

Protection of IP

Netherlands

1. INTRODUCTION

Dutch law provides a standard of protection for intellectual property rights which equals or surpasses internationally accepted standards. In practice, the most important IP rights are patents, trade marks, trade names, copyright, neighbouring rights, rights in design, and database rights.

2. REGISTERED TRADE MARKS

The Benelux Convention on Intellectual Property (BCOIP) provides a uniform set of rules in respect of trade marks and design rights for the Benelux countries, with the aim of harmonising the national trade mark laws of various Member States. On 1 September 2006, the former Benelux Trademarks Office and the Benelux Designs Office became the Benelux Office for Intellectual Property (BOIP).

The BCOIP distinguishes individual trade marks from collective marks as set out below.

2.1 INDIVIDUAL TRADE MARKS

The BCOIP states that “*names, designs, stamps, seals, letters, figures, shapes of products or packaging and all other signs able to be represented graphically and used to distinguish the goods or services of a company shall be regarded as individual trademarks.*”

This is not an exhaustive list. In certain circumstances, even a scent or a colour can benefit from trade mark protection.

However, where the shape of a mark is dictated by the nature of a product, adds substantial value to a product, or is necessary for a product to achieve a technical result, trade mark protection may not be available.

2.2. COLLECTIVE MARKS

In relation to collective marks, the BCOIP provides that: “*All signs which are so designated at the time of filing and which are used to distinguish one or more common features of goods or services originating from different companies using the trademark under the control of the owner shall be regarded as collective marks.*”

However it also provides that “The owner may not use the trademark for goods or services originating from its company or from a company in whose management or supervision it is directly or indirectly involved.

Collective marks indicate the origin of goods and services in the same way as individual trade marks. However, as the name suggests, they indicate that the goods or services originate from a member of an association rather than one particular company.

This enables all members of an association to profit jointly from the image created by the collective mark, whilst consumers have confidence that a company utilising the mark will meet standards imposed by the organisation.

2.3 REGISTRATION

Applicants can either register their trade mark themselves, or instruct a trade mark agent. It is recommended that a trade mark agent is used to ensure expert advice is obtained. An application for registration can be filed either with the national authorities or with the BOIP. Where the application is filed with the national authority, it will forward to the BOIP, who will then publish it.

2.4 OBJECTION

The BOIP does not have the authority to refuse a trade mark application on "relative grounds." This means that a trade mark will not be refused registration on the basis that an older identical or similar trade mark already exists on the Register. In such cases, it is the responsibility of the prior trade mark owner to take action against the application, for instance by registering opposition with the BOIP. This can be done by lodging a written objection to the BOIP within two months following the first day of the month after the application is published.

Regardless of whether any objections are made to the registration of a mark, the BOIP will carry out an examination into the mark.

Not all "symbols" can be registered as trade marks. The BOIP will refuse trade marks on a number of absolute grounds, for example, if:

- the sign does not constitute a trademark as defined in the BCOIP;
- the mark is not distinctive;
- the mark is deceptive; or
- the mark consists of flags, coat of arms and other emblems of countries.

Registrations are valid for a period of 10 years, and are renewable for further periods of 10 years.

3. PATENTS

The 1995 Patents Act¹ grants exclusive rights to the patent owner. The applicant is deemed to be the inventor². The subject matter of a patent is either a product or a process. In order to qualify for patent protection, three requirements should be met:

- novelty, which means that the subject matter is new taking into account the publicly available state of art;
- non-obvious: the invention must not be obvious to a person skilled in the art;

¹ The 1995 Rijksoctrooiwet (ROW 1995).

² ROW 1995 Article 8.

- utility, meaning that the invention should be capable of application in industry (which includes, for these purposes, agriculture).

Examples of inventions which are not patentable include discoveries, laws of nature, mathematical methods, methods for carrying out mental activities, computer programs, plant and animal varieties.

Under Dutch patent law, there are two ways to file a patent application: by filing a patent application with the European Patent Office (“EPO”)³, or by filing a patent application with the Dutch Patent Centre (Octrooiencentrum Nederland) (“Patent Office”).

Unlike the EPO application process, the application process under the 1995 Patents Act does not require a pre-examination of patentability and does not provide for third party oppositions. An applicant can apply for either a “full patent” or a “small patent”. When applying for a full patent (which lasts for 20 years), the applicant requests that the Patent Office conduct a novelty examination, although the IP Office may not refuse the patent on the basis of the results of this examination. A small patent (which lasts for six years) will be granted if no request for a novelty examination has been filed with the Patent Office.

4. DISTANCE SELLING AND E-COMMERCE

The regulations about distance selling in the Netherlands, which can be found in article 7: 46a-46j of the Dutch Civil Code, apply to businesses selling goods or services to customers at a distance (i.e. over the internet, telephone, fax or digital television) and require suppliers to provide consumers with clear and comprehensive information about the transaction and, subject to a few exceptions, provide consumers with a right to cancel the contract within a ‘cooling off’ period of seven days.

The seller is required to provide certain information to the buyer such as the identity and the address of the seller, the price of the goods (taxes included) and the method of payment and delivery of the goods.

5. TRADE NAMES

Trade names are defined in the 1921 Trade Name Act (*Handelsnaamwet*) (“TNA”) as a name that is used by an undertaking in the course of trade to indicate part of its business.

A prior right to a trade name is “obtained” by its actual use in the course of trade, provided this use is sufficiently apparent to the public. Preparatory use may amount to actual use. However, the TNA does not provide for a proprietary right in a trade name, but instead grants an “action right” enabling the user of an older trade name to obtain protection against newer trade names which are confusingly similar.

Trade names should be registered with the Commercial Register of the Chamber of Commerce (*Kamer van Koophandel*). However, registration is not a prerequisite for protection. The

³ ROW 1995, Articles 49-52.

Chamber of Commerce will carry out an examination to identify potentially conflicting trade names.

The TNA is primarily concerned with protecting the public from deceptive, misleading or confusing trade names and therefore forbids the use of a trade name that:

- might mislead the public as to the ownership of an undertaking;
- is deceptive as to the legal form of an undertaking;
- is confusingly similar to a prior trade name;
- is confusingly similar to a prior trade mark; or
- is deceptive as to the nature of the activities carried out by an undertaking.

6. CONFIDENTIALITY AND KNOW HOW

In the Netherlands, there is no formal protection of confidential information, trade secrets or know-how, although a number of statutory provisions provide some protection of know-how. According to the Dutch Criminal Code, it is a criminal offence to disclose know-how obtained in the course of employment. Dutch labour laws also impose an obligation of confidentiality upon a former employer. In addition, according to case law, it may be unlawful for a former employee to approach a client of his former employer, as this would involve using his former employer's commercial know-how.

7. COPYRIGHT

Copyright is defined in the 1912 Copyright Act (*Auteurswet*) (CA)⁴ as the exclusive right of the author of a literary, artistic or scientific work to use, or authorise others to use, the work on agreed terms.

In order to qualify for copyright protection, the work must exhibit a certain amount of originality. Copyright does not protect ideas or thoughts but does protect the expression of those ideas. Copyright protection can be claimed in respect of a wide variety of works, including books, newspapers, magazines, plays, musical works, sculptures and computer programs⁵.

Copyright arises automatically at the time a work is created and in accordance with the Berne Convention, there are no formal requirements to obtain copyright protection such as registration or use of a copyright notice.

Copyright protection lasts for the life of the author plus 70 years after his death.

⁴ Auteurswet 1912, Stb. 308, as amended.

⁵ Article 10 Auteurswet 1912.

8. DESIGN RIGHT⁶

The Benelux Convention on Intellectual Property states that⁷:

- A design shall receive protection only insofar as the design is novel and has individual character.
- The appearance of a product or a part of a product shall be regarded as a design.
- The appearance of a product shall be imparted, in particular, through the characteristics of the lines, contours, colors, shape, texture or materials of the product itself or of its ornamentation.
- A product shall mean any industrial or craft article including, inter alia, parts designed to be assembled into a complex product, packaging, presentation, graphic symbol or typographic character. Computer programs shall not be regarded as a product.

Design right protects two-dimensional designs, such as drawings, including the pattern or design of wallpaper, textiles or tiles and three-dimensional designs or models which may include household equipment, furniture, cars, toys and games.

The combination of two-dimensional and three-dimensional forms can also be protected, for example a two-dimensional design applied to a three-dimensional article, such as the decoration on a vase.

Design right covers the visible appearance of whole or part of a product. The public must be able to see the industrial design in the product.

The designer can apply for protection up to 12 months (the so called grace period) after he first discloses a design.

The design will not be registerable if it is necessary to obtain a technical effect. A purely technical creation may, however, be protected by patent law⁸.

The application procedure is similar to that described above in relation to trade marks. If the application meets the formal requirements, registration will take place without prior examination as to the novelty of the design. The question of whether the design satisfies the requirement of novelty will therefore only be considered if it is challenged in court.

The Benelux registration is valid for 5 years from the date of filing, and can be extended for four consecutive terms of 5 years each for a total period of 25 years.

9. NEIGHBOURING RIGHTS

The Dutch Neighbouring Act ("*Wet op de Naburige Rechten*") is a ratification of both the 1961 Rome Convention⁹ and the 1971 Phonogram Convention¹⁰. Neighbouring rights refer to the

⁶ See website <http://www.boip.int/index.htm>.

⁷ Article 3.1 BCOIP

⁸ See website <http://www.boip.int/index.htm>.

⁹ 1986 Trb No. 182, International Convention for Protection of Performers, Producers of Phonograms and broadcasting Organizations.

right of performers and producers to be compensated when their performances and sound recordings are performed publicly, broadcast, rented or reproduced.

The Dutch Neighbouring Rights Act grants:

- performing artists the exclusive rights to prohibit reproduction and distribution regarding fixation of their performances;
- producers of phonograms the exclusive right to prohibit reproduction and distribution of their phonograms;
- film producers the exclusive right to prohibit the reproduction and distribution of the original and copies of their film; and
- broadcast organizations the exclusive right to prohibit the fixation, reproduction and distribution of their broadcast.

The term of protection will depend on the kind of artist:

- for performing artists, it is fifty years from January 1 following the year of the date of performance;
- for producers of phonograms, it is fifty years from January 1 following the year of the date of making the phonogram;
- for film producers, it is fifty years from January 1 following the year of the date of the first recording;
- for broadcast organizations, it is fifty years from January 1 following the year of the date of broadcasting.

10. PROTECTION OF IP RIGHTS

10.1 TRADE MARKS

The owner of a registered trade mark has the right to prevent the use of similar or identical signs in business without consent. The BCOIP also gives the trade mark owner the right to seek damages, an account of profits derived from an infringement, an attachment of infringing products where the infringer acted in bad faith, or information regarding the supplier of the infringing products. The trade mark owner can also seek the revocation of the infringing trade mark's registration.

10.2 PATENTS

A patent owner is entitled to invoke his patent against anyone who, without permission, performs one of the activities falling within his exclusive right. The patent owner may claim full damages, provided the infringer is aware of the infringement. Furthermore, the patent owner may claim an account of the profits derived from the infringement or demand that the infringing products be taken out of circulation and destroyed.

¹⁰ 1986 Trb. No. 183, convention for the Protection of Producers of Phonograms against Unauthorized Duplication of their Phonograms, also known as the "Geneva Convention".

In circumstances where the trade mark owner is not entitled to the remedies contained in the BCOIP, article 6:162 BW of the Civil Code (*Burgerlijk Wetboek*) allows the trade mark owner to take action against the infringer in certain circumstances.

Articles 328bis and 337 of the Dutch Criminal Code also contains some protection for trade owners, as they provide that the infringer can also be prosecuted.

10.3 TRADE NAMES

Article 6 of the Trade Name Act 1921 allows the user of a prior trade name to commence proceedings with the competent District Court or request the competent Sub-district Court order that the infringing trade name be altered.

The owner of a trade name may also invoke article 6:162 BW. An infringer can also be prosecuted under article 337 of the Dutch Criminal Code.

10.4 COPYRIGHT

Based on the 1912 Copyright Act, a copyright owner may seek damages, an account of the profits derived from the infringement, an assignment or destruction of infringing products, the disposal outside the course of trade, or destruction of materials predominantly used for the manufacturing of the infringing products.

The copyright owner may also invoke article 6:162 BW and the Copyright Act provides for criminal enforcement under article 31-35d CA.

10.5 DESIGN RIGHT

The BCOIP provides that the design right holder may seek compensation and/or an account of the profits derived from the infringement, an attachment of infringing products, provided the infringer acted in bad faith, or information regarding the supplier of the infringing products.

Furthermore, the owner of the exclusive right in a design shall have the option to claim ownership of movable goods which have adversely affected its right or assets which have been used for the production of these goods or to require that they be destroyed or rendered unserviceable. Such a claim may be made in respect of sums of money which are presumed to have been collected following infringement of the exclusive design right. Claims shall be rejected if the infringement was not made in bad faith.

Since December 2003, a design right owner may invoke article 6:162 BW. An infringer can be prosecuted under article 337 of the Dutch Criminal Code.

11. COURTS

There is no specialised IP court in the Netherlands. However, most of the District Courts and Courts of Appeal have judges who specialised in IP matters. In particular, the District Court in

The Hague has specialised IP judges due to the fact that this Court has exclusive jurisdiction over patent matters and Community Trade Mark matters.

Contrary to the general rule in Dutch legal proceedings, in IP cases the losing party can be ordered to pay the actual legal costs of the winning party, provided those costs are reasonable and proportionate (see article 1019h Dutch Code of Civil Procedures). To prevent escalation, indicative rates have been formulated (see <http://www.rechtspraak.nl>, *Indicatietarieven IE zaken*). In complex cases, indicative legal costs can be awarded up until € 25.000,-. As these are merely indicative rates, judges can deviate from them and award higher legal costs.

In circumstances where the trade mark owner is not able to act on the remedies of the BCOIP, he may invoke article 6:162 BW. Article 162 from book 6 of the Civil Code (*Burgerlijk Wetboek*) allows the trade mark owner to act against the infringer in certain circumstances.

The Dutch Criminal Code also contains some protection for trade mark owners. Under articles 328bis and 337, the infringer can be prosecuted.

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