

AMENDMENT TO ACT NO. 441/2003, ON TRADE MARKS, AND AMENDMENT TO ACT NO. 221/2006, ON ENFORCING INDUSTRIAL PROPERTY RIGHTS AND PROTECTING BUSINESS SECRETS

1. Amendment to the Trade Mark Act

The amendment to Act No. 441/2003, on trade marks, as amended, transposing Directive (EU) 2015/2436 of the European Parliament and of the Council of 16 December 2015.

Ex officio review of older trade marks identical to the mark in the application

Pursuant to previous legislation, the Industrial Property Office refused to register a trade mark that was identical to an older trade mark. This represented “absolute grounds” for refusal to register the trade mark, which the Office performed ex officio. The amendment repealed this legislation, placing it among the “relative grounds” for refusing protection, i.e. the provisions of the Act regarding objections.

Because the Office no longer reviews older trade marks as part of its ex officio research, it becomes more and more important for trade mark owners to secure permanent control of trade mark applications made or published. Owners of older trade marks have three months to file a complaint after the new trade mark application is published.

Our firm offers trademark watching as one of its services. The scope of the research provided can be set by defining the territory and marks to be tracked.

It is still recommended that the applicant do preliminary research before filing a trade mark application in order to find any similar trade marks that have already been registered. Although this does not guarantee that no third parties will file an objection to the new trade mark within the three-month period after the application is published, it is a good way of decreasing the risk of similar or identical trade marks held by third parties.

Other selected changes

The amendment also introduces a number of other changes, such as expanding the protection provided to cover non-traditional trade marks, refining the trade mark rights, and introduces the option of an amicable settlement between the applicant and objecting party, notification from the Office before the end of the 10-year period for extending the trade mark protection, trade mark certification, and amends certain special provisions on collective marks.

2. **Amendment to Act No. 221/2006, on enforcing industrial property rights and protecting business secrets**

The amendment to Act No. 221/2006, on enforcing industrial property rights and protecting business secrets, as amended, transposing Directive (EU) 2016/943 of the European Parliament and of the Council of 8 June 2016, on the protection of undisclosed know-how and commercial information (business secrets), entered into effect on 28 December 2018.

The definition of business secrets in the above-defined Directive is already given in the current legislation regarding business secrets under Section 504 of the Civil Code. Owners must actively protect their business secrets in order to prevent infringement.

As indicated by the name of Act No. 221/2006, the new legislation introduces the opportunity to enforce rights due to breaching business secrets on the basis of the above-mentioned Act, i.e. in addition to enforcing rights based on the unfair competition rules given in the Civil Code.

Rights due to breach of business secrets can be enforced not only by the owner of the business secrets, but now also by a person who acquires a licence under the conditions set forth in the law.

The legislative body now explicitly grants rights holders the right to enforce their rights in court, specifically to have the infringing party refrain from actions resulting in infringement or posing a threat to the business secrets, in particular by retracting, permanently removing or destroying the products or materials that breach business secrets.

Another new element in Czech legislation on enforcing rights due to breach of business secrets involves stipulating the amount of compensation for damage. Now the amount of damage will be stipulated based on the amount of the licensing fee that would be the usual fee for acquiring the license to use the business secrets for the duration of the infringement.

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