PRESENTATION OF THE BOARDS OF APPEAL
ADMINISTRATIVE STRUCTURE AND PROCEEDINGS

V. Melgar
Member of the 5th Board of Appeal
22 May 2019
Introduction
Recital 30 EUTMR:

It is necessary to ensure that parties who are affected by decisions made by the Office are protected by the law in a manner which is suited to the special character of trade mark law.

To that end, provision should be made for an appeal to lie from decisions of the various decision-making instances of the Office. A Board of Appeal of the Office should decide on the appeal.
The Boards’ mission:

To provide specialised and specific legal protection and safeguard the rights of EUTM and RCD owners who are affected by the decisions of the Office in absolute grounds examination, opposition, cancellation and invalidity cases (recital 30 EUTMR and recital 28 CDR).
Recital 42 EUTMR: The Boards of Appeal must offer an effective, efficient and complete review of decisions of the Office by means of a transparent, thorough, fair and equitable procedure.

Recital 9 EUTMDR: In order to ensure an effective and efficient organisation of the Boards of Appeal, the President, the Chairpersons and the Members of the Boards of Appeal … are … required to ensure high quality and consistency of the decisions taken …, and to ensure the efficiency of the appeal proceedings.
The Boards’ drastic evolution:

- 1999 → 881 appeals filed and 246 decisions taken;
- 2018 → 2,589 appeals filed and 2,602 decisions taken.
Composition and functioning
## SOME KEY FIGURES

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<th>2015</th>
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<th>2017</th>
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<td>108 515</td>
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<td>121 529</td>
<td>152 488</td>
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<td>8 053</td>
<td>18 785</td>
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<td>2 615</td>
<td>2 445</td>
<td>2 761</td>
<td>2 588</td>
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<td>• Decisions taken</td>
<td>2 907</td>
<td>2 878</td>
<td>2 694</td>
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<td><strong>JUDGMENTS OF THE GC</strong></td>
<td>396</td>
<td>289</td>
<td>379</td>
<td>357</td>
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<td><strong>RATIO APPEALS GC DECISIONS</strong></td>
<td>9.7%</td>
<td>9.6%</td>
<td>11.5.9%</td>
<td>11.0%</td>
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<td><strong>BOA DECISIONS CONFIRMED BY GC</strong></td>
<td>82.2%</td>
<td>85.7%</td>
<td>86.0%</td>
<td>77.1%</td>
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<tr>
<td>• Ex-parte</td>
<td>93.2%</td>
<td>95.7%</td>
<td>92.5%</td>
<td>86.3%</td>
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<td>• Inter-partes</td>
<td>77.2%</td>
<td>81.4%</td>
<td>83.8%</td>
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THE BOARDS OF APPEAL - COMPOSITION

• 1 President of the Boards (who acts as well as Chairperson) assisted by a Head of Cabinet
• 1 Operational Director and 3 Head of Services
  – Registry (Registrar)
  – Knowledge, Information and Support Service (KISS) (including qualityreaders)
  – Alternative Dispute Resolution Service (ADRS)
• 3 Chairpersons
• 15 Members + Legal Assistants
• Organization in 4 trade mark Boards + 1 design Board
• Decisions are normally taken by a panel of 3 (1 rapporteur, 1 ordinary member + Chairperson).
SOME CHARACTERISTICS OF THE BOARDS

• The Boards are administratively integrated into the EUIPO and are part of the Office.

• Quasi – judicial

• Independence in decision – making

• Functional continuity
LEGAL BASIS

- EUTMR
- EUTMIR / DR
- CDR
- CDIR
- Rules of Procedure of the Boards of Appeal
- Decisions of the Presidium of the Boards of Appeal
THE INDEPENDENCE OF THE MEMBERS (ART. 166 EUTMR)

• The members of the Boards shall be independent. In their decisions they shall not be bound by any instructions (Art.166(7) EUTMR).

• The BoA-President and Chairpersons appointed for five years by the Council on proposal of the Management Board (Art.166(1), Art. 158 EUTMR).

• Members appointed by the MB, for a renewable term of five years (Art. 166(5) EUTMR).

• Removed from office by the CJ for serious grounds only (Art. 166(6) EUTMR)

• Presidium decides on objective criteria of allocation of cases (Art. 166(4)(c) EUTMR, Art. 1 RP BoA)

• Secrecy of deliberations and voting (Art. 12 RP BoA)
MANAGEMENT OF THE BOARDS

- President of the Boards
- Operational Director and Heads of Services (Registry, KISS, ADR)
- Chairpersons
- Presidium – organizational matters between Boards
PRESIDUIUM – ART. 167 EUTMR & ART. 1 RP BOA

- Composition (Art. 167 EUTMR, Art. 1 RP BoA)
  - President 1
  - Chairpersons 3
  - Members (elected) 6 (including 2 alternates)
  - Total 10
Responsible for:

- Decision on abstract criteria for allocation of cases.
- Internal rules of organizational nature.
- Practical instructions for the parties.
- Reallocation of cases if annulment by General Court.
- Approval of Rules of Procedure and Instructions to the Registry.
COMPOSITION OF THE GRAND BOARD – ART. 167 (2) EUTMR AND 1(a) RP BOA

Art. 7 (List of Members) and Art. 8 (Rotation criteria) Rules concerning the Organization of the Boards, Decision 2012-1:

- President 1
- Chairpersons 3
- Members (rotating) 5
- Total 9
REFERRAL TO THE GRAND BOARD – ART. 165 EUTMR

• Diverging case law of the General Court or the Boards of Appeal
• Complex legal matter
• Important case
• Referred by individual Board or Presidium
The Appeal procedure
PROCEDURE IN A NUTSHELL

Contested Decision

NoA Appeal Fee

SoG

File sent for IR

IR granted

IR not granted

Response

Reply

Rejoinder

Allocation Rapporteur

Decision of the Board

2 m

4 months

1 m

2 m

2 m

2 m

<6 months

~15.5 months
COMPOSITION OF THE BOARDS

- Decisions taken by 3 members:
  - The general case (Art. 39 EUTMDR)

- Decisions taken by single member (Art. 36 EUTMDR):
  - Lack of difficulty in legal or factual subject-matter, absence of special circumstances;
  - Board decides if case is referred to single member.

- Grand Board Decisions (Art. 157 (2) EUTMR)
DECISIONS SUBJECT TO AN APPEAL (ART. 58 EUTMR)

DECISIONS ARE APPEALED IN:

• Trade Mark Matters (Art. 66 and 159 EUTMR):
  • Final decisions of:
    • the Examiners: Filing date (incl. priorities); formalities; AG for refusal;
    • the Opposition Divisions: Admissibility and allowability of an opposition;
    • the Cancellation Divisions: Application for revocation; application for a declaration of invalidity;
    • the Department in charge of the Register (including Recordals in the EU Trade Mark Register and list of professional representatives).

• Design Matters:
  • Final decisions of:
    • the Examiners: Filing date (incl. priorities); formalities; AG for refusal;
    • the Invalidity Division: Admissibility and allowability of invalidation proceedings;
    • the Administration of Designs and Legal Division; Recordals in the EU Trade Mark Register and list of professional representatives.
WHO IS ENTITLED TO APPEAL? (ART. 59 EUTMR)

- Any party to proceedings adversely affected by a decision:
  - Art. 67 EUTMR.

- Who is adversely affected?
  - Party not prevailing with its claims (but not including):
    - Alternative grounds that are not examined;
    - Unexamined matters affecting conversion rights.
TIME LIMIT & FORM OF APPEAL (ART. 68 EUTMR)

- Appeal must be written.
- **Notice of Appeal** (NoA) within two months after notification of contested decision.
  - Shall be deemed to have been filed only when the fee for an appeal has been paid within the above mentioned period.
- **Statement of Grounds** (SoG) within four months after notification of contested decision.
- **Cross Appeal** (Art. 68 (2) EUTMR)
  - The other party to inter partes proceedings may seek a decision annulling or altering the contested decision on a point not raised in the appeal.
• If the department whose decision is contested considers the appeal to be admissible and well founded, it shall rectify its decision within one month of receipt of the statement of grounds.

• Only applicable in ex-parte proceedings

• Both, trade marks and design matters
TRAPS & PITFALLS

• Language of the proceedings
  • Language of the contested decision, otherwise (full) translation
• The Appeal as a new chance
  • No re-starting of the proceedings – Expired time-limits are expired
• In inter-partes proceedings,
  • No new requests
  • No additional grounds
  • No new evidence
  • Additional evidence might be submitted (Fishbone, C-621/11)
FEES & COSTS

Appealing a trade mark costs EUR 720 and EUR 800 for a design.

- Appeal Fee: EUR 720 / EUR 800
  - Refunded, if
    - Revision is granted, or
    - Appeal is allowed and reimbursement is equitable by reason of a substantial procedural violation

- Costs of representation: EUR 550
  - Costs are generally borne by the loosing party
  - Board has discretion based on equity
EXCHANGES BETWEEN PARTIES

- Appellant
  - Statement of grounds
  - Revision
  - Reply (possible)

- Defendant
  - Observations
  - Rejoinder (possible)
Art. 71 EUTMR

- Decision on the appeal:
  - Decision on the **admissibility** and the **substance** of the appeal;
  - Option to **continue proceedings** exercising any power within the competence of the department which was responsible for the decision appealed;
  - If appropriate, **remit** the case to that department, which is bound by the decision’s **ratio decidendi** for further prosecution.

- Decision on **costs**.
ORAL PROCEEDINGS (ART. 99 EUTMR)

• Only 3 in 15 years.
• Will be possible before Cancellation Divisions and BoAs.
• Boards are not against them, but difficult to find files that are appropriate for oral proceedings.
• Most files are sufficiently complete to enable decision.
• Could be useful to explore evidential issues (e.g. internet evidence of generic nature of a sign).
• 2 convoked by 4th Board but both times parties settled.
### 3rd BOARD STATISTICS (2015-2018)

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<th>2015</th>
<th>2016</th>
<th>2017</th>
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<td>Appeals filed</td>
<td>91</td>
<td>82</td>
<td>92</td>
<td>120</td>
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Average processing time from reception at Registry to notification: **12.9 months**

Average processing time from reception at Board to notification: **5.8 months**

Total number of decisions notified: **428**

Average decisions notified per year: **107**

Confirmation rate: **80%**
The jurisdictional system of protection of EUTMs / RCDs in the EU
Recent developments CJEU

Procedural issues
As of 1 May 2019

Article 58a of the Statute of the Court of Justice of the European Union:

An appeal brought against a decision of the General Court concerning a decision of an independent board of appeal of one of the following offices and agencies of the Union shall not proceed unless the Court of Justice first decides that it should be allowed to do so:

(a) the European Union Intellectual Property Office;

(b) the Community Plant Variety Office;

(c) the European Chemicals Agency;

(d) the European Union Aviation Safety Agency.

The procedure referred to in the first paragraph shall also apply to appeals brought against decisions of the General Court concerning a decision of an independent board of appeal, set up after 1 May 2019 within any other office or agency of the Union, which has to be seised before an action can be brought before the General Court.

An appeal shall be allowed to proceed, wholly or in part, in accordance with the detailed rules set out in the Rules of Procedure, where it raises an issue that is significant with respect to the unity, consistency or development of Union law.
As of 1 May 2019

Rules of Procedure of the Court of Justice of the European Union, Title V, Chapter 1A: Prior determination as to whether appeals (...) should be allowed to proceed

Article 170a:
(1) (...) the applicant shall annex to the appeal a request that the appeal be allowed to proceed, setting out the issue raised (...) and containing all the information necessary (...). If there is no such request, (...) shall declare the appeal inadmissible.
(2) The request (...) shall not exceed 7 pages and shall be drawn up taking into account all the formal requirments contained in the Practice Directions to parties (...).
(3) If the request that the appeal be allowed to proceed does not comply with the requirements set out in the preceding paragraph, the Registrar shall prescriibe a
As of 1 May 2019

Rules of Procedure of the Court of Justice of the European Union, Title V, Chapter 1A: Prior determination as to whether appeals (...) should be allowed to proceed

Article 170b:
(1) (...)
(2) (...)
(3) The decision on the request that the appeal be allowed to proceed shall take the form of a reasoned order.
(4) Where the Court of Justice decides that the appeal should be allowed to proceed, wholly or in part, (...) the order (...) shall be served, together with the appeal, on the parties to the relevant case before the General Court and shall specify, where the appeal is to be allowed to proceed in part, the pleas in law or parts of the appeal to which the response must relate.
(5) The General Court (...), the Member States, the European Parliament, the
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