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**WORLD INTELLECTUAL PROPERTY ORGANIZATION
(WIPO)**

**PROPOSED JOINT RESOLUTION
CONCERNING PROVISIONS ON THE
PROTECTION OF WELL-KNOWN MARKS**

FINAL TEXT

**AS DECIDED BY THE WIPO STANDING COMMITTEE
ON THE LAW OF TRADEMARKS, INDUSTRIAL DESIGNS
AND GEOGRAPHICAL INDICATIONS (SCT), JUNE 11, 1999**

**TO BE PRESENTED FOR ADOPTION BY
THE WIPO GENERAL ASSEMBLY AND
PARIS UNION ASSEMBLY IN SEPTEMBER 1999**

INTRODUCTION

1. The present document contains provisions dealing with the protection of well-known marks which were adopted by the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT) at its second session, second part (June 7 to 11, 1999), and a related proposed joint resolution. All members of the SCT joined in a consensus for adoption of the provisions as a whole, although some countries did not join the consensus as to certain provisions. The SCT decided to recommend that the General Assembly of WIPO and the Assembly of the Paris Union adopt the provisions in the form of a joint resolution on the occasion of the General Assemblies of the Member States of WIPO (Thirty-Fourth series of meetings).

2. Previous drafts of the provisions have been considered by the WIPO Committee of Experts on Well-Known Marks (hereinafter referred to as the "Committee of Experts"), which has so far met in three sessions, from November 13 to 16, 1995 (see documents WKM/CE/I/2 and 3), from October 28 to 31, 1996 (see documents WKM/CE/II/2 and 3) and from October 20 to 23, 1997 (see documents WKM/CE/III/2 and 3), and by the WIPO Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT) at its first session (July 13 to 17, 1998) (see documents SCT/1/3 and 6), at its second session, first part, (March 15 to 17, 1999) (see document SCT2/3 and 5) and at its second session, second part (June 7 to 11, 1999) (see document SCT/2/8).

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Joint Resolution

The Assembly of the Paris Union for the Protection of Industrial Property and the General Assembly of the World Intellectual Property Organization (WIPO),

Recognizing that protection for well-known marks must be provided, under the Paris Convention for the Protection of Industrial Property and the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), by Member States of the Paris Union and of WIPO that are bound to apply the relevant provisions of those treaties, and by certain intergovernmental organizations;

Recommend to each such Member State to protect well-known marks in accordance with the provisions contained herein which were adopted by the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT) at its Second Session, Second Part; and

Recommend, to each Member State of the Paris Union or of WIPO, which is also a member of an intergovernmental organization that has competence in the area of trademarks, to bring to the attention of that organization the possibility of protecting well-known marks in accordance, *mutatis mutandis*, with the provisions contained herein.

Article 1

Definitions

For the purposes of these Provisions:

(i) “Member State” means a State member of the Paris Union for the Protection of Industrial Property and/or of the World Intellectual Property Organization;

(ii) “Office” means any agency entrusted by a Member State with the registration of marks;

(iii) “competent authority” means an administrative, judicial or quasi-judicial authority of a Member State which is competent for determining whether a mark is a well-known mark, or for enforcing the protection of well-known marks;

(iv) “business identifier” means any sign used to identify a business of a natural person, a legal person, an organization or an association;

(v) “domain name” means an alphanumeric string that corresponds to a numerical address on the Internet.

PART I

DETERMINATION OF WELL-KNOWN MARKS

Article 2

Determination of Whether a Mark is a

Well-Known Mark in a Member State

(1) [*Factors for Consideration*] (a) In determining whether a mark is a well-known mark, the competent authority shall take into account any circumstances from which it may be inferred that the mark is well known.

(b) In particular, the competent authority shall consider information submitted to it with respect to factors from which it may be inferred that the mark is, or is not, well known, including, but not limited to, information concerning the following:

1. the degree of knowledge or recognition of the mark in the relevant sector of the public;
2. the duration, extent and geographical area of any use of the mark;

3. the duration, extent and geographical area of any promotion of the mark, including advertising or publicity and the presentation, at fairs or exhibitions, of the goods and/or services to which the mark applies;

4. the duration and geographical area of any registrations, and/or any applications for registration, of the mark, to the extent that they reflect use or recognition of the mark;

5. the record of successful enforcement of rights in the mark, in particular, the extent to which the mark was recognized as well known by competent authorities;

6. the value associated with the mark.

(c) The above factors, which are guidelines to assist the competent authority to determine whether the mark is a well-known mark, are not pre-conditions for reaching that determination. Rather, the determination in each case will depend upon the particular circumstances of that case. In some cases all of the factors may be relevant. In other cases some of the factors may be relevant. In still other cases none of the factors may be relevant, and the decision may be based on additional factors that are not listed in sub-paragraph (b), above. Such additional factors may be relevant, alone, or in combination with one or more of the factors listed in sub-paragraph (b), above.

(2) [*Relevant Sector of the Public*] (a) Relevant sectors of the public shall include, but shall not necessarily be limited to:

(i) actual and/or potential consumers of the type of goods and/or services to which the mark applies;

(ii) persons involved in channels of distribution of the type of goods and/or services to which the mark applies;

(iii) business circles dealing with the type of goods and/or services to which the mark applies.

(b) Where a mark is determined to be well known in at least one relevant sector of the public in a Member State, the mark shall be considered by the Member State to be a well-known mark.

(c) Where a mark is determined to be known in at least one relevant sector of the public in a Member State, the mark may be considered by the Member State to be a well-known mark.

(d) A Member State may determine that a mark is a well-known mark, even if the mark is not well known or, if the Member States applies subparagraph (c), known, in any relevant sector of the public of the Member State.

(3) [*Factors Which Shall Not Be Required*] (a) A Member State shall not require, as a condition for determining whether a mark is a well-known mark:

(i) that the mark has been used in, or that the mark has been registered or that an application for registration of the mark has been filed in or in respect of, the Member State;

(ii) that the mark is well known in, or that the mark has been registered or that an application for registration of the mark has been filed in or in respect of, any jurisdiction other than the Member State; or

(iii) that the mark is well known by the public at large in the Member State.

(b) Notwithstanding sub-paragraph (a)(ii), a Member State may, for the purpose of applying paragraph (2)(d), require that the mark be well known in one or more jurisdictions other than the Member State.

PART II

SCOPE OF PROTECTION

Article 3

Protection of Well-Known Marks; Bad Faith

(1) [*Protection of Well-Known Marks*] A Member State shall protect a well-known mark against conflicting marks, business identifiers and domain names, at least with effect from the time when the mark has become well known in the Member State.

(2) [*Consideration of Bad Faith*] Bad faith may be considered as one factor among others in assessing competing interests in applying Part II of these provisions.

Article 4

Conflicting Marks

(1) [*Conflicting Marks*] (a) A mark shall be deemed to be in conflict with a well-known mark where that mark, or an essential part thereof, constitutes a reproduction, an imitation, a translation, or a transliteration, liable to create confusion, of the well-known mark, if the mark, or an essential part thereof, is used, is the subject of an application for registration, or is registered, in respect of goods and/or services which are identical or similar to the goods and/or services to which the well-known mark applies.

(b) Irrespective of the goods and/or services for which a mark is used, is the subject of an application for registration, or is registered, that mark shall be deemed to be in conflict with a well-known mark where the mark, or an essential part thereof, constitutes a reproduction, an imitation, a translation, or a transliteration of the well-known mark, and where at least one of the following conditions is fulfilled:

(i) the use of that mark would indicate a connection between the goods and/or services for which the mark is used, is the subject of an application for registration, or is registered, and the owner of the well-known mark, and would be likely to damage his interests;

(ii) the use of that mark is likely to impair or dilute in an unfair manner the distinctive character of the well-known mark;

(iii) the use of that mark would take unfair advantage of the distinctive character of the well-known mark.

(c) Notwithstanding Article 2(3)(a)(iii), for the purpose of applying paragraph (1)(b)(ii) and (iii), a Member State may require that the well-known mark be well known by the public at large.

(d) Notwithstanding paragraphs (2) to (4), a Member State shall not be required to apply:

(i) paragraph (1)(a) to determine whether a mark is in conflict with a well-known mark, if the mark was used or registered, or an application for its registration was filed, in or in respect of the Member State, in respect of goods and/or services which are identical or similar to the goods and/or services to which the well-known mark applies, before the well-known mark became well known in the Member State;

(ii) paragraph (1)(b) to determine whether a mark is in conflict with a well-known mark, to the extent that mark was used, was the subject of an application for registration, or was registered, in or in respect of the Member State for particular goods and/or services, before the well-known mark became well known in the Member State;

except where the mark has been used or registered, or the application for its registration has been filed, in bad faith.

(2) [*Opposition Procedures*] If the applicable law allows third parties to oppose the registration of a mark, a conflict with a well-known mark under paragraph (1)(a) shall constitute a ground for opposition.

(3) [*Invalidation Procedures*] (a) The owner of a well-known mark shall be entitled to request, during a period which shall not be less than five years beginning from the date on which the fact of registration was made known to the public by the Office, the invalidation, by a decision of the competent authority, of the registration of a mark which is in conflict with the well-known mark.

(b) If the registration of a mark may be invalidated by a competent authority on its own initiative, a conflict with a well-known mark shall, during a period which shall not be less than five years beginning from the date on which the fact of registration was made known to the public by the Office, be a ground for such invalidation.

(4) [*Prohibition of Use*] The owner of a well-known mark shall be entitled to request the prohibition, by a decision of the competent authority, of the use of a mark which is in conflict with the well-known mark. Such request shall be admissible for a period which shall not be less than five years beginning from the time the owner of the well-known mark had knowledge of the use of the conflicting mark.

(5) [*No Time Limit in Case of Registration or Use in Bad Faith*] (a)

Notwithstanding paragraph (3), a Member State may not prescribe any time limit for requesting the invalidation of the registration of a mark which is in conflict with a well-known mark if the conflicting mark was registered in bad faith.

(b) Notwithstanding paragraph (4), a Member State may not prescribe any time limit for requesting the prohibition of the use of a mark which is in conflict with a well-known mark if the conflicting mark was used in bad faith.

(c) In determining bad faith for the purposes of this paragraph, the competent authority shall take into consideration whether the person who obtained the registration of or used the mark which is in conflict with a well-known mark had, at the time when the mark was used or registered, or the application for its registration was filed, knowledge of, or reason to know of, the well-known mark.

(6) [*No Time Limit in Case of Registration Without Use*] Notwithstanding paragraph (3), a Member State may not prescribe any time limit for requesting the invalidation of the registration of a mark which is in conflict with a well known mark, if that mark was registered, but never used.

Article 5

Conflicting Business Identifiers

(1) [*Conflicting Business Identifiers*] (a) A business identifier shall be deemed to be in conflict with a well-known mark where that business identifier, or an essential part thereof, constitutes a reproduction, an imitation, a translation, or a transliteration of the well-known mark, and where at least one of the following conditions is fulfilled:

(i) the use of the business identifier would indicate a connection between the business for which it is used and the owner of the well-known mark, and would be likely to damage his interests;

(ii) the use of the business identifier is likely to impair or dilute in an unfair manner the distinctive character of the well-known mark;

(iii) the use of the business identifier would take unfair advantage of the distinctive character of the well-known mark.

(b) Notwithstanding Article 2(3)(iii), for the purposes of applying paragraph (1)(a)(ii) and (iii), a Member State may require that the well-known mark be well known to the public at large.

(c) A Member State shall not be required to apply paragraph (a) to determine whether a business identifier is in conflict with a well-known mark if that business identifier was used or registered, or an application for its registration was filed, in or in respect of the Member State, before the well-known mark became well known in or in respect of the Member State, except where the business identifier was used or registered, or the application for its registration was filed, in bad faith.

(2) [*Prohibition of Use*] The owner of a well-known mark shall be entitled to request the prohibition, by a decision of the competent authority, of the use of a business identifier which is in conflict with the well-known mark. Such request shall be admissible for a period which shall not be less than five years beginning from the time the owner of the well-known mark had knowledge of the use of the conflicting business identifier.

(3) [*No Time Limit in Case of Registration or Use in Bad Faith*] (a) Notwithstanding paragraph (2), a Member State may not prescribe any time limit for requesting the prohibition of the use of a business identifier which is in conflict with a well-known mark if the conflicting business identifier was used in bad faith.

(b) In determining bad faith for the purposes of this paragraph, the competent authority shall consider whether the person who obtained the registration of or used the business identifier which is in conflict with a well-known mark had, at the time when the business identifier was used or registered, or the application for its registration was filed, knowledge of, or reason to know of, the well-known mark.

Article 6

Conflicting Domain Names

(1) [*Conflicting Domain Names*] A domain name shall be deemed to be in conflict with a well-known mark at least where that domain name, or an essential part thereof, constitutes a reproduction, an imitation, a translation, or a transliteration of the well-known mark, and the domain name has been registered or used in bad faith.

(2) [*Cancellation; Transfer*] The owner of a well-known mark shall be entitled to request, by a decision of the competent authority, that the registrant of the conflicting domain name cancel the registration, or transfer it to the owner of the well-known mark.

NOTES

Note on the Joint Resolution

R.1 The Resolution is intended to be adopted by the Assembly of the Paris Union and the General Assembly of WIPO, and is addressed to the Member States of the Paris Union or of WIPO, which are already bound by an international obligation to protect well-known marks, for example, under the Paris Convention itself or under the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS). In order for the Resolution to have the widest possible coverage, it is suggested that it also mention intergovernmental organizations having competence in the area of trademarks.

Notes on Article 1

1.1 *Items (i) and (ii)*. These items are self-explanatory.

1.2 *Item (iii)*. The legal nature of the "competent authority" will depend on the national system of a given Member State. The definition has been drafted broadly in order to accommodate all systems that exist in Member States.

1.3 *Item (iv)*. "Business identifiers" are signs which identify businesses as such, and not the products or services offered by the business, the latter feature constituting a pure trademark function. Signs that may constitute business identifiers are, for example, trade names, business symbols, emblems or logos. Some confusion as regards the functions of marks and business identifiers stems from the fact that, sometimes, the name of a company, i.e., its business identifier, is identical with one of the company's trademarks.

1.4 *Item (v)*. Internet "domain names" can be described as user-friendly substitutes for numerical Internet addresses. A numerical Internet address (also referred to as "Internet Protocol address" or "IP address") is a numeric code which enables identification of a given computer connected to the Internet. The domain name is a mnemonic substitute for such an address which, if typed into the computer, is automatically converted into the numeric address.

Notes on Article 2

2.1 *Paragraph 1(a)*. The owner of a mark, who intends to prove that the mark is well known, has to produce information that may support such a claim. Paragraph 1(a) requires that a competent authority take into consideration any circumstances that are put forward in order to show that a mark is well known.

2.2 *Paragraph 1(b)*. By way of example, paragraph 1(b) lists a number of criteria which, if submitted, must be considered by a competent authority. An authority is not allowed to insist on the presentation of any particular criteria; the choice as to what information is forwarded is left to the party requesting protection. The non-fulfillment of any particular criteria cannot in itself lead to the conclusion that a given mark is not well known.

2.3 *No. 1.* The degree of knowledge or recognition of a mark can be determined through consumer surveys and opinion polls. The point under consideration recognizes such methods, without setting any standards for methods to be used or quantitative results to be obtained.

2.4 *No. 2.* The duration, extent and geographical area of any use of the mark are highly relevant indicators as to the determination whether or not a mark is well known by the relevant sector of the public. Attention is drawn to Article 2(3)(a)(i), providing that actual use of a mark in the State in which it is to be protected as a well-known mark cannot be required. However, use of the mark in neighboring territories, in territories in which the same language or languages are spoken, in territories which are covered by the same media (television or printed press) or in territories which have close trade relations may be relevant for establishing the knowledge of that mark in a given State.

2.5 The term “use” is not defined. On the national or regional level, the question of what constitutes “use” of a mark usually arises in the context of acquisition of trademark rights through use, the invalidation of registrations for non-use, or the acquisition of distinctive character of a mark through use. However, for the purpose of the draft provisions, the term “use” should cover use of a mark on the Internet.

2.6 *No. 3.* Although “promotion of a mark” may well be considered to constitute use, it is included as a separate criterion for determining whether a mark is well known. This is mainly done in order to avoid any argument as to whether or not promotion of a mark can be considered to be use of the mark. Where an ever increasing number of competing goods and/or services are on the market, knowledge among the public of a given mark, especially as regards new goods and/or services, could be primarily due to the promotion of that mark. Advertising, for example, in print or electronic media (including the Internet), is one form of promotion. Another example of promotion would be the exhibiting of goods and/or services at fairs or exhibitions. Because the visitors at an exhibition may come from different countries (even if the access for exhibitors is limited to nationals from one country, for example, in the case of a national fair or exhibition), “promotion” in the sense of item (ii) is not limited to international fairs or exhibitions.

2.7 *No. 4.* The number of registrations of a mark obtained worldwide and the duration of those registrations may be an indicator as to whether such a mark can be considered to be well known. Where the number of registrations obtained worldwide is held relevant, it should not be required that those registrations are in the name of the same person, since in many cases a mark is owned in different countries by different companies belonging to the same group. Registrations are relevant only to the extent that they reflect use or recognition of the mark, for example, if the mark is actually used in the country for which it was registered, or was registered with a *bona fide* intention of using it.

2.8 *No. 5.* Due to the principle of territoriality, well-known marks are enforced on a national basis. Evidence of successful enforcement of the right to a well-known mark or of the recognition of a given mark as being well known, for example, in neighboring countries, may serve as an indicator as to whether a mark is well known in a particular State. Enforcement is intended to be construed broadly, also covering opposition procedures in which the owner of a well-known mark has prevented the registration of a conflicting mark.

2.9 *No. 6.* There exist a considerable variety of methods for trademark evaluation. This criterion does not suggest the use of any particular method. It merely recognizes that the

value associated with a mark may be an indicator as to whether or not that mark is well known.

2.10 *Paragraph (1)(c)* makes it clear that the criteria listed under paragraph (b) do not constitute an exhaustive list, and that compliance or non-compliance with any of those factors cannot in itself be conclusive as to whether or not a given mark is well known.

2.11 *Paragraph (2)(a)*. This sub-paragraph recognizes that, as regards the knowledge of a given mark by the public, such knowledge may exist in relevant sectors of the public, rather than in the public at large. By way of example, three relevant sectors are described in items (i) to (iii). Items (i) to (iii) are of an illustrative nature, and relevant sectors of the public other than the ones described in those items may exist.

2.12 *Item (i)*. The expression “consumer” is to be understood in the wide sense of the term, and should not be restricted to those persons who actually and physically consume the product. In that respect, reference can be made to the term “consumer protection” which covers all parts of the consuming public. Because the nature of the goods or services to which a mark is applied can vary considerably, actual and/or potential consumers can be different in each case. Groups of actual and/or potential consumers may be identified with the help of parameters such as the target group for the goods and services in relation to which the mark is used or the group of actual purchasers.

2.13 *Item (ii)* Depending on the nature of the goods and services, the channels of distribution may differ considerably. Certain goods are sold in supermarkets and are easily obtainable for consumers. Other goods are distributed through accredited dealers or through sales agents direct to a consumer’s business or home. This means, for example, that a survey among consumers who exclusively shop in supermarkets may not be a good indication for establishing the relevant sector of the public in relation to a mark which is used exclusively on goods sold by mail order.

2.14 *Item (iii)*. The business circles which deal with the goods and/or services to which a mark applies are in general constituted by importers, wholesalers, licensees or franchisees interested and prepared to deal in the goods or services to which the mark applies.

2.15 *Paragraph (2)(b)*. In order for a mark to be considered to be a well-known mark, it is sufficient that the mark is well known in at least one relevant sector of the public. It is not permitted to apply a more stringent test such as, for example, that the mark be well known by the public at large. The reason for this is that marks are often used in relation to goods or services which are directed to certain sectors of the public such as, for example, customers belonging to a certain group of income, age or sex. An extensive definition of the sector of the public which should have knowledge of the mark would not further the purpose of international protection of well-known marks, i.e., to prohibit use or registration of such marks by unauthorized parties with the intention of either passing off their goods or services as those of the real owner of the mark, or selling the right to the owner of the well-known mark.

2.16 *Paragraph 2(c)*. Whereas paragraph (2)(b) establishes that Member States must protect marks which are well known in at least one relevant sector of their public, paragraph 2(c) introduces, on an optional basis, the possibility for Member States to also protect marks which are merely known by a relevant sector of the public.

2.17 *Paragraph 2(d)* clarifies that paragraph (2)(b) and, where applicable, (c) set a minimum standard of protection, and that Member States are free to afford protection to marks that are, for example, well known only outside the State in which protection is sought.

2.18 *Paragraph 3(a)* sets out certain conditions, the fulfillment of which cannot be required as a condition for determining whether a mark is well known.

2.19 *Paragraph 3(b)*. If it is possible to protect a mark in a Member State on the ground that it is well known outside its jurisdiction, this paragraph permits a Member State, in derogation of paragraph (3)(a)(ii), to request evidence in support of this fact.

Notes on Article 3

3.1 *General*. The protection which should be granted to well-known marks in application of the provisions is protection against conflicting marks, business identifiers [and domain names]. The provisions do not apply to conflicts between well-known marks and geographical indications or appellations of origin. However, the provisions constitute a minimum standard of protection, and Member States are of course free to provide for broader protection.

3.2 *Paragraph (1)*. Under this paragraph, a well-known mark is entitled to protection by a Member State at least as of the time when the mark has become well known in the Member State. This means that a Member State is not obliged to protect an “internationally” known mark if that mark is not well known in that State, or the mark is known albeit not well known. However, as expressed by the words “at least,” protection may be granted before a mark has become well known.

3.3 *Paragraph (2)*. Cases involving the protection of a well-known mark very often involve an element of bad faith. Paragraph (2) takes account of this fact by stating in general terms that bad faith should be considered in balancing the interests of the parties involved in cases concerning the enforcement of well-known marks.

Notes on Article 4

4.1 *Paragraph (1)(a)* defines the conditions under which a mark is deemed to be in conflict with a well-known mark in respect of identical or similar goods and/or services. If the conditions of this subparagraph are met, the remedies provided for in paragraphs (2) to (6) are applicable.

4.2 *Paragraph (1)(b)* is applicable irrespective of the nature of the goods and/or services to which the conflicting mark applies. The remedies provided for in paragraphs (3) to (6) are only available in such cases if at least one of the conditions set out in item (i) to (iii) is met. Where protection is to be granted against the registration of, for example, a conflicting mark which has not yet been used, the conditions of items (i) to (iii) have to be applied as if the conflicting mark had been used, as indicated by the words “would” and “is likely to.”

4.3 *Item (i)*. Under this item, a connection between a well-known mark and a third party’s goods or services may be indicated, for example, if the impression is created that the owner of the well-known mark is involved in the production of those goods, or the offering of those

services, or that such production or offering was licensed or sponsored by him. The interests of the owner of the well-known mark could be damaged if the goods and/or services with which the connection is established have a down-market image, thereby reflecting negatively on the goodwill of the well-known mark.

4.4 *Item (ii)*. This item would apply, for example, if the use of a conflicting mark is likely to impair or dilute in an unfair manner the unique position of a well-known mark in the market. A further example of dilution is where the conflicting mark is used on goods or services which are of an inferior quality or of an immoral or obscene nature. The meaning of the words “in an unfair manner” implies that third-party use of a well-known mark which is not contrary to honest commercial practice (e.g., reference to a well-known mark for review or parody) does not constitute dilution.

4.5 *Item (iii)*. The case referred to in this item differs from the cases covered by items (i) and (ii) in that no wrong connection concerning the real source of the goods and/or services is indicated (as in item (i)), and the value of the well-known mark has not diminished in the eyes of the public (as in item (ii)), but rather the use in question would, for example, amount to a free ride on the goodwill of the well-known mark for the person who uses a conflicting mark. The reference to “unfair advantage” in this item is intended to give Member States flexibility in the application of this criterion. For example, reference to a well-known mark for commercially justifiable reasons, such as the sale of spare parts, is not unfair and, thus, should be allowed.

4.6 *Paragraph (1)(c)*. This paragraph provides for an exception to the general principle contained in Article 2(3)(a)(iii), that a Member State shall not require knowledge of a mark by the public at large when determining whether a mark is a well-known mark. Knowledge of a mark by the public at large may, however, be required if that mark is to be protected under Article 4(1)(b)(ii) and (iii).

4.7 *Paragraph 1(d)* clarifies that rights which were acquired prior to the moment when the mark has become well known in a Member State would not be considered to be in conflict with the well-known mark. However, there is one important derogation from that rule, namely, when a mark was used or registered, or the application for its registration was filed, in bad faith.

4.8 *Paragraph (2)*. The objective of this paragraph is to ensure that, where procedures for opposing the registration of a mark exist, owners of well-known marks would be entitled to oppose the registration of a mark which would be in conflict with their well-known mark. The possibility of oppositions against the registration of marks based on a conflict with a well-known mark gives an early opportunity for owners of well-known marks to defend their marks. The reference to paragraph (1)(a) limits the requirement concerning opposition procedures to cases involving confusion. Consequently, cases of alleged dilution do not have to be dealt with in opposition procedures.

4.9 *Paragraph (3)(a)*. Under this paragraph, the date on which the fact of registration was made public by the Office is the starting point for calculating the period during which invalidation procedures have to be accepted, because it is the earliest date on which the owner of a well-known mark can be expected to have received official notice of the registration of a conflicting mark. The time period provided by that paragraph starts to run on the date on which the fact of registration was made public by the Office, and expires five years thereafter.

4.10 *Paragraph (3)(b)*. If procedures for the invalidation of the registration of a mark can be initiated by a competent authority on its own initiative, it is considered to be reasonable that a conflict with a well-known mark also be treated as a ground for invalidation.

4.11 *Paragraph (4)* provides the owner of a well-known mark with a further remedy, namely, the right to request an order from a competent authority to prohibit the use of a conflicting mark. Similar to the right to request invalidation procedures under paragraph (3), the right to request an order to prohibit the use of a conflicting mark is subject to a time limit of at least five years. However, in the case of use of a conflicting mark, the time period of at least five years must be calculated from the moment from which the owner of the well-known mark had knowledge of the conflicting use. It follows that there is no obligation to prohibit the use of a mark which is in conflict with a well-known mark where the owner of the well-known mark has knowingly tolerated such use during at least five years. The question of whether knowledge by a licensee of the use of a conflicting mark is attributable to the owner of the well-known mark is not dealt with by this paragraph and, consequently, has to be decided under the applicable law.

4.12 *Paragraph (5)(a) and (b)* provide that any time limit which, under paragraphs (3) and (4), may be applicable in connection with the invalidation of a registration or with the prohibition of use cannot be applied if a mark was registered or used in bad faith.

4.13 *Paragraph (5)(c)* provides one possible criterion that can be used in order to determine bad faith.

4.14 *Paragraph (6)*. A potential problem for the owner of a well-known mark could be a situation in which a mark which is conflict with a well-known mark was registered in good faith but never used. This situation will, in most cases, be taken care of by provisions under national or regional laws stipulating that the registration of a mark which has not been used for a certain period of time becomes liable for cancellation. However, if such a use requirement does not exist, a situation is conceivable in which a mark which is in conflict with a well-known mark had been registered in good faith but had never been used and had therefore not attracted the attention of the owner of the well-known mark. Paragraph (6) aims at avoiding the situation where the owner of the well-known mark is prevented from defending his rights by the time limits applicable under paragraph (3) or (4).

Notes on Article 5

5.1 *General*. Article 5 sets out the remedies which Member States have to make available if a well-known mark is in conflict with a business identifier. This Article essentially consists of the same provisions as Article 4, but takes account of the special nature of business identifiers. The main differences between marks and business identifiers are that (i) marks distinguish goods and/or services, whereas business identifiers distinguish businesses, and (ii) the registration of marks is effected by national or regional authorities (trademark offices in most cases), whereas business identifiers may be registered by administrations which may vary from country to country, or not be registered at all.

5.2 As regards those parts of Article 5 which are identical with Article 4, reference is made to the notes on Article 4.

5.43 *Paragraphs (2) and (3)*. See note 5.2.

Notes on Article 6

6.1 *General.* The question of jurisdiction is deliberately not dealt with and is, consequently, left to the Member State in which protection is sought. Thus, the plaintiff in an action for the protection of a well-known mark against its registration as a domain name must establish that the competent authority has jurisdiction over the defendant in the State in which the action is brought, as well as that the mark in question is a well-known mark in that State.

6.2 *Paragraph (1)* describes one of the most frequently occurring conditions under which a domain name is deemed to be in conflict with a well-known mark. As expressed by the words "at least" this is not the only possible situation of a conflict between a well-known mark and a domain name, and Member States are of course free to provide remedies for other situations of conflict.

6.3 *Paragraph (2).* The remedies provided for in paragraph (2) are those which are the most appropriate in the situation at hand, namely the transfer or the cancellation of the infringing domain name.

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