The holder of a trademark, or the person who has his authorization to submit the request, within the period referred to in paragraph 2 of this Article, fails to submit to the competent inspector the evidence on the procedure launched before the competent court or imposed provisional measures;
- 2) the procedure is launched before the competent court, and the court has not impose a provisional measure on prohibiting the production and trade of goods.

Upon the request of the trademark holder, the person who has his authorization to submit the request or the persons from whom the goods were seized, the competent inspector shall allow the sampling of the goods in a quantity that is required as evidence in the proceedings before the competent court.

The competent inspector may destroy the temporarily seized goods upon:

- 1) order of a court, or
- 2) ex officio if the owner or person from whom the goods are temporarily seized, is not accessible to the competent inspector within 30 days from the day of the seizure of the goods. "

The current paragraphs 2 to 5 shall become paragraphs 4 to 7.

Article 21

After Article 65a, a new Article shall be added to read as follows:

„Article 65b

From the date of accession of Montenegro to the European Union:

- 1) as earlier trademark under Article 7, paragraph 1 of this law shall be considered:
 - a) the Community trademark and application for a Community trademark;
 - b) Community trademark for which seniority is duly claimed, in respect to the trademarks referred to in Article 7 paragraph 2 items 1 and 2 of this law, even where the latter trademark has ceased;
- 2) a trademark for which the application for registration has been filed shall not be registered if such trademark is identical or similar to an earlier Community trademark, and the registration has been requested for goods or services which are not similar to the goods or services for which the earlier Community trademark has been registered, where the earlier trademark has a reputation in the Community and where the use of the later trademark without due cause will take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier Community trademark;
- 3) national trademark is a trademark registered in the procedure before the competent authority in accordance with the provisions of this law;
- 4) national trademark application is the application for the registration of the trademark submitted to the competent authority in accordance with the provisions of this law;
- 5) applications for a Community trademarks submitted prior to the date of the accession of Montenegro to the European Union and the Community trademarks acquired prior the date of accession of Montenegro to the European Union, shall have the effect in the territory of Montenegro;
- 6) national trademark can not be declared invalid for the reasons of the conflict with the earlier Community trademark if the holder of the earlier Community trademark did not actually use the Community trademark in the European Union in relation to the goods or services for which it is registered or if it stopped using it in an uninterrupted period of five years, unless there are justifiable reasons for non-use;

- 7) the holder of an earlier trademark registered in Montenegro or of an earlier trademark registered in accordance with the ratified international treaties, who submits an application for the registration of an identical trademark as the Community trademark for the goods or services which are identical with the goods or services for which the earlier trademark has been registered, or contained in these goods and services, may claim the seniority of an earlier trademark for a Community trademark in respect to a trademark registered in Montenegro;
- 8) the holder of a Community trade mark which is the holder of an earlier identical trademark registered in Montenegro or a trademark registered in accordance with the ratified international treaties for the goods or services which are identical with the goods or services for which the earlier trademark has been registered, or contained in those goods or services, may claim the seniority of an earlier trademark in respect to a trademark registered in Montenegro;
- 9) the seniority of the national trademark may be required in respect of a Community trademark if:
 - a) the national trademark is acquired before the date of accession of Montenegro to the European Union, and
 - b) the national trademark has priority in respect to a Community trademark for which the seniority is claimed;
- 10) in cases where a Community trademark application is submitted to the competent authority, the competent authority shall enter the date of filing the application and forward it, without examination, to the Office for Harmonization in the Internal Market, with the payment of the prescribed administrative fee and the costs for forwarding;
- 11) the competent authority shall, acting upon the request for transformation of the application for a Community trademark or the Community trademark into the national trademark application, carry out the procedure for registration of the trademark in accordance with the provisions of this law, and the applicant shall pay the prescribed administrative fees and the procedural costs;
- 12) the competent authority shall, upon the receipt of the request referred to in item 11 of the present Article, invite the applicant to submit, within 60 days from the day of the receipt of the invitation, the translation of the application for a Community trademark into Montenegrin language;
- 13) the holder of a national trademark, acquired before the date of accession of Montenegro to the European Union, or acquired on the basis of national trademark application filed prior to the date of accession of Montenegro to the European Union, may, by a lawsuit, request the

prohibition of use in Montenegro of the Community trademark, which in accordance with item 5 of the present Article shall have the effect on territory of Montenegro if the use of a Community trademark is contrary to the use of national trademark, where he is obliged to prove that the Community trademark conflicts with his national trademark;

14) provisions on legal protection in case of an infringement of the national trademark shall apply to the legal protection in case of infringement of a Community trademark;

15) The holder of an earlier national trademark which in an uninterrupted period of five years knowingly allows the use of a later Community trademark shall not be entitled to file an request for the declaration of invalidity of the later trademark, or to oppose the use of the later trademark in respect of goods or services for which that later trademark has been used, unless the application for the registration of the later Community trademark was not filed in good faith;

16) The Commercial Court shall be the competent court to decide in the first instance in litigations relating to the Community trademark, in accordance with the law governing the establishment, organization and jurisdiction of the courts;

17) The Court of Appeal shall be the competent court to decide in the second instance in litigations relating to the Community trademark, in accordance with the law governing the establishment, organization and jurisdiction of the courts."

Entry into force Article 22

This law shall come into force eight days after publication in the "Official Gazette of Montenegro".