

## How to protect trademarks against non-use effects in Switzerland

Clearing a name often entails stumbling upon several similar prior trademarks – but not all of these are necessarily obstacles to registering and using a new mark. Instead, applicants must make a case-by-case assessment of the legal and practical risks of a potential infringement claim or opposition from the holder of the conflicting mark. For this purpose, it is useful to know whether the conflicting mark is being used and – if so - when, how and to what extent.

### The grace period

In Switzerland, there is no need to demonstrate use or assert intent to use to register a trademark. Further, applicants need not prove a trademark's use after registration to keep it in force. Yet, protection is deemed valid only if the trademark is used (Article 11(1) of the Trademark Protection Act (TmPA)).

If a trademark has not been used for an uninterrupted period of five years – the grace period – its holder cannot assert their rights to this trademark unless there are proper reasons for this (Article 12(1) TmPA). During the grace period, the trademark cannot be attacked on this ground.

For Swiss registrations, the grace period begins once the opposition deadline has expired (three months after the registration's publication) or once opposition proceedings have finished. For Swiss designations in international registrations, the grace period begins when the grant of protection by WIPO has been published or, if a provisional refusal took place, on the date a grant of protection is given (Article 50(a) of the Ordinance on the Protection of Trademarks (TmPO); Part 6, Section 5.2.1 and Part 7, Section 2.4 of Swiss Federal Institute of Intellectual Property (IPI)'s Trademark Guidelines of 1 March 2022).

The grace period also applies when a trademark's use is interrupted, beginning when the use ceases (Federal Court's decision 4A\_265/2020 LUMIMART / LUMINARTE). If use resumes, the trademark rights are restored with effect from the priority or filing date – unless non-use has been invoked prior to the resumption (Article 12(2) TmPA). A simple assertion of non-use (eg, a registered letter) is enough to bar the assertion of the trademark even if its use has resumed after the assertion.

### Non-use requirements

Five consecutive years of non-use are grounds for partial or total forfeiture of a trademark in Switzerland. It is not *ex officio* cancelled, but third parties can challenge it on this ground.

The non-use claim can be raised in a cancellation action before civil courts or the IPI (Article 35 *et seq* TmPA). Any party can freely file the complaint, irrespective of its interest in acting (Article 35(a)(1) TmPA; Federal Administrative Court's decision B-2627/2019 SHERLOCK).

In Switzerland, this claim can also be raised by the defendant in an opposition proceeding. It is sufficient to simply invoke non-use of the opposing trademark (Article 32 TmPA); this differs from a cancellation action, which requires proof that non-use is likely (Article 12(3) TmPA). Instead, the burden of proof is on the opponent, who must submit *prima facie* evidence of use or provide proper reasons for non-use. Failing this, the opposition is dismissed. Any objection of non-use must be invoked in the first response to the opposition, not later (Article 22(3) TmPO).

If the five-year period expires at a later date, it is possible to file a cancellation action before a civil court or the IPI and to request the suspension of opposition proceedings until a decision is issued on the validity of the opposing trademark (Article 23(4) TmPO).

If non-use is invoked, be it in an opposition or cancellation action, trademark use must be shown to be likely during the five years preceding the non-use claim (Article 32 TmPA).

Similar to the practice in the European Union, that of Switzerland does not require proof that a trademark has been continually used for five years. To avoid revocation, it is sufficient for the use to have occurred during part of the relevant period. Thus, recent use can be adequate (Part 6, Section 5.3.2 and Part 7, Section 4.2 of IPI's Trademark Guidelines).

### **Proving use of a trademark**

In Switzerland, as in other jurisdictions, the time when a trademark is used and the time when use ceases plays a pivotal role in determining whether it is vulnerable to cancellation actions for non-use during the relevant period. In addition, it is key to consider in which form, for which goods or services, and at what scale the mark is used.

When a problematic existing trademark is identified, monitoring its use and filing a cancellation action at the right time (via eg, an alert) can be a way for applicants to overcome it. Conversely, acceding to dated proofs of use can be beneficial in protecting existing trademarks. This process helps to determine a trademark's safety before its owner(s) considers a claim against an infringing use or trademark.

However, not all proofs are originally dated. Notable examples include temporary content on the internet (eg, newsletters, blog posts, product pages and social media posts) or regularly updated company materials (eg, product photographs, business cards and packaging boxes). With this in mind, time stamping documents can be a sound method of providing dates for all materials. Blockchain technology is particularly helpful in streamlining this endeavour, efficiently and securely dating a large volume of proofs.

Along with the dating of proofs comes the issue of storage. In trademark disputes, having a body of evidence readily and immediately available is a clear advantage. In some cases, it can also help in claiming a broader scope of trademark protection by demonstrating secondary meaning.

Optimal gathering of dated proofs of use requires following a methodology based on sound practices, such as appointing a dedicated person to oversee the collection of proofs, identify the key operational contact points in each relevant department (eg, marketing, finance, sales and information technology), prepare and send guidelines on suitable proofs, and automate the collection process as much as possible using online trademark monitoring tools and blockchain, which facilitates the storage of documentation at regular intervals and avoids any alteration.

It is not difficult to imagine a future in which such documentation becomes a standard accompaniment to trademark portfolios, possibly in the form of a timeline filtered by goods or services, date, type and probative value. Such a development would make it possible to develop an objective index of use and associated risks of revocation, which would help lawyers to launch campaigns to advise operational teams on proper use and to collect proofs thereof. This index could also be helpful in the trademark valuation process.

Once a trademark is registered, preserving proofs of its use in a precise and structured way can prove instrumental in any litigation. It also makes the trademark more resistant to challenges, and more valuable too.

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Nathalie Denel, Intellectual Property Lawyer  
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