

## Chapter 4. Trademarks

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### §1. SOURCES OF LAW AND INTERNATIONAL CONVENTIONS

406. The Greek law on trademarks is set by L. 4072/2012, Articles 121–183. This law has been published in the OG A' 86/11.4.2012 and came into force on the date of its publication, save for certain provisions, which became effective six months after the publication of the law in the OG. It replaced L. 2239/1994. L. 4072/2012 has been further amended by L. 4155/2013.

407. It is interesting that L. 4072/2012, in addition to trademarks, legislates also on several other matters of commercial law, such as commercial partnerships and company law in general, investments, real estate brokers, rehabilitation of companies, etc. So, as the law currently stands (January 2013) the Greek law on trademarks is set by L. 4072/2012. The law on unfair competition is L. 146/1914. Non-registered marks, company names and distinctive titles are protected under the unfair competition legal regime.

408. The Greek law on trademarks implements the EU harmonization Directive 2008/95, as well as the EU intellectual property rights enforcement Directive 2004/48. The EU unfair trade practices (also dealing with advertisement) Directive 2005/29 is implemented into Greek law by virtue of L. 2251/1994, as amended and currently in force. False advertisement is also considered to qualify as unfair competition and is governed by Article 3 of L. 146/1914, which applies together with Articles 9 et seq. of L. 2251/1994.

409. Since Greece has implemented the EU trademarks harmonization Directive 2008/95, most of the provisions of L. 4072/2012 copy the respective provisions of the Directive. Hence, the provisions regarding the types of signs which may qualify as trademarks (i.e., words, letters, etc.), the provisions regarding the prerequisites for registration (i.e., distinctiveness and graphical representation), the provisions on absolute and relative grounds for rejection of trademark applications, the provisions regarding likelihood of confusion and dilution, the provisions regarding trademark licensing, limitation of trademark rights, cancellation, parallel imports, etc., copy the respective provisions of the Directive. As a matter of historical record, the first EU trademarks harmonization Directive 89/104 was implemented into Greek law by virtue of the P.D. 317/1992, later replaced by L. 2239/1994. Greek courts and the Trademarks Committee also follow up the ECJ (now Court of the European Union) and the CFI (now General Court) jurisprudence, as well as the jurisprudence of the OHIM. In addition, one could argue that the OHIM Guidelines (now called The Trademark Manual) can prove very influential upon Greek courts and should be considered of great value in terms of legal interpretation, although it is true that Greek courts and the Trademarks Committee do not refer to them.

410. One of the more important consequences of the implementation of the EU law was that Greece abandoned the concepts of imitation and falsification (equivalent to the French concept of *contrefaçon*) and adhered to the concept of likelihood of confusion. Moreover, before the implementation of the EU law, the test for trademark infringement (or the test for likelihood of confusion) was a rather simplistic one and was based on a comparison of the marks (in terms of visual, aural and conceptual similarity) as well as a comparison of the respective goods or services. Under the EU law and because of the influence of the ECJ jurisprudence, the test for likelihood of confusion became more complex (a multifactor test) and more factors were added, such as the channels of distribution, the awareness of consumers about the marks involved, the reputation of each mark, etc. Another consequence of the implementation of EU law was the introduction of the concept of dilution, as an alternative ground for trademark infringement in addition to likelihood of confusion. Famous marks were protected under Greek law even before the implementation of the EU Directive 1989/104, as per the provisions of the Paris Convention. However, in practice, the protection of famous marks was deduced only to the administrative procedure for trademark registration. In this context protection was afforded to famous marks in the sense that an application of a national to register a famous mark that its foreign owner had not yet arranged to register in Greece was considered to be an application in bad faith and was open to opposition or cancellation. After the implementation of the EU law, famous marks were granted greater legal protection before civil courts as well as in case of trademark infringement. It is true, though, that the first judgments of Greek civil courts raising the issue of dilution appeared only in 2010, that is about twenty years after the implementation of the Directive. A final point regarding dilution and famous marks is that under the EU law protection of famous marks against dilution is a matter of trademark law, while before the implementation of the Directive protection of famous marks against dilution was considered to be a matter for the law of unfair competition. Finally, another consequence of the implementation of EU law relates to parallel imports. It is because of this implementation that Greece moved from national exhaustion of trademark rights to community exhaustion, as per the express provisions of the Directive. It is true that the first judgments of Greek courts on parallel imports from the point of view of trademark law appeared only after the implementation of the Directive; however, before this implementation, national exhaustion seemed to be a natural and predictable consequence of the general principles of trademarks law, such as the principle of territoriality.

411. Greece has also ratified and implemented four major multinational conventions regarding trademark law: (a) The Paris Convention (1883), implemented by L. 213/1975 (Greece has implemented the Stockholm version of the Paris Convention), (b) The TRIPS Agreement, implemented by L. 2290/1995, (c) The Madrid Protocol (1989) regarding international registration of trademarks through WIPO, implemented by L. 2783/2000 and (d) The Nice Classification Agreement (1957), implemented by L. 2505/1997 which provide for forty-five classes of goods/services. The EU Regulation on the Community Trademark 207/2009 is also applicable in Greece. The following international conventions have not been implemented into Greek law: (a) The Madrid Agreement (1891) on international

registration of trademarks, (b) The Vienna (1973) Trademark Registration Treaty, (c) The Vienna (1973) on the classification of figurative elements of marks, (d) The Geneva (1994) Trademark Law Treaty.

412. Regarding foreign applicants, until recently, Greece required proof of reciprocity for applicants originating from countries which were not members to the Paris Convention (1883). However, since the implementation of L. 4072/2012 the reciprocity requirement has been abolished for all foreign applicants.

## §2. REGISTERED TRADEMARKS AND NON-REGISTERED DISTINCTIVE SIGNS

413. Trademarks are acquired through registration and are used in connection to goods or services. They have an origin function, a quality guarantee function and an advertisement function. In addition to trademarks there are other intellectual property rights, which have the same functions as above and are used in connection to either goods or services, or the legal entity or the person carrying on a certain commercial activity, or the business establishment through which goods or services are offered. These include company names, distinctive titles and other distinctive signs. Sometimes, such rights are called brand names. With the exception of trademarks, all other rights over such distinctive signs in general are acquired, not through registration, but through use in the course of trade; advertisement and promotion qualifies as such use also.

414. So, what are the main differences among registered and non-registered rights? One difference relates to the way of acquisition, i.e., trademarks are acquired through registration, even in the absence of any use, while non-registered marks and distinctive signs are acquired through use in the course of trade. Furthermore, trademarks grant legal rights which cover all the jurisdiction of Greece, which non-registered marks and signs are territorial rights; the legal rights granted apply only in the geographical area where use is situated. In addition, each time the owner of a non-registered right applies to the court for legal protection against infringement, he has to prove adequate use in the course of trade that leads to the creation (acquisition) of the respective right. This means that he has to produce massive evidence of prior use. The owner of a registered trademark, on the contrary, needs only to invoke and produce a registration certificate. Another important difference, which is a peculiarity of Greek trademark law and is discussed elsewhere in this text, is that registered trademarks cannot be challenged before civil courts. For example a trademark may have achieved registration, even though it is evidently descriptive. A civil court, still, cannot review its validity. Such validity can be challenged only through cancellation proceedings; such proceedings may lead to the deletion of the registration, but this requires a final court judgment and the cancellation occurs only after the issue of this judgment and does not have any retrospective effects. So, trademark rights are accompanied by increased certainty; this is not the case on non-registered rights, though. Finally, trademarks are protected under the trademark law, while non-registered marks and distinctive signs are protected under the law for

unfair competition (Article 13 in particular); this means a prerequisite for the protection of non-registered marks, according to established principles regarding unfair competition, is that the claimant has a business establishment in Greece or has made use of the non-registered mark in Greece. Trademarks, on the contrary, are protected irrespective of any business establishment of the owner in Greece and irrespective of any use in Greece.

### §3. TRADEMARKS SYSTEMS

415. A foreign applicant may acquire trademark rights in Greece through three different ways:

416. (a) National registration. A foreigner may apply for national trademark registration in Greece, under the same conditions and according to the same procedure as a Greek national. Establishment in Greece is not a requirement. Trademark applications submitted by foreigners enjoy protection under the Paris Convention (1883). As a result, foreigners may claim international priority for their applications on the basis of a mark applied for in their country of origin. They can also invoke the *telle quelle* principle established by the Paris Convention. As a matter of statistics, national applications submitted by foreigners in Greece amounted to about 500 in 2011, while applications submitted by nationals amounted to about 4,500.

417. The national trademark system employs an ex officio search of prior rights. Actually the search covers only prior national trademarks, prior Community Trademarks and prior International Registrations with WIPO which have been forwarded to Greece as well. An important peculiarity of the Greek trademark system is that a trademark, after its registration, cannot be challenged before civil courts in the context of infringement proceedings. Instead, it can only be challenged through cancellation proceedings before the Trademark Committee and, on appeal, before the administrative courts. This means that in Greece a trademark registration grants very strong legal rights. Cancellation proceedings may last for more than ten years and in the meantime civil courts are obliged not to challenge the validity of the registration of the trademark.

418. (b) International Registration through WIPO, according to the Madrid Protocol. Trademark rights can be acquired in Greece through the WIPO system based on the Madrid Protocol. So, on the basis of a trademark application in another Member State, a foreigner may through WIPO, request that his International Registration with WIPO be extended to Greece. According to the Madrid Protocol, in order to make use of the WIPO system, it suffices if the applicant has made an application in his home country and it is not necessary that this application has also been registered. The benefits of the WIPO systems is that it reduces costs and expenses dramatically, as it is not necessary to employ a local trademark agent, or attorney at law. International applications forwarded into Greece through WIPO enjoy priority as from the date of their respective registration with the WIPO registry. The number of WIPO International Registrations is progressively increasing in Greece since the

implementation of the Madrid Protocol in 2000. In 2011 the number of such international registrations forwarded from WIPO into Greece amounted at about 1,600. When an international registration is forwarded from WIPO into the Greek trademark registry, it is adjudicated with respect absolute and relative grounds, in the same way as a national application. If it is finally accepted and registered with the Greek registry, it grants the same rights as a national registration.

419. (c) Community Trademark (CTM). Community Trademark rights acquired through the OHIM registry, apply in Greece as well. Disputes regarding infringements of Community Trademarks are referred to special divisions of civil courts and hence enjoy earlier hearing dates than cases regarding infringement of national trademarks.

420. It is to be noted that the Greek Trademarks Committee may refuse to register an application for a national trademark if the applicant already possesses a CTM registration (or has filed a CTM application) for the same mark. Moreover, an application for a national trademark will also be refused if the applicant already possesses a national registration (or has filed a prior national application) for the same mark.

#### §4. TYPES OF MARKS

421. Marks are registrable, if they are distinctive and can be represented graphically. In this context, all types of traditional, two-dimensional marks are available for registration. This includes words, drawings, figurative elements, slogans, abbreviations, colour combinations, or even colours as such, etc. Three dimensional marks are also registrable, if they can be represented graphically. Non traditional marks, such as sounds, smells or the feeling of touch are not registrable, as they cannot be represented graphically and there are no technical specifications set for their reproduction and representation for the purpose of application to the trademark registry.

422. Collective trademarks are also recognized and protected under Greek law. Certification marks are considered to fall within the category of collective marks.

#### §5. REGISTRATION PROCESS

423. The Greek registration process is similar to the process used by OHIM and the Community Registry, with the main difference that in Greece there is an ex officio search of prior rights and earlier trademark registrations will lead to rejection of an application, even in the absence of an opposition by the owner of the earlier rights.

424. Each application is adjudicated by an Examiner with respect to absolute and relative grounds. If the Examiner is satisfied that there are no grounds for

rejection the application is published and remains open for opposition for a three months period. If the decision of the Examiner is negative, it can be challenged before the Trademark Committee which is a three member administrative body. The judgment of the Trademark Committee can be appealed before the administrative courts. Registration occurs if no opposition is filed within the three months period, or when the judgment on the opposition becomes final.

425. A peculiarity of the Greek trademark law is that there is a distinction between competence of the administrative and civil court in trademark cases. Cases regarding the registration process, i.e., relative or absolute grounds cases and oppositions are referred to administrative courts where proceedings are extremely time consuming (it takes about seven years to obtain a judgment from the 1st Instance Administrative Court). Cases regarding infringements are referred to civil courts. Civil courts are not allowed to challenge the validity of a registered trademark. A registered trademark is subject only to cancellation, which is referred to the Trademark Committee and, on appeal, to the administrative courts. This is another very important peculiarity of Greek trademark law, that is, as long as a mark has been registered with the trademark registry, civil courts dealing with infringements are bound by this registration and are not allowed to challenge or review it, even in the case of an evidently descriptive mark that has been registered in violation of the provisions on absolute grounds. This makes the trademark a very strong title under Greek law. Greek law provides for a long and complicated process for trademark registration, which it requires, among other, a prior publication of the mark in the OG, in order to inform third parties and give them the opportunity to lodge an Opposition, i.e., a third party appeal against the registration sought by the applicant. However, in exchange for granting such an opportunity to third parties to object to trademark registration, Greek law grants extensive protection to the trademark proprietor by providing that cancellation (i.e., deregistration of a trademark) requires: (a) a prior final judgment and (b) such cancellation is enforceable and occurs only after the publication of such a judgment and not beforehand, i.e., the judgment has no retrospective effect. Hence, Greek law ensures that every application for a trademark registration is scrutinized before its acceptance and that any third party interested therein is entitled and has the opportunity to object to registration of a particular trademark. At the same time, a trademark, which has been successfully registered and has been assessed as complying with all legal requirements, enjoys legal recognition and protection of the highest standards, such as that (a) cancellation (i.e., deregistration) takes place only on certain grounds and upon a final court judgment ordering such deregistration, with no retrospective effects, and (b) before a particular trademark has been officially cancelled (i.e., deregistered) from the registry by virtue of a final court judgment, full legal protection in every aspect provided under the law is granted to the trademark's proprietor and the civil courts are not allowed to question into whether the respective trademark has been properly registered, i.e., on whether such registration has been carried out in accordance with the requirements of law on absolute grounds. This enhanced legal protection and legal certainty serves market needs, because the trademark proprietor invests large amounts of funds for advertising his products on an annual basis; these are usually

higher (or even multiple) than the value of the fixed assets of the respective undertaking. Hence, the legal regime applicable on trademarks should be absolutely certain<sup>315</sup>.

426. Registration occurs only after the trademark application has been published and provided that an opposition has not been filed. Publication is considered to give to owners of earlier rights a fair chance to take notice of new applications and file an opposition to defend their earlier rights. If an opposition is not filed, then the trademark registration can be challenged through cancellation proceedings.

427. Use or intent to use is not a prerequisite for application or registration. However, in exceptional cases, if it is self-evidenced that intent to use is absent, and that the only purpose of an application is to prevent third parties from using the mark, then such an application is considered to be in bad faith and can be rejected; if it passes the examination process and is registered, the trademark can be cancelled on the basis of bad faith. Non use for five consecutive years is a ground for cancellation.

#### §6. ABSOLUTE GROUNDS

428. The absolute grounds for rejection of an application are those mentioned in Article 3 of EU Directive 2008/95 and Article 123 of L. 4072/2012. The more important absolute grounds are those relating to lack of distinctiveness, descriptiveness, deceptiveness and the mark applied for being a common place. In addition to the above, Article 123 expressly mentions that the following marks are not registrable: (a) functional marks, (b) marks used in connection to wines or alcoholic beverages which include an appellation of origin or geographical indication protected under EU law, (c) marks consisting of protected appellations of origin or geographical indications used in connection to foodstuffs, (d) the names of the states and national emblems, (e) any mark whose filing for registration is made in bad faith. The reasoning behind absolute grounds is mainly freedom of competition; in this sense, absolute grounds are justified because of the concern to protect freedom of competition. The law would not bear to grant trademark rights (i.e., exclusive rights amounting to a legal monopoly) in respect to mark that should be free for use by all traders.

429. Legal issues relating to absolute grounds are very common in the Greek trademark practice. The reason is that most of the marks applied for trademark registration contain some descriptive or generic elements or elements that are common place in trade, while at the same time also contain some unique, genuine and novel elements. Only few of the trademarks applied for are totally unique and novel. Most of them bear only a number of distinctive features and at the same time contain elements commonly used in common parlance. This stems from the fact that a totally

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315. Ch. Chrissanthis, *Lack of Distinctiveness, Descriptive Marks and Marks in Common Use in Trademark Law*, *EEmpD* 2008 (in Greek), 469.

fictitious, genuine and novel mark may comply with the legal conditions required for trademark registration, but it is not so useful from a marketing and advertising perspective, nor does it adequately help a manufacturer to make his good easily recognizable by consumers. On the contrary, a mark can only rarely serve as a means of communication between its proprietor and consumers, unless it contains a particular (direct or indirect) meaning and can transmit information about the respective goods. A totally fictitious and novel mark cannot easily serve this objective unless (and until) consumers have already become familiar with it; however, the latter cannot be achieved without long (persistent) and expensive advertising campaigns. However, it is less expensive to promote a mark which already contains in itself some specific information about the goods to which it is attached to and thus is able to transmit some feedback about such goods to consumers. This, however, means that the mark needs to contain some descriptive or generic elements, or elements that are common place and in common use in the market. As a result, trademark proprietors choose between various marks according to advertising and investing criteria instead of purely legal criteria.

430. On absolute grounds the Greek Trademark Committee and courts usually apply the jurisprudence of the Court of the European Union (ex ECJ) and the General Court (ex CFI), as well as that of OHIM. The legislative provisions on absolute grounds are destined to strike a balance between the granting of exclusive trademark rights on the one hand and the need to protect free competition on the other. It is to be mentioned, however, that trademarks are an integral part of free competition<sup>316</sup>, for without trademarks it would be impossible to achieve market differentiation (i.e., differentiation among similar goods which are competing with one another) and it is this market differentiation which is the quintessence of free competition. In this context, it is to be noted that according to the legislative provisions on absolute grounds it is only marks devoid of *any* distinctive character that are barred from trademark registration. This means that absolute grounds prohibiting registration apply only when it is amply evident that a mark is merely descriptive, generic, a common place, etc. A theory that very much assists us to clarify the types of marks that are eligible for trademark registration is the following: Marks used in the course of trade in connection to goods or services may be classified into five classes depending on the degree and level of descriptiveness:

431. (a) Imaginary marks: These are purely imaginary, i.e., creatures of our imagination and accordingly do not have any particular meaning or concept; hence, they cannot be descriptive at all, e.g., KODAK, POLAROID, XEROX, ADIDAS, etc. Their distinctive character (i.e., their ability to distinguish between goods and services) is not contested and they may be registered as trademarks.

432. (b) Common marks that are used in an unusual way: These are not imaginary. They do have a certain meaning and concept. However, because they are not used according to their customary usage, they are not used in a descriptive way. This

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316. Thus held by the ECJ in Case C-228/2003, Gillette at para. 25.



means that such marks are not used with their usual concept. So, the unusual manner in which they are used does not directly describe the goods or services to which they are affixed. Such marks are for example BLACK & WHITE or WHITE HORSE for alcoholic beverages, RED BULL for non alcoholic beverages, PAPA-GALOS (meaning parrot) for coffee, CAMEL for tobacco products, etc. These marks are regarded to be distinctive and eligible for registration as they escape absolute grounds, since there is no relevance between them and the goods thereby distinguished.

433. (c) Laudatory marks: These are marks and terms that are not directly or totally descriptive of the goods that they distinguish, but contain an indirect laudatory ('flattering') message about the goods thereby distinguished. This class includes also marks and terms that cannot be classified as 'laudatory per se', but distinguish some products by providing a description of a particular characteristic or a particular quality of such products, but such description is not made directly (i.e., by means of the conceptual meaning of these terms), but only indirectly and subconsciously through symbolisms and parallelisms, e.g., BEAR for warm (heavy) clothing, ASPROS SIFOUNAS (meaning WHITE HURRICANE) for cleaning products, NEW LOOK for tobacco products and cigarettes, PLAYBOY for adult entertainment magazines, POLYCOPY for photocopying machines. These marks and terms bear a distinctive character and may be registered as trademarks, because they transmit information about the goods distinguished thereby only in an indirect way, that is by means of symbolisms, inferences, implications, etc. These symbolisms, inferences, implications, etc. are in themselves novel and unique and, hence, must be legally protected by being registered as trademarks. This kind of indirect information about a particular product does not need to be classified as part of the public domain. The EU Court of First Instance has ruled that laudatory signs, such as VITALITE and ULTRAPLUS, are eligible for trademark registration<sup>317</sup>.

434. (d) Descriptive marks: These marks describe *directly* (neither indirectly, nor by means of symbolisms or metaphorical representations, etc.) the kind, origin, quality, destination of the respective goods. The use of such descriptive signs or indications should be free and accessible to all prospective market competitors, since they provide directly to the public feedback about the characteristics, functions or quality of the goods thereby distinguished. The case law of the ECJ has confirmed in the DOUBLEMINT<sup>318</sup> case that protection of freedom of competition (i.e., the objective to achieve and ensure free competition) justifies the introduction of legal provisions that descriptive signs are ineligible for trademark registration. Competitors need to use marks and terms that contain and provide directly feedback about the goods or services thereby distinguished. On the contrary, indirect information derived from symbolisms, inferences and metaphorical expressions is based on novelty and human innovation and it is not necessary to ensure that everybody has a free access to it, in order to protect freedom of competition. It is important to mention that descriptive marks can be registered as trademarks only on the

317. T-24/2000, 31.1.2001, VITALITE, and T-360/2000, 9.10.2002, ULTRAPLUS.

318. C- 191/2001 P, 23.10.2003.

grounds of acquired distinctiveness (or, in other words, acquired secondary, i.e., ancillary, meaning). So, a descriptive mark that conveys direct information through its common conceptual meaning about the products to which it is affixed can still be registered, as long as it has obtained through long use in the course of trade a distinctive character (i.e., is able to perform a distinctive function and differentiate the products of one manufacturer from those of other manufacturers). In this case, such secondary non-descriptive meaning excludes the mark at issue from public use and the public domain, since it does not provide any direct feedback to consumers anymore and, as a result, competitors do not need to use it.

435. (e) Generic marks that declare a particular class of products. These marks define the name of a whole class of products and convey to consumers direct information about the products to which they are affixed. Hence, they are regarded to be devoid of any distinctive character and are not eligible for registration. Moreover, the acquired distinctiveness exception cannot apply to such marks and terms. Marks falling within this class (i.e., VIDEO GUIDE) are generic terms. So, if a mark is generic, the argument of acquired distinctiveness cannot be invoked to allow registration.

436. The conclusion to be drawn from the above classification of marks is that what is important in terms of absolute grounds is whether the mark conveys a direct, or an indirect, information about the goods or services in connection to which it is used. If the mark conveys direct information it is considered to be descriptive and in principle it cannot be registered<sup>319</sup>, unless acquired distinctiveness can be proved. If the mark is generic, acquired distinctiveness cannot assist us to overcome absolute grounds. Finally, if the mark does not convey any information at all about the goods distinguished, or if it conveys only indirect information, then the mark is eligible for registration.

437. Distinctiveness, descriptiveness and other absolute grounds are always examined and appreciated in view of the particular goods or services for which the mark is applied for<sup>320</sup>. So, for example the mark DIESEL may lack distinctiveness and may be descriptive with respect to fuel, motor engines and similar products, but, at the same time, may be distinctive with respect to fashion goods and clothing. In addition, court judgments usually hold that whether a particular mark lacks distinctiveness, or is descriptive, etc., is assessed in view of the particular circumstances of each case and the peculiarities of the products at issue<sup>321</sup>. In case of marks which consist of combinations of more than one element (i.e., combinations of words, or

319. See the following precedents of the ECJ and CFI: C- 517/1999 Mertz & Krell GmbH of 4 Oct. 2001 paras 27, 29, 31, 33; T-360/2000 ULTRAPLUS case of 9 Oct. 2002 para. 43 allowing the registration of the mark ULTRAPLUS, although the terms ULTRA and PLUS are laudatory; T-163/1998 BABY DRY case of 8 Jul. 1999 paras 20, 21.

320. First Instance Administrative Court of Athens 13939/1998, *DEE* 1998, 871.

321. First Instance Administrative Court of Athens 13939/1998, *DEE* 1998, 871. N. Vozenberg, *The Concept of Trademarks and Marks Non Eligible for Registration*, 47 (Athens, 1969 (in Greek)).

combinations of words with drawings and colours, etc.) distinctiveness, descriptiveness and other absolute grounds are appreciated on the basis of the overall impression of the mark. If one part of the mark is prevailing over others, the overall impression is determined mainly by that prevailing element.

438. Common vocabulary words will most probably be a common place widely used in the course of trade and, hence, not registrable. However, such common vocabulary words can be registered, if used in connection to goods/services with which they cannot reasonably be associated, that is, if used in connection to goods/services which are not denoted, or implied by such words. For example, the term PAPAGALOS (meaning 'parrot') has been registered for coffee, the term FANTASIA (meaning 'imagination') has been registered for olive oil, and the term THALASSA (meaning 'sea') has been registered for spa services<sup>322</sup>.

439. Foreign vocabulary words may be distinctive and registrable in Greece if the average Greek consumer is not familiar with them<sup>323</sup>. For example the English word CLUSTERS, which is considered descriptive of a particular type of cereals for an English speaking consumer, has been registered as a trademark in Greece, on the ground that Greek consumers are not familiar with the term CLUSTERS as a common English vocabulary word. It should be noted, however, that in principle English vocabulary words are deemed to be well known to Greek consumers as well. This is not, however, the same with French, German and other foreign languages vocabulary terms.

440. Laudatory marks, like SUPRA, EXTRA, GOLD, SILVER, PLATINUM, PLUS, ULTRA are usually found to be registrable by the majority of court authorities, on the ground that they do not make any direct implication to the qualities of the respective goods/services and, hence, they do not describe goods/services as such. So, for example, the marks VELVET DE LUXE and MASTER SOUND have been found to be registrable<sup>324</sup>.

441. The Trademark Committee and the courts are particularly suspicious with applications consisting of geographical terms. Geographical terms are usually rejected either as descriptive, or as deceptive terms. There are, however, geographical terms which cannot reasonably be associated with certain products, such as the term EVEREST for foodstuffs. Such geographical terms are registrable, because the average consumer cannot reasonably believe that foodstuffs originate from an area like Everest.

322. First Instance Administrative Court of Athens 1686/1998, *EEmpD* vol. 49, 860 and SMCFI of Rhodes, 1066/2003, *DEE* 2004, 47.

323. Greek Council of State (Conseil d'Etat) 190/1984, unreported, accepting the mark LIGNE INTEGRALE D'ORLANE for perfumes. See also Council of State 191/1984 accepting the mark BUBBLE GUM for gums, 648/1984 accepting the mark ROSSO ANTICO for alcoholic beverages.

324. First Instance Administrative Court of Athens 5404/1993, unreported, and 8196/1996, unreported; while 16722/1996 of the same Court rejected the mark COTTON DE LUXE.

442. Colour combinations are usually found to be distinctive and registrable. So, the well known Gucci colour combination (three horizontal stripes of green, red and again green) has been considered to be registrable by the Greek Trademark Committee<sup>325</sup>. This situation is more difficult with respect to single colours as such. There are some, rather old, court rulings that colours as such are not registrable, because the number of the basic colours available for use is limited and, hence, grant of trademark (exclusive) rights with respect to colours would inevitably lead to a restraint of competition<sup>326</sup>. Another line of authority submits that single colours as such are not registrable for lack of distinctiveness<sup>327</sup>. However, there are many cases where single colours have been registered as such, particularly when acquired distinctiveness can be established, such as in cases of famous trademarks consisting of single colours.

443. Three dimensional marks, usually consisting in the shape of the product are also registrable, provided that this shape is not functional, i.e., it is not necessary to achieve a certain technical result. Usually, three dimensional trademarks consist of the shape of bottles for beverages, or fragrances<sup>328</sup>.

444. Greek trademark law has adopted the concept of acquired distinctiveness. Hence, marks that lack distinctiveness as such, or as descriptive as such, or are a common place as such, can be registered if the applicant can prove acquired distinctiveness through use in the course of trade. The time by which distinctiveness must have been acquired is not the date of the filing of the application, but the date of its examination. However, acquired distinctiveness cannot be invoked in favour of marks that are deceptive.

445. According to case law, a mark is distinctive, as long as it performs the origin function and the quality guarantee function. These functions are performed, if the mark allows consumers to identify that the goods thereby distinguished originate from a particular undertaking and to identify the particular qualities of such goods that differentiate them from goods originating from other competing products. There are no further requirements for distinctiveness. The case law of the European Court of Justice and of the European Court of First Instance adopts the above position and it has been ruled that:

The signs referred to in Article 7(1)(b) of Regulation No 40/94 are signs which are regarded as incapable of performing the essential function of a trade mark, namely that of identifying the origin of the goods or services, thus enabling the consumer who acquired them to repeat the experience, if it proves to be

325. Greek Trademark Committee 855/1987, unreported.

326. AP 399/1989, *EEmpD* vol. 41, 145. SMCFI of Athens 8567/1988, *EEmpD* vol. 39, 696.

327. First Instance Administrative Court of Athens 3964/1998, *EEmpD* 1999, 817.

328. First Instance Administrative Court of Athens 3694/1998, *EEmpD* vol. 50, 817 allowing registration of the shape of a bottle for beverages.

positive, or to avoid it, if it proves to be negative, on the occasion of a subsequent acquisition<sup>329</sup>.

Hence, in order to confirm that a particular mark is distinctive, it must perform the quality guarantee function and the origin function in connection to the respective goods, but (as it has been ruled in the above cases) it is not required that the mark at issue assists consumers to identify the name of the manufacturer of the respective goods. It is adequate that consumers are able to identify that the respective goods (that bear a particular mark) originate from a particular undertaking, regardless of whether they (consumers) can identify the name and identity of such an undertaking or not. What is important is that consumers identify a particular trademark and infer that the respective product originates from a particular undertaking and that all products bearing the same trademark have identical qualities and features; hence, every time they purchase products bearing the same trademark, they expect that the products they choose shall bear the same qualities and features as those that they had purchased the previous time. As a result, contemporary legal literature accepts that the origin function somehow approaches the quality guarantee function. The fact that the particular goods originate from a particular undertaking is important from the perspective of consumers only in-so-far as the goods meet certain quality standards<sup>330</sup>.

446. It is the perception and understanding of consumers and not that of competitors that is important to assess distinctiveness and absolute grounds in general<sup>331</sup>. This view is supported by the case law of the ECJ also. The ECJ has reasoned that:

There are purely legal considerations which justify taking into account the actual perception which the public has of a mark in order to assess its distinctiveness *ab initio*. First of all, according to the seventh recital in the preamble to Regulation No 40/94, the function of the protection afforded by a Community trade mark is to guarantee the trade mark as an indication of origin; the only way in which it can be established with certainty whether the role of the mark as an indication of origin is guaranteed is to rely on the actual perception of the mark by the relevant public. Next, it follows from the wording itself of Article 7 of Regulation No 40/94 – and particularly from the use of the words ‘in trade’ in Article 7(1)(c) and ‘the public’ in Article 7(1)(g) – that each of the absolute grounds for refusal referred to in Article 7(1) must be considered in the light of the opinion of the relevant public. Lastly, that interpretation has

329. T-79/2000, *Rewe-Zentral v. LITE*, at [26]; T-128/2001 DAIMLER-CHRYSLER case of 6 Mar. 2003 at [31]; similarly the ECJ case law: e.g., C-383/1998 P, PROCTER & GAMBLE (BABY DRY) case of 20 Sep. 2001, at [38]; C-136/2002 P MAG INSTRUMENT INC. of 7 Oct. 2004, at [29].

330. Ch. Chrissanthis, *Likelihood of Confusion under the Law of Distinctive Marks*, *EpiskED* 2003 (in Greek), 339, 342; N. Rokas, *Exploitation and Protection of Advertising Value*, *EEmpD* 1999 (in Greek), 2 and by the same author, *Functional Amendments and Variations of a Right on a Registered Trademark*, *EEmpD* 1997 (in Greek), 446; A. Liakopoulos, *Industrial Property Law*, *supra*, at 316; B. Antonopoulos, *Industrial Property Law*, 234, 367 (2002).

331. N. Vozemberg, *supra*, at 47.

been confirmed on a number of occasions by the Court of Justice (Baby-dry, paragraph 42) and by the Court of First Instance (Case T-135/99 Taurus-Film v. OHIM(Cine Action) [2001] ECR II-379, paragraph 27, and Case T-331/99 Mitsubishi HiTec Paper Bielefeld v. OHIM (Giroform) [2001] ECR II-433, paragraph 24), and it is also the interpretation which has been adopted by the German courts<sup>332</sup>.

It is apparent that third parties (competitors) are eager to replicate and imitate a famous and well-established trademark; hence, their assessment with respect to the distinctive character and with respect to whether such trademark comprises terms that have become customary in common parlance is neither impartial nor reliable. Similarly, the assessment of intermediaries (e.g., distributors) is not reliable, because they are eager to trade goods bearing trademarks that are neither similar to famous trademarks or imitate/replicate them.

447. It is generally established that a combination of descriptive, common terms may be regarded as totally original and may be registered as a trademark, especially where such combination results in the creation of a new word or term<sup>333</sup>. Such combinations are assessed depending on the impression that their conceptual meaning creates as a whole (the so-called overall impression) and not according to the impression that is created from each individual component of the combination<sup>334</sup>. Hence, even descriptive or common terms that are combined with each other may culminate in an original outcome, especially where the latter is uncommon and unusual. As a result, trademarks comprising a combination of multiple terms and elements (i.e., combination of word terms, or combination of a word term and a figurative element and artistic device) are eligible for trademark registration, even if only one of their comprising elements possesses some kind of originality and bears a distinctive character. By applying the above considerations, case law has accepted for registration the mark SAT 2 (SAT deriving from the term 'satellite') in connection to satellite transmission and satellite communication services, on the grounds that even though its components (SAT & 2) constitute common terms, their combination into a single multiple term is unusual and uncommon and the outcome possesses some kind of originality that attributes to such trademark a distinctive character<sup>335</sup>. Based on similar grounds, the case law has reasoned that the mark CELLTECH is eligible for registration as a trademark in connection to cell research<sup>336</sup>.

448. Complex marks (i.e., marks that contain both word terms and figurative elements) are eligible for trademark registration, as long as at least one of their components is original and distinctive. For instance, a common and customary term,

332. C-136/2002 P, Mag Instrument of 7 Oct. 2004 para. 43; C-383/1999 P BABY DRY case of 20 Sep. 2001, para. 42.

333. B. Antonopoulos, *supra*, at 419.

334. The ECJ case C-383/1998, BABY DRY, dated 20 Sep. 2001 at paras 39-41.

335. ECJ C-329/2002 P of 16 Sep. 2004 especially at para. 28 with further references in C-265/2000 of 12 Feb. 2004 at paras 40-41 and C-363/1999 of 12 Feb. 2004 at paras 99-100.

336. T-260/2003 (upheld by ECJ, C-273/2005 P).

which is combined with an original and novel artistic indication, or artistic device, may produce a distinctive mark which is eligible for registration. Such artistic elements may be a special design, or a particular colour, or a combination of colours, or even a particular formation the format style and the lettering of a word term, by means of which the common or customary word term is presented. Hence, the following trademarks have been considered to be eligible for registration in the CTM registry by OHIM: CTM 657627 GLOBAL INTERNET (with a combined word indication and a representation of terrestrial globe) and CTM 788455 NATIONAL CAR RENTAL (with a combined word indication and a representation of three parallel lines in a colour context).

449. Other examples from case law with marks which were found to be eligible for registration, include the following: 'NEW BORN BABY' for children dolls: CFI, T-140/2000. 'DAS PRINZIP DER BEQUEMLICHKEIT' for furniture: CFI, T-138/2000. 'VITALITE' for children foods and sparkling water: CFI, T-24/2000. 'BABY DRY' for baby dippers: ECJ, C-383/1999. The Greek case law has ruled that the mark CLUB SWISS is also eligible for registration<sup>337</sup>.

#### §7. RELATIVE GROUNDS

450. Relative grounds are dealt with by Article 124 of Greek law 4072/2012, which is similar to Article 4 of EU Directive 2008/95. Relative grounds refer to earlier rights and the reasons justifying rejection on relative grounds are associated with the protection of owners of such earlier rights. The appreciation of relative grounds requires an assessment of likelihood of confusion between the mark applied for and earlier rights. Such earlier rights may consist in trademark rights, Community Trademark rights, or rights relating to other non-registered marks and distinctive signs, such as corporate names, brand names, distinctive titles. They may even include copyright, or the right to personality (i.e., the name of a trader, or the name of a celebrity, etc.). However, under the practice of the Greek Trademark Committee the ex officio search carried out relates only to applications and registrations with the Greek trademark registry and the Community trademark registry, as well as International Registrations with the WIPO registry, which have already been forwarded to the Greek registry and are already filed, or registered with it.

451. Earlier rights may also be invoked by their respective proprietors through Opposition, or Cancellation proceedings.

452. The central issue on relative grounds is likelihood of confusion and, in case of famous marks, dilution. Likelihood of confusion and dilution are also the grounds for trademark infringement invoked before civil courts. The concept of likelihood of confusion and dilution are discussed below.

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337. First Instance Administrative Court of Athens 2946/1992, *DDik* 1993, 1355.

453. Another general principle which is innate to relative grounds is the priority principle. In case there are more rights (belonging to different proprietors) over identical or similar signs used in connection to identical or similar products, it is the earlier right that prevails. For example, a trademark application may relate to a mark, which is used by somebody else as a company name, or as a distinctive title, etc.; it is the earlier rights which will prevail. The priority principle implies that all intellectual property rights (i.e., trademarks, company names, distinctive titles, etc.) are equal and none of them is by itself more important or more powerful over the other. So, rights acquired through registration are equal with rights acquired through use and it is only the factor of time that is decisive. The comparison as to the time the right was created is not easy, because, although the acquisition of registered rights such as trademarks is rather straightforward and dates back to the date of filing, the acquisition of non-registered rights is more complicated. Non-registered rights are acquired through use in the course of trade. This means that the creation of the right occurs when the use has been so strong that the average consumer associates the respective sign with a particular trader. So, rights over company names, distinctive titles and other non-registered distinctive signs are acquired through use in the course of trade. The volume of use does not need that strong leading to high reputation and fame; however, there has to be some actual use and not a fictitious one. Preparatory acts are not sufficient and do not qualify as use. Advertisement and promotional activities qualify as use in the course of trade.

454. Although, trademarks and other non-registered rights are in principle equal, there seems to be an exception to this in favour of trademarks. Under Greek law, a registered trademark is valid until it is cancelled by way of a final court judgment. The legal consequences of such a judgment (i.e., deletion of the registration) do not have retrospective effects and appear only after the issue of the judgment. At the same time, civil court cannot challenge the validity of the registration, which can be challenged only through cancellation proceedings. It follows that in a situation where a registered trademark coexists with an earlier non-registered right, the trademark owner does not automatically lose his rights and can continue using the registered trademark until cancellation. From this point of view a trademark registration seems to be more powerful than a non-registered distinctive sign, which is acquired through use.

455. According to Article 124(4) the applicant can produce a letter of consent from the owner of earlier rights in order to facilitate registration. According to the letter of this provision the Trademarks Committee and the Registry cannot challenge the merits, or the validity of a letter of consent and are bound by it.

## §8. OPPOSITION

456. If the application passes successfully the examination of absolute and relative grounds, then it is published (uploaded with) in the Internet site of the Registry. An opposition can be filed either on absolute or on relative grounds by third parties within a period of three months, commencing on publication of the application. An



opposition based on relative grounds can be filed only by the owners of the respective earlier grounds. An opposition based on absolute grounds can be filed by anyone who can prove a personal and legitimate interest, including associations of consumers and chambers of commerce.

457. The opposition is adjudicated by the Trademarks Committee. Its judgments are appealed before the First Instance Administrative Court of Athens within a period of sixty days for nationals and ninety days for foreigners. This period commences on the next day after the judgment is served to the party wishing to appeal.

458. Under Greek Law (Article 143 of L. 4072/2012) the party that files an opposition on the ground of earlier rights arising from an earlier registration, may be required to prove that he has used his earlier trademarks on which opposition is based, within a period of five years before the publication of the opposed application.

#### §9. CANCELLATION AND REVOCATION

459. Cancellation and revocation of registered trademarks are dealt with by Articles 159-161 of L. 4072/2012, as amended by L. 4155/2013. The ground for revocation are: (a) non use for a period of five consecutive years; however the owner of the trademark is not obliged to commence using it before the lapse of five years as from registration, (b) the trademark becoming a common place due to conduct of its owner; this is discussed in more detail below, (c) if the use of the trademark by its owner is such that there is a likelihood that the public may be deceived, particularly with respect to the geographical origin of the goods or their quality. It is to be noted that this latter ground (c) can be invoked by associations of consumers and chambers of commerce, as well as by anyone who can prove a legitimate interest. Revocation becomes effective by way of a final court judgment and only after such a judgment is issued (i.e., the judgment does not have retrospective effects).

460. The grounds for cancellation are the same as absolute and relative grounds for refusal. A registered trademark can be cancelled, if it has been registered in violation of the provisions regarding absolute and relative grounds. Again, cancellation is made by a final court judgment and does not have any retrospective effects. Chambers of commerce and associations of consumers, as well as any person who can establish a legitimate interest can invoke grounds of cancellation due to violation of absolute or relative grounds.

461. Article 162(4) of L. 4072/2012 provided that an application for cancellation should be filed within five years as from registration, save for cancellation on the grounds of bad faith, which could be filed at any time. However, this time limit was amended and abolished with L. 4155/2013. So, under the new law, a registration can be challenged at any time and the lapse of the five years period from registration does not provide a 'safe harbour' any more.

462. Applications for cancellation and revocation are filed with the Registry and dealt with by the Trademark Committee. An appeal can be filed with the Administrative Courts. A major characteristic of Greek trademark practice is that cancellation and revocation proceedings can be extremely long. Bear in mind that a final court judgment is required, which means a judgment from the Administrative Court of Appeal. The time required to complete judicial proceedings up to this court may well be ten years or more. So, because of this, cancellation and revocation is quite difficult in Greece.

#### §10. TRADEMARKS BECOMING A COMMON PLACE

463. Sometimes famous trademarks are so much successful and influential, that are almost matching with specific products, in the sense that consumers use to identify the trademark with the product. This represents a great risk to trademark owners, because in such a case the trademark becomes a common place, that is the trademark instead of being the name of one product, it becomes a generic term describing the whole class of this product. Recently the mark WALKMAN owned by Sony was tested before Greek courts for becoming a common place describing portable audio devices, but escaped being cancelled on this ground. If a registered trademark becomes a common place, it can be cancelled (deregistered). However, cancellation is not automatic; instead, it requires someone to file an application for cancellation, which is reviewed by the Trademarks Committee and on appeal by the Administrative Courts and has to lead to a final court judgment.

464. The following should be noted in connection to the prerequisites that must be fulfilled, so that a trademark become a common place and be open to cancellation on this ground:

465. (a) Passive conduct on the part of the proprietor. Objective conditions need to be fulfilled so that the above-mentioned ground of cancellation will apply. In particular, the law requires evidence that the respective trademark has become a mark commonly used; however, in addition to this, there must be some passive or pathetic conduct on the part of the trademark owner. This means that such common use of the mark should be attributed to the inactive and pathetic conduct of the proprietor himself. Hence, common use of a trademark cannot be substantiated where there is evidence that the proprietor has exercised his rights under the law and has lodged the available legal remedies against third parties who infringed his right upon his registered trademark<sup>338</sup>.

466. (b) In case of doubt, the registered trademark shall remain registered and the proprietor shall retain his rights. It is quite rare and uncommon for a registered

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338. Administrative Trademarks Committee 4213/1972, *EEmpD* 1973, 442; First Instance Administrative Court of Athens 3224/1990, *EEmpD* 1990, 520; First Instance Administrative Court of Athens 13939/1998, *DEE* 1998, 871; M. Moumouris, *Trademark Cancellation*, 190 (Athens, 1967 (in Greek)).

trademark to become degraded into a mark of common use. This also amounts to an exceptional restriction to freedom of competition, because an absolute right upon a trademark becomes degraded into a common term and as a result it prejudices one of the fundamental principles of freedom of competition: i.e., the origin function and the ability to distinguish between goods that originate from different undertakings. In practice, when a registered trademark is rendered a term available for common use, then third parties (i.e., competitors with no authorization to use such trademark) are allowed to use it and to capitalize on its reputation, despite that such reputation was built up by the original trademark proprietor, who has invested in long-term and expensive advertising campaigns and has undertaken effective marketing efforts and strategy. Consequently, legal literature concludes that cancellation of a registered trademark due to falling into common use must be substantiated by strong evidence beyond any reasonable doubt. In case of doubt, the respective trademark should not be cancelled and the proprietor should retain his legal rights upon such<sup>339</sup>. In this respect, indirect or hypothetical conclusions and inferences cannot be regarded as adequate evidence. The trademark owner does not bear the burden to prove that his registered trademark has not become of common usage.

467. (c) Indications performing an advertising function have not fallen into common use. When a registered trademark has fallen into common use, this means that consumers are not able to describe the respective class of products without making use of the trademark. However, if consumers make use of the trademark for the ease of reference only and not because it is impossible to them to describe otherwise the class of the respective products, this does not render the trademark a common place or a term of common use. For the same reasons, trademarks, which perform a strong advertising function and possess a high advertising value are only rarely and exceptionally cancelled on this ground. In many cases, a trademark enjoys a very strong appeal to and recognition by consumers, because either other manufacturers do not produce equally competing products (i.e., products of equally high quality), or products originating from other competitors fail to take any considerable market share by reason of the excellent quality of the products that the respective trademark proprietor trades with, or the production of the respective goods thereby distinguished is based on the commercial exploitation of a registered patent, which the respective trademark proprietor is entitled to use exclusively and, hence, no competing products may exist due to legal reasons, or the trademark proprietor was the first to introduce into the market a new product that did not exist and was not available in the market beforehand. In all these cases, it is difficult to identify whether a trademark has fallen into becoming a common place, since consumers continue to identify the respective trademark with the particular product thereby distinguished and its features and qualities. In other words, in all these cases 'common use' of a trademark must be attributed to its wide recognition, market establishment and huge success. The following trademarks are indicative examples of this: WALKMAN (used by Sony for portable audio devices), NESCAFE (used for instant coffee), JEEP (used

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339. N. Rokas, *Trademarks Law* (Athens, 1978 (in Greek)).

for SUV vehicles), ASPIRIN (used for paracetamol pain alleviators), MICKEY MOUSE (used for comics addressed to children), CELLOFAN (used for a thin, transparent sheet made of regenerated cellulose used to food packaging), TEFAL and TEFLON (used for glass non-stick cookware equipment) or PYREX (used for thermal shock resistant borosilicate glass cooking equipment). Especially in the field of electric appliances, technological developments allowed the production of totally innovative products and devices, which are, however, manufactured and produced by a single producer, such as the IPOD device of Apple Inc., or the BLACKBERRY device. It is totally clear that all the above indications cannot be classified as marks of common usage, despite their huge success in the market. The fact that consumers use such trademark for the ease of reference in common parlance and in order to describe a particular product or class of products is not sufficient for rendering such trademark into a mark of common use, since it is not evident that consumers fail to identify such trademark as the trademark owned by a particular undertaking that distinguishes the latter's products. On the contrary, a trademark is degraded into a common place, where consumers use this particular trademark (term or indication) in order to describe (or refer to) a particular class of products, because there is no other available term bearing the same conceptual meaning as the mark that they use and not by reason of the excellent quality of the goods originating from the respective manufacturer.

468. (d) Common use must be general and absolute by reference to the totality of consumers. A high percentage of consumers may identify a particular trademark with a particular class of products and may have been using this particular trademark in order to describe (or refer to) a particular class of products, because there are not able to identify and use any other available term or indication bearing the same conceptual meaning. However, this is not sufficient to render such trademark into a common place, if an equally high and important percentage of consumers is able to distinguish the general trade name of the respective product from the respective trademark and perceives the trademark as an indication that declares that specific products originate from a particular undertaking and bears a number of qualities and features<sup>340</sup>.

469. (e) It is consumers' perception that is crucial. The perception of consumers is far more important than the one of competitors or distributors or other retailers; after all, the fall of a trademark into a common place and its cancellation on this ground would perfectly serve the interests of such competitors.

470. The Greek courts have rejected applications to cancel the following trademarks on the ground of becoming a common place: CHLORINE<sup>341</sup>, ASPIRIN<sup>342</sup>,

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340. N. Rokas, *Trademarks supra*, at 62; B. Antonopoulos, *supra*, at 412.

341. SMCFI of Athens 8784/2003, *DEE* 2004, 273.

342. Trademarks Committee 4213/1972, *EEmpD* 1972, p442.

OLYMPIAKOS (a popular Greek football club)<sup>343</sup>, BLANCO for correction fluid<sup>344</sup>.

#### §11. LIKELIHOOD OF CONFUSION

471. Likelihood of confusion can be described as the very basic concept of trademark law. Likelihood of confusion is the criterion for providing two different types of legal protection to trademark owners: (a) protection against subsequent trademark applications in the context of the administrative procedure for trademark registrations and (b) protection against trademark infringement (i.e., imitation or falsification) before the civil courts. At the same time, likelihood of confusion is one of the more confused and diversified legal concept. A theory trying to explain this confusion and diversification is the following: trademark infringement appears in very many different forms; counterfeit goods is a classic form of trademark infringement. However, with the lapse of time trademark infringement has developed into very many different and more sophisticated forms; one example is 'look alike' products copying the colour combinations of a well known product with different word elements. As the types of trademark infringement became more diversified and sophisticated, courts and legal literature attempted to adapt the concept of likelihood of confusion to such new types of infringements. As a result, the concept of likelihood of confusion was interpreted broadly and was supplemented with similar concepts, such as likelihood of association, after sales confusion. Hence, sometimes one cannot draw a clear and straightforward line among likelihood of confusion, likelihood of association, or even dilution. This diversification and confusion can be explained only on the basis of historical developments of the law and any attempt to develop more concrete and clear conceptual criteria to describe the differences among the various types of likelihood of confusion and the various expressions used to describe it.

472. The following principles are usually applied in connection to likelihood of confusion:

473. (a) Tests for likelihood of confusion. The traditional test for likelihood of confusion is one comprising of a comparison at two levels, i.e., comparison of the marks and comparison of the respective good or services in connection to which the marks are used. The EU law introduced a so-called multifactor test, which takes into account various other factors. Among these factors, those that seem to be more important in practice are the channels of distribution, the expertise of consumers to

343. First Instance Administrative Court of Athens 13939/1998, *DEE* 1999, 871; according to this judgment, a registered trademark is degraded and becomes an indication of common usage not only where third parties use it, but also where the trademark proprietor has abandoned it permanently and has stopped using it long ago.

344. First Instance Administrative Court of Athens 3224/1990, *EEmpD* 1990, 520; according to this judgment, a registered trademark is degraded and becomes a common place when the trademark proprietor does not take legal action against third parties who infringe his rights by making unauthorized use of such trademark.

which the respective goods or services are addressed, the level of use and advertisement of a mark and the time of prior use and advertisement, the intent of the party using the subsequent mark (i.e., whether the intent was to copy the earlier mark, or whether there are other reasons to use the particular mark which are justified on an objective basis), etc. Greek courts usually apply in practice the traditional test; however, the multifactor test is not expressly rejected. Usually courts come to a satisfying conclusion by applying the traditional test and do not feel it is necessary to examine and take into account factors other than the comparison of goods and services. However, it is true that there is one factor which is usually applied by the courts and proves to be decisive in court practice: this is the 'expert consumers' factor.

474. (b) Expert consumers. According to long established case law, likelihood of consumer is remote or impossible in case of goods or services addressed to expert or sophisticated consumers, such as enterprises making use of commercial banking services (i.e., not including retail banking which is addressed to consumers). The same may apply those pharmaceuticals which are obtained only on the basis of a medical prescription issued by a doctor<sup>345</sup>.

475. (c) Average consumer. Another established principle is that likelihood of consumer is appreciated in view of the average consumer. It is usually reported in court judgment that the average consumer is someone who does not have the two marks readily before him, so as to be able to make a direct comparison. Instead, consumers usually only remind of the earlier mark, so, what is decisive is the memory of the average consumer about the characteristics of the earlier mark and such memory is considered to be inaccurate<sup>346</sup>. This view makes it easier to establish likelihood of confusion.

476. It is true that due to influence by the EU law, it is recently submitted that the average consumer is 'reasonably well informed and circumvent'. This would seem to suggest that consumers are aware even of slight differences among marks and are able to perceive the original marks from those imitating them. If the above phrase is to be applied literally, there will simply be no place for likelihood of confusion. It is true that sometimes Greek courts have applied this concept about the average consumer; however, these cases related to facts where it was evident that likelihood of confusion could not be established for other reasons. In most cases where this concept of well informed and circumvent consumer was adopted the main problem was that the registered trademark that sought legal protection was a rather descriptive one and there were many concerns whether it should have been registered in the first place. So, it seems that the idea of a 'well informed and circumvent consumer' is an attempt to strike a balance of fairness in cases where marks that are rather descriptive or generic have achieved registration. Finally, it is

345. AP 1780/1999, *EEmpD* 2000, 804, SMCFI of Athens 10126/2001, *EEmpD* 2002, 161.

346. CA of Athens 2461/2006, *EEmpD* 2006, 740, 1088/2010, vol. 2010, 1057, Council of State 1180/2010, *EEmpD* 2010, 737.

to be mentioned that it is also submitted that the term 'reasonably' in the above phrase means 'to a limited extent'.

477. (d) Overall impression. The conclusion as to whether likelihood of confusion is established in each particular case should be based on the 'overall impression' created by the respective mark<sup>347</sup>. The 'overall impression' principle can be used either to establish or to reject likelihood of confusion. So, in some cases courts conclude that although there are certain similarities among the marks, the overall impression is, though, different and likelihood of confusion is not established; while, in other cases the judgments hold that the differences noticed among the marks are not adequate to deter and exclude the confusion created by their overall impression. So, it can be argued that the 'overall impression' principle is not really of much assistance, as it does not provide a safe and useful criterion to determine whether likelihood of confusion is established or not in each case.

478. (e) The double identity principle. As per recital 11 of EU Dir. 2008/95:

The protection afforded by the registered trade mark, the function of which is in particular to guarantee the trademark as an indication of origin, should be *absolute* in the case of identity between the mark and the sign and the goods or services. The protection should apply also in the case of similarity between the mark and the sign and the goods or services. It is indispensable to give an interpretation of the concept of similarity in relation to the likelihood of confusion. The likelihood of confusion, the appreciation of which depends on numerous elements and, in particular, on the recognition of the trademark on the market, the association which can be made with the used or registered sign, the degree of similarity between the trade mark and the sign and between the goods or services identified, should constitute the specific condition for such protection.

According to this recital, in case of identity of marks and identity of goods (double identity) trademarks are granted absolute protection, i.e., they are considered to be absolute rights (something like the right of property over land). So, anyone occupying himself in any way with the trademark of another, commits an infringement, even in the absence of any likelihood of confusion caused to consumers. According to Greek legal literature, in such cases there is a presumption in favour of likelihood of confusion, which cannot be rebutted, or, according to another view, in such cases the law concludes that there is likelihood of confusion and does not permit the parties involved to challenge this conclusion<sup>348</sup>. This view is supported by the letter of the law in Article 4(1)a of EU Dir. 2008/95, as well as by Article 16(1)2 of the TRIPS Agreement. However, save for this exception of double identity cases, in all other circumstances likelihood of confusion is a matter of fact and has to be proved by the claimant (i.e., the trademark owner).

347. AP 751/1995, DEE 1996, 255, and 1123/2002, EEmpD 2002, 87.

348. M. Marinos, *Trademark Law*, 170 (Athens, 2007 (in Greek)), N. Rokas, *Industrial Property*, *supra*, at 120 (163 in 2004 edition), B. Antonopoulos, *supra*, at 437.

479. (f) Comparison of marks is assessed on the basis of their visual, oral and conceptual similarity. That is one examines, how marks look like, how they are pronounced and what is their respective meaning (if they have a certain conceptual meaning and are not purely imaginary). Although in past decades it was usually argued that oral similarity is more important than visual, because consumers usually ask for the products by their respective names (orally), it seems that this is ante dated nowadays; in modern markets consumers usually pick up products by themselves from the shelves of a supermarket and make a choice based on the visual characteristics of products. There is no doubt, though, that conceptual similarity is of primary importance. If there are two word terms that have the same meaning (i.e., TORNADO and TYFOON) they should be regarded confusingly similar, even though they look quite different and are pronounced differently<sup>349</sup>.

480. (g) Comparison of goods or services is mainly based on the respective circle of consumers to which the respective goods or services are addressed. For example, fashion clothing, cosmetics, jewellery are not directly competitive, but they are addressed to the same consumers and they are confusingly similar in this sense. The circle of consumers is the more important criterion in determining the similarity of goods and services. Another factor that can be taken into account is whether the goods are directly competitive or not (i.e., whether increase of sales of one product could reasonably lead to reduction of sales of another). From this point of view coffee and tea are regarded to be confusingly similar in this sense. The main substance from which the products are made in may also be material. For example cheese, milk, yogurt and ice cream are all made from milk and are confusingly similar because of this, although not directly competitive (i.e., someone who is willing to buy milk will never be confused so as to buy yogurt). The consumer need that products or services satisfy may also be taken into account; i.e., chocolates, biscuits, ice creams, cereals are all foodstuffs and are confusingly similar. Furthermore, foodstuffs and non-alcoholic beverages are all nutritional goods and are again confusingly similar.

481. (h) In case of marks combined by multiple elements, i.e., words and figurative elements, courts usually attempt to find out if there is one element which is prevailing and material. If there is, the comparison is based mainly on the prevailing elements of each mark. In similar cases, elements which by themselves alone are only descriptive, generic, or commonly used are not taken into consideration. Finally, according to one view, in case of marks consisting of both figurative and word elements, word elements are more important and prevailing from the point of view of likelihood of confusion. This view, however, should be applied very cautiously, because the prevailing importance of word elements against figurative elements does not seem to be always the case in modern markets.

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349. AP 1254/1994, *EEmpD* 1995, 703 found the terms BACARDI and BRICANTI to be confusingly similar. MMCFI 585/2010, *EEmpD* 2010, 180 found confusingly similar the word mark GIANT and a figurative mark consisting of the picture of a giant.



482. (i) Look alike products, protection of colour and trade dress. A great number of cases relate to the situation of the so-called 'look alike' products. 'Look alike' products are products which copy the colour combinations and the drawing and artistic elements of the packaging of one another, but use different word elements. The legal issues arising in connection to 'look alike' products are protection of colours and colour combinations as well as protection of trade dress. As a general remark, it should be emphasized that Greek jurisprudence on both protection of colours and trade dress protection, should not be regarded as a reliable precedent that could make predictable the final outcome of a prospective future litigation. This is mainly because such cases have been decided on the basis of the 'overall impression doctrine' and on the basis of their respective facts, which are always particular to each case. On the issue of protection of colours, there seems to be no positive precedent from Greek civil courts in favour of protection of colour as such (i.e., not taking into account other figurative and pictorial elements or words) under either trademark, or unfair competition law. On the contrary, the only case that seems to have dealt with this issue has been decided against the protection of colour alone. This was the case of 'Petro gas' liquid gas for home use, which was traded in blue collared cylinders and whose colour was copied by 'Vitom gas'. The plaintiff's legal action was rejected in both the first instance and the appeal court. The Supreme Court reasoned that copying of colour should be assessed in the context of the 'overall impression' doctrine;<sup>350</sup> in other words, the other figurative or word elements as well as the overall packaging and appearance should also be taken into account in order to determine whether there is any likelihood of confusion or association, unfair resemblance or dilution. The Court, however, noted that copying of the colour alone could suffice to establish likelihood of confusion, if on the evidence it was found that it is the colour which is the prevailing element of the whole packaging and appearance of the product and if it could be proved that copying of the colour alone could attract the attention of consumers.

483. There are numerous judgments in favour of trade dress protection under both trademark and unfair competition law. As a matter of fact, there is a strong recent trend in favour of trade dress protection and protection of the shape and the packaging of products. One important court precedent is the 'sliced toast bread case'. The case related to products (i.e., sliced toast bread) with similar packaging. In this case the court emphasized that one of the main elements copied by the defendant was the basic overall colour of the packaging. The Court found that the basic overall colour was prevailing in the overall impression of the packaging. However, in this case, the defendant had also copied the colour combination, as well as other figurative and word elements used by the plaintiff and this may reasonably had an impact on the final ruling of the court<sup>351</sup>. In the case of Camper Twins Shoes<sup>352</sup> the Court granted trade dress protection under unfair competition law to the red packaging and design of 'Camper twins shoes'. It is important that the court emphasized that the red packaging of the shoes was characteristic for 'camper twin shoes' and

350. 399/1989, *EEmpD* 1990, 144.

351. SMCFI of Athens 1265/2005, *EEmpD* 2005, 628.

352. SMCFI of Athens 6778/2004, *EEmpD* 2005, 634.

was therefore protected as such. Another important point in this judgment was that the court found that the red camper packaging had become distinctive, due to intense advertisement, although it circulated in the market only for a short period of time (two years). However, in this case, again, the defendant had copied the camper shoes design as well, and this may reasonably have had an impact on the final court's judgment. In the Toblerone case<sup>353</sup>, protection was granted to Toblerone's chocolate shape and packaging. Although the word elements were different in the products compared and although certain pictorial elements were different as well, the court found that likelihood of confusion was established mainly due to the copying of the triangle shape of the product, which was found to be characteristic for Toblerone chocolate. In judgment 1687/2004, issued by the CA of Appeals<sup>354</sup>, (the Nescafe case) the court granted protection to the NESCAFE CLASSIC overall packaging and colour combination that were copied by another manufacturer.

484. (j) Another well-established rule which is much applied by the courts is that there is likelihood of confusion when the earlier mark is reproduced as such in the later mark. The situation is well illustrated by the CFI judgment<sup>355</sup> in the case of the mark ARTHRUR and ARTHRUR ET FELICIE, which were found to be confusingly similar.

485. After sales confusion: According to traditional legal theory, the likelihood of confusion is relevant to a consumer who buys falsified or imitating (counterfeit) goods; this is – after all – the type of likelihood of confusion most commonly encountered. However, a trademark may be also infringed, where the purchaser of a product is aware that it is a counterfeit one, but other people, who shall see the particular item, are likely to be confused and deceived as to its quality and are likely to be discouraged from purchasing it themselves. As a result, according to modern legal theory, in order to assess the existence of likelihood of confusion, one should take account the positive or negative impression that the respective product makes to prospective buyers/customers, who are likely to come across the particular product bearing the conflicting indications (which the particular buyer purchased knowing that it is a counterfeit one). The latter constitutes what is usually called 'after sale confusion'. Hence, it is important to identify not only whether the purchaser himself could possibly be confused at the time of purchase, but also whether confusion may also affect other consumers, who encounter such product at a later stage in time. After sales confusion is also actionable.

## §12. FAMOUS MARKS AND DILUTION

486. A peculiarity of Greek court jurisprudence is that it requires additional prerequisites for a trademark to be considered as a famous one. In particular, although famous trademarks are usually considered to be those enjoying an increased

353. SMCFI of Athens 1478/2005, unreported.

354. *EEmpD* 2005, 623.

355. CFI T- 346/04. In this context see also Council of State 2394/1994, unreported finding that the marks PINOCIDE and DELTA PINOCIDE are confusingly similar.

awareness by consumers, i.e., those that are easily recognizable by consumers, the Greek court precedents require, in addition to increased awareness, that the mark is a unique one, that consumers share a positive attitude in connection to it and that the mark does not consist of a sign which is commonly used in the course of trade. In this context, the mark APPLE was considered not to be a famous one by Greek courts, on the ground that it was not unique and that it consisted of a common vocabulary word<sup>356</sup>.

487. For many decades protection of famous marks in Greece was deduced only to the administrative procedure for obtaining trademark registration. Foreign famous marks were protected on the basis that should a local party apply in his name for a mark that was already famous abroad, this was considered to be a trademark application in bad faith and legal protection was granted through opposition or cancellation proceedings.

488. It was only until about 2010 that the Greek civil courts began to issue judgments granting legal protection against infringement on the grounds of dilution. So, during the past years there are judgments from the first instance courts applying the doctrine of dilution as set by Article 4(3) and 5(2) of the EU Directive 2008/95<sup>357</sup>. As a matter of fact, these judgments are inspired by recent ECJ case law, such as the cases of ADIDAS/FITNESSWORLD<sup>358</sup>, INTEL<sup>359</sup>, L'OREAL<sup>360</sup> and TDK<sup>361</sup>. These cases developed very much the concept of free riding, which is now considered to be a characteristic case of trademark dilution.

489. In order to establish fame and reputation, one has to produce evidence of long and strong use and advertisement. This would include published advertisements in the press, invoices evidencing transactions, but even market survey reports which are also an acceptable means of evidence under the rules of Greek civil procedure. Currently, there is a recent trend of increased use of market survey reports in Greek court practice.

#### §13. PARALLEL IMPORTS, EXHAUSTION AND PROTECTION OF DISTRIBUTION NETWORKS

490. Regarding parallel imports Greece applies Article 7 of EU Directive 2008/95, which is reproduced by Article 128 of Greek law 4072/2012. Parallel imports

356. SMCFI of Athens 9077/1992, *EEmpD* 1992, 661.

357. See MMCFI of Athens 585/2010, *EEmpD* 2010, 180 and 5610/2010, *EEmpD* 2010, 978, which both adhered to the conclusion on free riding drawn by the ECJ judgments in the cases of INTEL and L'OREAL.

358. ECJ, 23 Oct. 2003, C-408/01 which has been followed by the judgment of AP 1030/2008, *EEmpD* 2008, 891. These cases clarify that the test for dilution is not the same as for likelihood of confusion, but a more loose and relaxed one, allowing a greater level of protection for famous marks.

359. ECJ, 27 Nov. 08, C-252/07.

360. ECJ, 18 Jun. 09, C-487/07.

361. ECJ, 12 Dec. 08, C-197/07.

qualify as a trademark infringement, if the imported goods have not been put in the market of a Member State of the European Economic Area (EEA)<sup>362</sup> by the trademark owner, or with his consent. Greek courts apply strictly the jurisprudence of the ECJ on all aspects of parallel imports and particularly in connection to what qualifies as 'consent' on the part of the trademark owner and allocation of burden of proof. The judgments usually support the view that one of the powers arising from trademarks is the power of the owner to be the first who will place the goods bearing the mark within the market of the EEA<sup>363</sup>. Once the trademark owner has exercised this power, the respective trademark rights are exhausted; Greece applies strictly the community exhaustion theory introduced by the ECJ in the *Silhouette* case<sup>364</sup>. As a result, goods imported from non Member States of the EEA are in principle suspect of qualifying as illegitimate parallel imports.

491. In certain cases Greek courts have also applied Article 7(2) of the EU Directive 2008/95, which is reproduced by Article 28(2) of L. 4072/2012. According to this provision, it may be possible that parallel imports originating from Member States of the EEA qualify as trademark infringement, if there are legitimate reasons for the proprietor to oppose further commercialization of the goods, especially where the condition of the goods is changed or impaired after they have been put on the market. Greek courts applied this provision in cases where the imported goods were of different quality and different characteristics than those traded in Greece. Sometimes the goods traded in one country are of different quality and characteristics than those traded in other countries, because they are adapted to the particularities of each market in terms of climatological conditions, or in terms of consumers' tastes<sup>365</sup>.

492. In another class of cases, trademark rights have been successfully used by trademark owners, in order to protect their distribution networks against independent traders and parallel importers in particular. In these cases trademark owners alleged that independent traders have been infringing their trademarks in making use of their advertising power and their reputation. In such cases, an independent trader, who was usually a parallel importer of goods from another EU Member State (i.e., legitimate parallel imports) was using the trademark of the imported goods in advertisements, promotional materials, or in its premises, in order to let the public know that he is offering the respective goods for sale. Most of the Greek court judgment dealing with such circumstances apply Article 6(1) of EU Directive 2008/95 (i.e., Article 126 of L. 4072/2012) and the ECJ jurisprudence in the *BMW*<sup>366</sup> or the *Dior/Evora*<sup>367</sup> cases. The position of the ECJ in these and other similar cases is that an independent trader can make use of the advertising power of a trademark, in order to let the public know that he is offering certain goods for sale, so long as the

362. EEA consists of the EU and Iceland, Norway and Lichtenstein.

363. MMCFI of Thessaloniki 699/2011, *EEmpD* 2012, 168, CA of Patrae 1058/1998, *DEE* 1999, 860.

364. ECJ, 16 Jul. 98, C-355/96, *Silhouette v. Hartlauer*.

365. SMCFI of Chania 2410/2003, *EEmpD* 2004, 628, MMCFI of Piraeus 1735/2012, *DEE* 2012, 750, MMCFI of Thessaloniki, 8031/2005, *EEmpD* 2005, 390.

366. ECJ, 23 Feb. 99, C-63/97.

367. ECJ, 4 Nov. 97, C-337/95.

type of advertisement is not detrimental to the reputation of the trademark; the latter depends on whether the type of advertisement in each case is similar to the advertisement customarily made by other traders in this market. For example, for foodstuffs or detergents and other products usually traded in large supermarkets, it is customary to advertise through printed materials, like leaflets, etc.; this is not customary, however, for jewellery, watches, or other similar products. Unfortunately, the jurisprudence of Greek courts is not that sophisticated and does not really concentrate on the customary type of advertisement in each market. Instead, Greek courts usually conclude that an independent trader is allowed to make a limited use of the advertising power of the trademark, but not an aggressive, or even a very impressive use of its reputation. So, in most cases Greek courts conclude that an independent trader cannot really use the trademark as an advertisement tool and that such an advertising use of the trademark qualifies as an infringement and as an act of unfair competition<sup>368</sup>.

#### §14. ASSIGNMENT

493. Trademark assignment is governed by Article 131 of L. 4072/2012, as amended by L. 4155/2013. Trademark applications and trademark registrations can be assigned. Such assignment can be independent of the assignment of the business undertaking that is the owner of the mark; so, transfer of business is not a prerequisite for trademark assignment, and, hence, it is possible for a business entity to assign its trademarks to another entity and continue to carry on its business under another mark<sup>369</sup>. Since transfer of business is not a prerequisite for trademark assignment, it follows that such assignment can lead to deception of the public, in the sense that consumers who come across products bearing the transferred trademark may believe that such products originate from the assignor and may be unaware of the assignment. The law tolerates this likelihood of deception, because it is assumed that it only a matter of time for consumers to notice any modifications that the assignee may bring about in the quality and other characteristics of the product. So, consumers are supposed to adapt themselves to changes of quality caused by trademark assignment.

494. A trademark (application or registration) can be assigned even if it consists in the name of a natural person or the corporate name of a legal entity.

495. Trademark assignment can be for all or only part of the goods or services in connection to which the mark is applied for or registered<sup>370</sup>.

496. Unlike the old law (i.e., L. 2239/1994), the new law (i.e., L. 4072/2012, Article 131(3)) provides that the assignment should be in the form of a written deed. Hence, an oral agreement to assign a trademark is not enforceable.

368. CA of Athens 4273/2010, *DEE* 2011, 183, MMCFI of Athens 6989/2003, *DEE* 2004, 653.

369. AP 606/2005, *EEN* 2005, 739.

370. Trademarks Committee 13360/2003, *EEmpD* 2004, 168.

497. Trademark assignment should be recorded with the trademarks' registry. This registration of the assignment is not a legal prerequisite for its effects and legal consequences between the assignor and the assignee. Between the parties (i.e., assignor and assignee) the assignment occurs when a written agreement is executed, that is the legal effects of the assignment occur even before its registration with the trademark registry. However, registration of the assignment is a prerequisite, so that the assignment brings about legal effects towards third parties. So, unless the assignment is recorded with the trademark registry, it cannot be invoked by either the assignor or the assignee against third parties.

498. So long as the law permits the assignment of a trademark, it is derived that it is also possible to pledge it. Moreover, a creditor may arrest a trademark application or registration and cause a public auction by way of enforcement proceedings.

#### §15. LICENSING

499. Trademark licensing is governed by Article 132 of L. 4072/2012, as amended by L. 4155/2013. Licensing can be for all or only part of the goods or services specified in the trademark registration. In addition, the license may refer to either the whole of Greece, or only a part of the country and may be of an indefinite duration or for a fixed term. It can be an exclusive, or non-exclusive one. It is also possible to grant the right to sub-license, but this has to be started expressly in the license agreement.

500. The law provides that trademark licenses should be recorded with the trademark registry. It is the owner of the trademark (licensor) who is responsible to arrange for the registration of the license, but the licensee can also take action on his own initiative, if properly and specifically authorized to do so by the licensor.

501. Licenses that are not registered are not invalid or unenforceable. They bring about legal effects between the contracting parties; however, they cannot be invoked towards third parties and have no legal consequences vis a vis third parties. As a result, if a license is not registered and the licensor does not make any use of the mark on its own (i.e., it is only the licensee using the mark), then a third party may seek the cancellation of the mark for non use. The licensor will be unable to prove use of the mark through licensing, since an unregistered license cannot be invoked towards third parties. On the contrary, a non-registered license qualifies as use of the mark in the relationship between the licensor and the licensee. Greek courts have dealt with applications by third parties to cancel trademarks that were used under a non-registered license several times; in such cases the licensor is unable to prove use through licensing and most of these cases finally lead to cancellation for non use. However, a registered license qualifies as use of the mark and prevents cancellation for non use.

502. The registration of the license is carried on by the Registry; there are no substantive law prerequisites, such as that the license cannot lead to deception of the public, or that the licensor should retain quality control over the products, etc.

503. It is usually submitted that under Greek law only trademark registrations (not trademark applications) are subject to licensing. This is true and correct so long as it is possible to register with the trademark registry a license for a registered trademark, while it is not possible to register a license for a trademark application, which has not been registered yet. However, a trademark application is not a trademark and has the status of a non-registered distinctive sign, if used in the course of trade. Such a non-registered mark which is used can be either assigned or licensed under common civil law, according to the principle of freedom of contract. So, licensing of a trademark application, is equal to licensing of a non-registered mark, which is legally possible, but it is a transaction which is not registered with the trademark registry.

504. If a license is registered, the licensee can invoke by himself trademark rights (i.e., seek legal protection against trademark infringement) against third parties, even in the absence of the licensor, if this has been expressly agreed in the license. In case of an exclusive license, however, the licensee is entitled to seek legal protection against third parties, even if the license is silent on this matter and it is only if the license expressly provides otherwise that the licensee of an exclusive license cannot invoke trademark rights against third parties.

505. The law provides that a license is cancelled and deleted from the registry, if the licensor submits an application to this effect. Although this is a much disputed and unsettled matter, the correct interpretation of this provision seems to be that it is compulsory law that cannot be derogated by contract that the licensor can always terminate the license at any time, without the need to invoke any serious cause. The justification for this is that the trademark owner has the responsibility to secure the quality of the products towards consumers. In case of a termination which is not justified on its merits, the licensor will bear liability for damages towards the licensee.

506. The old law 2239/1994 allowed parallel registration also. Parallel registration was of similar effects to licensing. The new law 4072/2012 considered that parallel registration was not different from licensing and abandoned and abolished the respective provisions on the assumption that it was not necessary to have both parallel registration and licensing.

#### §16. REMEDIES AND EVIDENCE

507. The main remedies in case of trademark infringement under Greek law are a court cease and desist order and damages. A cease and desist order can be issued even in the absence of fault on the part of the defendant. This means that the defendant may be obliged to suffer a cease and desist order, even if he was not aware that the goods he was trading were infringing goods. Damages, however, are awarded

always only if fault (i.e., either negligence or intent) can be established. In addition to damages, courts are allowed to award moral (i.e., psychological) damages, because trademark infringement qualifies as a tort, and torts can always invoke moral damages. Under Greek court practice, damages are only rarely awarded or even invoked by claimants, because of the difficulty to prove the volume of the loss suffered and to make a proper and convincing quantification of it. So, moral damages are usually awarded. Courts have discretion as to the volume of moral damages they award. Usually, the judgments range between EUR 10,000 and EUR 30,000, depending on the financial position of the defendant and on whether intent for infringement can be established.

508. It is to be mentioned that a cease and desist court order may also include an order to seize counterfeit goods and the machinery used to produce them, or an order for their destruction. In addition, a cease and desist order is usually accompanied by an ancillary order compelling the defendant to a civil fine in case that he violates the court order. The volume of this fine ranges between EUR 3,000 and EUR 10,000. Moreover, the court in case of violation of the cease and desist order may issue a judgment for the imprisonment of the defendant up to one year.

509. Since ordinary judicial proceedings are quite long in Greece (i.e., it may take about five years to obtain a judgment from the first instance court), trademark protection is usually sought on the ground of provisional court measures and summary judgment. Such proceedings can lead to a cease and desist court order; they cannot, however, lead to an award for damages or moral damages.

510. Greece has also implemented and applies the EU enforcement directive 2004/48. This has very much facilitated proving infringement and obtaining provisional court orders. However, the provisions of the Directive are applied taking into account the factor of proportionality to which Greek courts pay much attention.



## Chapter 5. Trade Names / Company Names and Other Distinctive Signs

### *Ch. Chrissanthis*

#### §1. LEGISLATIVE PROVISIONS

511. In addition to trademarks, other distinctive signs are also used by merchants in the course of trade. Such distinctive signs may consist in company names, distinctive titles and other non-registered marks. Unlike trademarks, where rights are acquired through registration and irrespective of use, rights over distinctive signs are acquired through use only and irrespective of registration.

512. It is usually stated that distinctive signs are protected under the law of unfair competition and that there is no specific legislation. It can be argued that this is only half true. In Greece, the law on unfair competition is L. 146/1914. Article 1 of the law contains a general clause on unfair competition. Article 1 prohibits any competitive behaviour which is contrary to good faith, it is carried out in the course of trade and it is destined to have an impact on competition. So, under Article 1 there are four prerequisites that need to be fulfilled in order to establish the tort of unfair competition, that is: (a) competitive behaviour, (b) conflict with good faith, (c) behaviour in the course of trade, and (d) intent to affect competition. However, Article 13 of the same law provides for a special tort of infringing non-registered distinctive signs. The prerequisites of this tort are different from those of Article 1. In particular, the prerequisites of Article 13 are: (a) that there must be a right over a distinctive sign and (b) that there must be likelihood of confusion; dilution is also regarded to be covered under Article 13 of L. 146/1914 according to a broad interpretation of the concept of likelihood of confusion.

513. The main difference among Articles 1 and 13 is that the former is interpreted to include a prerequisite of a competitive relationship, that is, that the parties in litigation are in some sort of competition. Under Article 13 this prerequisite does not exist, although, of course, in assessing likelihood of confusion among distinctive signs, one has to take into account if there is a competitive relationship or not. Still, however, the prevailing view is that Article 13 provides a better ground for protection of distinctive signs than Article 1. In this sense, it can be argued that Article 13 forms a special legislative regime for the protection of distinctive signs, which deviates from the general principles of the law on unfair competition<sup>371</sup>.

514. Other legislative provisions on company names in particular are Articles 4 et seq. of L. 1089/1980, as well as Article 8 of the Paris Convention. Articles 4 et seq. of L. 1089/1980 refers to the registry for company names. Although there is a registry for company names, company names are truly only filed and not registered.

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371. N. Rokas, *Industrial Property*, *supra*, at 168.

This means that the examination process that the registry for company names carries in order to allow filing is much more relaxed than that of the trademark registry. The target of the company names registry is to provide for a fast process for obtaining a company name filing; hence the examination is restricted only to identical prior company names and there is no real and full search for prior rights on the basis of a likelihood of confusion criterion. Article 8 of the Paris Convention provides that company names used abroad by foreigners are protected in Greece also in the same way as national company names.

515. Greek civil law also provides for an absolute right on personality. This is legislated in Article 68 of the GCC. Company names and other distinctive signs may consist of the name of a natural person. In such cases, infringement of the company name or other distinctive signs triggers into application Article 68 of the GCC also.

## §2. FORMATION OF COMPANY NAMES

516. A company name is defined to be an indication of the entity carrying on a business enterprise. From this point of view, company names are distinguished from trademarks that indicate specific goods or services manufactured or distributed by a business enterprise. So, a business enterprise is allowed to have many trademarks, at least as many as the products it produces. It can have only one company name though. So, the rule is that only one company name is allowed per business entity. Company names are further distinguished from distinctive titles. Distinctive titles were originally supposed to operate, and continue to operate till today, as indications and identifications of branches of the same enterprise; a business enterprise can have five or more different distinctive titles, one for each of its branches. For example, a business entity active in the restaurant business, operating five restaurants, can have five different distinctive titles, one for each restaurant. Of course, from the marketing point of view, today's marketing trends are oriented towards having one single distinctive title for all branches, that is, to operate a large chain of stores under the same distinctive title, which is of course permissible and legitimate. In modern times, distinctive titles have a different operation; instead of acting as an indications and identifications for branches, they act as alternatives or substitutions of company names. Company names were traditionally formed according to strict rules and due to this they are not always commercially appealing. Hence, business entities prefer to use in their unofficial and non-formal commercial communications a distinctive title, instead of their company names. So, distinctive titles appear as substitutes for company names in various non-formal commercial communications, such as advertisements, etc.; they cannot be used though, instead of company names in formal communications, such as contractual documents, tax statements, etc.

517. Merchants trading as natural persons are obliged to use their own names in their commercial transactions and enjoy no other alternatives. They can use of course a distinctive title in non-formal communications. There are various types of business entities, which are not natural persons. Under Greek law, there are legal

entities of limited and unlimited liability. Until recently, the name of unlimited liability companies consisted exclusively of the name of one or more partners of unlimited liability, while the name of limited liability companies could consist of either the name of one or more of the founders, or of a word descriptive of the business activity of the company, or from an imaginary term, or from combination of the above. The justification for this was that in connection to unlimited liability companies third parties had a legitimate interest to know who the unlimited partners were and this had an impact on the formation of the company name. In 2012 there has been a substantive legislative amendment to the law of unlimited liability companies by virtue of L. 4072/2012. As a result, now in all types of companies the company name is formed by either the name of one or more of the founders, or of a word descriptive of the business activity of the company, or from an imaginary term, or from combination of the above. So, there has been a vital liberalization of the rules on the formation of company names. As a result, it is expected that the use of distinctive titles, as more appealing substitutes for company names, is likely to retreat in the future.

518. The formation of company names is also governed by some additional general principles, which are not legislated by specific provisions, but derive mainly from good faith and good commercial practices. So, a company name should not be deceptive in any way. For example, a company name including anything that could stand for some type of an illusive implication about association with a foreign entity could be regarded to be deceptive. Further, a company name has to differ from other prior company names, so as to avoid confusion. In addition, a company name remains the same even if the partners or shareholders of the company change. Finally, each entity can have only one company name.

### §3. ACQUISITION, TRANSFER AND LOSS OF RIGHTS

519. Acquisition of rights over company names and other non-registered distinctive signs is through use in the course of trade only; filing with a particular registry (i.e., the registry for company names) is for information purposes only and does not by itself grant any legal rights<sup>372</sup>. In other words, there is a prior use requirement. The justification for this, as far as company names are concerned, is rather obvious; the purpose of the filing system for company names is to make it quicker and easier to form a company, and part of this process is to file a name for the company to be formed. So, the filing system serves practical needs to avoid conflicts such as two or more companies using the same name. It is not destined, however, to carry on a thorough search for prior rights, or to grant rights which courts cannot review in the context of the judicial process; the latter applies to trademarks, where a registered trademark cannot be reviewed by the civil courts and can only be cancelled, following proceedings before the Trademarks Committee. With respect to company names, however, it is usual that one files a company name and forms a company, which never commences its business operations, though; in such

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372. AP 1529/2008, unreported.

cases, there is no acquisition of rights, so long as the company has never traded and this is reasonable, because it would amount to an unnecessary restriction of free competition to grant exclusive rights over a company name that has never been used before.

520. Acquisition of rights is dealt with by Article 13 of L. 146/1914. This provision deals with acquisition of rights over both company names, distinctive titles and other non-registered distinctive signs such as marks affixed to products, the shape of a product, trade dress, etc. The way the provision deals with acquisition of rights is indirect and rather vague. Actually, what the law provides is that a person using in the course of trade the company name or any other distinctive sign of someone else thus creating a likelihood of confusion may be ordered by the courts to cease doing so. There is much and conflicting court jurisprudence and views expressed by legal commentators as to which are the specific requirements for acquisition of rights set by Article 13. The prevailing view is the following: With respect to company names and other signs identifying the business entity itself, or its branches (i.e., distinctive titles of branches) there are two prerequisites, namely (a) distinctiveness<sup>373</sup> and (b) use in the course of trade. With respect to any other distinctive sign, i.e., non-registered distinctive signs identifying goods or services, or the shape of a product, or trade dress, the requirement is that the respective sign must have prevailed in the course of trade and must have become established as a distinctive sign identifying the products of a particular manufacturer. This requirement refers to a level of use which is higher than mere and simple use in the course of trade. So, the essence of the law is that acquisition of rights over company names and distinctive titles is easier, than acquisition of rights over signs identifying goods or services themselves. Use in the course of trade is usually defined to be any use which is genuine and actual, even if the level of such use is not high and even it has not resulted to a high degree of cognizance or awareness of the respective company name. It suffices it that it is not a merely immaterial, or spontaneous use, or a use which is not real and actual, but is only veiled, that is someone is only creating a false impression that is using a sign and is only pretending that he is using it, i.e., by making a spontaneous advertisement or so. However, the requirement of becoming established in the course of trade does not amount to reputation or fame. The level of awareness required is substantially lower than this.

521. Loss of rights over company names and other non-registered distinctive signs normally occurs when the business enterprises ceases trading, that is when use in the course of trade ceases. This is a factual matter. In many cases interruption of trading is only temporary; if it can be proved that there is a serious intent to resume

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373. For example the term 'MOTOR OIL' has been considered to lack distinctiveness and hence not to be able to enjoy protection as a company name: SMCFI of Athens 3213/1988, *EEmpD* 1988, 353. Moreover, the term 'THE SHEEPFOLD OF PELOPONESE' has also been regarded to lack distinctiveness and not to be able to be protected under Art. 13: CA of Athens 799/1988, *EEmpD* 1989, 502. Similarly, AP 1529/2008, unreported which held that the term 'LASER' is not distinctive as a company name used in connection to beauty parlor services.

business, rights are not lost. Similarly, in some cases, company names and other distinctive signs have developed a certain level of reputation (fame). So long as reputation remains, even after the use has ceased, rights are not lost. Again, this is a factual matter.

522. Transfer of rights over company names and other non-registered distinctive signs can take place only in combination with transfer of the respective business. This is one of the major differences among registered trademarks and other non-registered distinctive signs. This requirement is not expressly provided in the law, but it is introduced by legal theory and interpretation of Article 13 of L. 146/1914. Save this requirement, the assignment is not subject to any particular formalities, and does not need to be in writing.

#### §4. REMEDIES AND DEFENCES

523. The remedies in case of infringement of non-registered distinctive signs are: (a) a cease and desist order and (b) compensation for any damages incurred. Proof of damage or loss of profits is particularly difficult and due to this it is only rarely sought in practice. Instead of this, usually psychological (moral) damages are sought. However, in such a case one has to prove that the legal entity whose rights have been infringed has suffered some frustration in respect of its reputation toward its clientele and potential customers. A cease and desist order is granted irrespective of any fault on the part of the defendant; so, good faith on the part of the defendant is not a proper and valid defence, because what is more important is to avoid confusion, which is to the detriment of consumers. In connection to damages (or psychological damages) though, fault, at least in the form of negligence, is required. The law provides that the defendant is liable for damages if he was aware, or could be aware, that use on his part could possibly result in confusion. Infringement under Article 13 qualifies as a criminal offence also; so the defendant will also be exposed to criminal liability. Finally, the law provides that the court has discretion to order the arrest of infringing goods and their destruction, as well as a public announcement of the judicial order in the press at the expense of the defendant. With the exception of damages, all the above remedies can be sought under ordinary proceedings, or under summary proceedings by way of an injunction. The latter is more common in practice.

524. All defences available against an unfair competition claim are also available against a claim for infringement of non-registered marks, i.e., company names, distinctive titles, etc. Such defences include the absence of use in the course of trade. This means that the claimant must have goodwill within the jurisdiction. This is of particular importance to foreign claimants. The requirement of goodwill in the jurisdiction applies to foreign company names as well, even under Article 8 of the Paris Convention. That is, Article 8 is not interpreted to do away with the goodwill in the jurisdiction requirement.

525. Another proper defence is the 'use of own name defence'. This may prove particularly important in case of distinctive signs, or company names, consisting of, or including names of natural persons. If a company name consists of the name of a natural person, any other person with the same name will also be allowed to use it, save that it will be obliged to use it in a way that does not cause confusion. In practice, this usually means that he will have to supplement it by some additional term or other element that leads to adequate differentiation.

#### §5. CONFLICTS AMONG COMPANY NAMES AND TRADEMARKS

526. One of the major issues that repeatedly come up with the courts is conflicts among company names and trademarks<sup>374</sup>. The judgments of Greek courts on this matter are conflicting and it is difficult to identify a single line of reasoning among them. The main problem, on which courts have adopted different views, is whether, in assessing likelihood of confusion, one should take into account, or not, the comparison among the respective goods or services identified by the company name and trademark in question. Certain judgments<sup>375</sup> hold, in effect, that when company names are involved the respective goods or services identified by them are not taken into account in assessing likelihood of confusion with conflicting trademarks, other company names, or non-registered distinctive signs. One of the results to which this view leads is that, when a company name is used, which is identical or similar to an earlier registered trademark, there is always a trademark infringement, even if the company name is used in a type of business which is totally different from the goods or services identified by the earlier trademark. Moreover, a later trademark will always infringe an earlier company name, in the same way. The justification for this is that Article 13 of L. 146/1914, which is the legal ground for the protection of non-registered distinctive signs, differs from Article 1 of the same law in that it does not include a requirement that a competitive relationship should exist among the claimant and the defendant in an unfair competition claim. It is submitted that this line of argumentation is wrong. Although, Article 13 does not include an express requirement for a competitive relationship, such a requirement is by definition innate to the concept of likelihood of confusion, on which Article 13 is based<sup>376</sup>. Other court judgments follow this later view on likelihood of confusion and conclude that similar company names are not infringing one another if they are used in different sectors and different types of business enterprises<sup>377</sup>.

527. Another issue on which Greek jurisprudence is not clear is whether it is possible to apply Article 6(1) of Directive 2008/95 in a situation of conflict among a company name and an earlier trademark. Article 6(1) is titled 'Limitation of the effects of a trade mark' and reads:

374. For a detailed discussion see Ch. Chrissanthis, *Conflicts among Company Names and Trademarks in the Jurisprudence of the Greek Courts and of the ECJ*, in *Studies in Honor of N.K. Rokas*, 1322, 1333 (Athens, 2012 (in Greek)).

375. See: AP 197/1989, *EEmpD* 1989, 496, CA of Athens 4543/1997, *DEE* 1997, 149.

376. Ch. Chrissanthis, *Conflicts*, *supra*, at 1333.

377. AP 1445/1997, *EEmpD* 1998, 378.

The trade mark shall not entitle the proprietor to prohibit a third party from using, in the course of trade: (a) his own name or address; ... (c) the trade mark where it is necessary to indicate the intended purpose of a product or service, in particular as accessories or spare parts; provided he uses them in accordance with honest practices in industrial or commercial matters.

It is suggested that the limitation of trademark rights provided under Article 6.1 can apply in a conflict among a company name and a trademark, in the sense that a company name is not used as a trademark, that is it is not used to identify goods or services; instead, it is used in order to identify the business enterprise itself. So, what is suggested, is that there is no likelihood of confusion, due to the different operation of a company name and a trademark, i.e., the former identifying the business entity itself and the latter the goods or services. This argument has been applied particularly in case that the 'own name' defence was applicable, that is, in cases where the earlier trademark consisted of, or included, the name of a natural person and another person with the same name used his own name as a company name. Some court judgments have indeed reasoned that likelihood of confusion is avoided in such a situation, because of the different function of company names and trademarks and formulated this reasoning through limitation of trademark rights under Article 6(1) of Directive 2008/95<sup>378</sup>. Again, it is suggested that this reasoning is wrong and that the different function of company names and trademarks cannot by itself justify absence of likelihood of confusion in any case<sup>379</sup>. The 'own name' defence is a rather different issue and such matters usually result in the right of a person to use its own name in the course of trade, subject to an obligation to add a supplementary element that prohibits likelihood of confusion.

528. The same issues have been dealt with by the ECJ in three cases, namely *Robeco/Robelco*<sup>380</sup>, *Budweiser*<sup>381</sup> and *Celine*<sup>382</sup>. In the first case the Court reasoned that the law of the EU has not specifically dealt with conflicts among trademarks and other distinctive signs and that, hence, the matter is open to be governed by the national law of the Member States. In the other two cases, the Court reasoned that conflicts among trademarks and company names may possibly trigger limitation of trademark rights under Article 6(1) of the Directive, but this is subject to very substantial conditions that must be examined by courts in each case. Such conditions involve, above all, the matter whether use of a trademark as a company name is considered to be in compliance with honest practices, under the particular circumstances of each case. This greatly depends on the volume of reputation the earlier trademark enjoys; if it is about an earlier trademark with reputation, its use would inevitably confer an unfair advantage and due to this it would be difficult to be in accordance with honest practices. Moreover, a mark used as a company name,

378. AP 1131/1995, *EEmpD* 1996, 169, CA of Athens, 866/2004, *EllDni* 2005, 644, AP 330/2007, *DEE* 2007, 913.

379. Ch. Chrissanthis, *Conflicts*, *supra*, at 1337.

380. C-23/01, 21 Nov. 2002.

381. C-245/02, 16 Nov. 2004.

382. C-17/06, 11 Sep. 2007.

which at the same time appears on the packaging of products, as the case will usually be, is not used as a company name alone; when the company name appears on products also, it is used as a trademark as well, i.e., identifying the origin of the respective goods. Again, under such circumstances, use could difficultly be in accordance with honest practices. Finally, the Court has reasoned that a use would not be in accordance with honest practices, if it created the false impression of cooperation or other links among different enterprises. So, the jurisprudence of the ECJ is rather favourable to trademark owners on the issue of conflicts with company names.



## Chapter 6. Industrial Designs

### *Ch. Chrissanthis*

#### §1. SOURCES OF LAW

529. Industrial designs have been recognized in Greece as independent intellectual property rights by virtue of L. 2417/1996 and PD 259/1997. Before these legislative instruments, industrial designs were not recognized as such and legal protection could be granted only under the law of unfair competition and possibly under copyright law, although copyright usually requires a higher level of originality, than that found in industrial designs.

530. Greece is party to the Paris Convention (implemented by virtue of L. 213/1975), which refers to industrial designs in Article 5(5). Greece has also implemented the Hague Convention for international registration of designs dated 6.11.1925 and its supplement dated 28 November 1960 (implemented by L. 2417/1996). In addition, Greece has implemented the Locarno Convention for the international classification of designs (implemented by L. 2697/1999). The EU Directive 98/71 on industrial designs has been implemented by virtue of PD 161/2002, while the EU Regulations 6/2002 and 245/2002 on Community Designs are also applicable in Greece.

#### §2. BASIC PRINCIPLES

531. Industrial designs are deemed to be of some aesthetic value. However, they are not registered and protected for their aesthetic value as such; instead the reason that they are protected is that they may contribute to the merchantability of certain products. As a result, a material prerequisite for their registration is that they are capable of being applied to certain products.

532. The EU Directive 1998/71 on industrial designs does not refer to aesthetic value as a prerequisite for registration. This caused a very long discussion in legal literature whether shapes, drawings and other types of designs are capable of being registered, even if they are deprived of any aesthetic value. The prevailing opinion in Greece is that a very basic aesthetic value is necessary for registration, although not specifically mentioned as such in the legislation. Designs that are of a functional nature are not capable of being registered either.

533. A minimum degree of novelty and individual character is also necessary to achieve registration, although the test and the criteria applied to access these prerequisites are rather relaxed and not strict.

534. Component parts destined to be incorporated in larger complex products are capable of being registered, only if they remain visible after being affixed to such larger products. So, for example, machinery spare parts that are placed inside

larger machines and are not visible are not allowed for registration as industrial designs.

535. The designs system in Greece is really a filing and not a registration system. This means that the certificate of registration granted is not binding on civil courts. Each time the owner of a registered design applies to a civil court seeking protection, the court will examine whether all the prerequisites for registration are in place.

536. The level of civil protection of industrial designs before the Greek civil courts is rather limited. The courts are usually very suspicious of exclusive rights granted through the designs registration system. Unless there is evident novelty and strong individual character the courts will refuse to grant an injunction or a cease and desist order, or damages under ordinary proceedings.

537. It is questionable whether copyright law can also be used for the protection of industrial designs. Although it is true that in a limited number of cases Greek courts applied copyright law in cases of industrial designs, the prevailing opinion is that designs do not involve the necessary level of originality which is required under copyright protection. Another argument is that copyright law can be applied in those designs that do involve a high level of originality; this argument suggests that some designs may incorporate important artistic elements, and that such artistic elements could be separated from the design and enjoy additional protection under copyright law. Again, the prevailing view is that the concept of design is destined to be applied to mass production articles and that, in principle, it is difficult to find in such mass production articles artistic elements with a high level of originality like that required for copyright protection. Unlike copyright law, the law of unfair competition can be invoked for the protection of industrial designs.

## Chapter 8. Unfair Competition

### *Ch. Chrissanthis*

564. Among the various fields of intellectual property law, the law of unfair competition is the less harmonized and more country-unique. Save for Article 10*bis* of the Paris Convention, there are no other provisions of any international treaty attempting to set uniform standards for the law of unfair competition.

#### §1. A COMPARATIVE APPROACH

565. There are countries, like France, where the law of unfair competition derives mainly from the general principles of civil law, while in other countries, like Germany, the law of unfair competition derives from specific legislation on this matter. In other countries, particularly in the UK, the more close equivalent of unfair competition law, the law of passing off, has been developed through the courts, irrespective of any legislative developments. The English law of passing off, however, has very little in common with the law of unfair competition, as the latter is developed in continental Europe. The former is mainly oriented towards protection of goodwill, associated with non-registered distinctive marks, while the latter has a broader scope of protection, which exceeds protection of non-registered distinctive signs. Even with respect to protection of non-registered marks, what is protected under the English law of passing off is not the marks as such, but only the goodwill (the power to attract customers and generate sales) associated and attached to such marks; in addition, what triggers legal protection is deception. On the contrary, in continental Europe non-registered marks are protected as such under the law of unfair competition and what triggers protection is likelihood of confusion.

566. The Greek law of unfair competition is very much similar to German law. There is a specific law regarding unfair competition, L. 146/1914, one of the oldest laws in the country that are still applicable. It is noteworthy that this law has received only limited amendments and most of its provisions remain in force unchanged from the date they were enacted.

567. An issue that has been much discussed in legal literature is the justifying reason behind the law of unfair competition, or, in other words, what is the true subject matter of protection in this field of law. One view, which is the most traditional one, identifies the private interests of merchants as the subject matter of protection. It is merchants that the law of unfair competition is destined to protect against unfair and unethical practices employed by their competitors. Another view holds that consumers' interests are also among the subject matter of protection and that the provisions of this field of law should be interpreted in view of consumers' interests also. According to another approach, the purpose of unfair competition law is to secure freedom of competition; this view holds that the law of free competition and the law of unfair competition are not conflicting one another, but are, instead, supplementary and that the law of unfair competition should be interpreted in view

of the targets set by antitrust law. Although this last approach has received much support<sup>411</sup> in legal literature, it is the first view that remains the prevailing one in court jurisprudence<sup>412</sup>.

568. Another issue much discussed in legal literature with respect to unfair competition law is whether consumer associations should be allowed to invoke or not invoke the provisions of unfair competition law. In Greece, consumer associations have not been granted such *locus standi* in unfair competition cases; however, merchants associations, like chambers of commerce, do enjoy such *locus standi* (Article 10 of L. 146/1914).

569. The law of unfair competition is part of the law of torts. There are, though, certain substantial peculiarities and deviations from the ordinary principles of the law of torts. For example, in unfair competition law, proof of actual damage is not necessary, in order to seek for a cease and desist order; likelihood of damage would suffice, while proof of actual damage is necessary only in order to seek compensation. Similarly, at least with respect to protection of distinctive non-registered marks (under Article 13 of L. 146/1914) fault is not a prerequisite in order to seek for a cease and desist order and it is necessary only if the claimant wishes to claim damages.

## §2. BASIC PRINCIPLES OF LAW 146/1914

570. Article 1 of L. 146/1914 contains a general clause (a general principle of law) prohibiting competitive acts in the course of trade that are contrary to good morals. Good morals stand for honest commercial practices. There are four prerequisites that must be fulfilled, so that Article 1 comes into operation: (a) There must be an act which can objectively reinforce the competitive position of the defendant against his competitors (a competitive act); from this requirement it is derived that there must be some competitive relationship among the claimant and the defendant, that is, they must be competing against one another, (b) There must be intent on the part of the defendant; such intent has to be addressed towards enforcing his position in the market as a competitor. Intent should not necessarily be addressed towards causing damage to the claimant; it suffices that the purpose of the defendant is to be in a better position with respect to his competitors. (c) The act in question must be contrary to good commercial morals, that is, contrary to honest practices that are customary in the respective market. The test as to honest practices is an objective one. The concept of honest practices appears in Article 10*bis* of the Paris Convention, as well as in Article 6(1) of the Trademarks Harmonization Directive 89/104 EU, now 2008/95 EU, as well as in Article 12 of the Community Trademark Regulation 40/1994 EU, now 207/2009 EU. (d) Finally, the act in question must be committed in the course of trade. Although this requirement initially restricted unfair

411. Ch. Chrissanthis, *Exhaustion*, *supra*, at. 233.

412. N. Rokas, *Industrial Property*, *supra*, at 181.

competition law to merchants only<sup>413</sup>, the view that professionals like accountants, lawyers, artists, physicians, architects, etc., are also covered has progressively become the prevailing one<sup>414</sup>.

571. Article 3 of L. 146/1914 contains a general clause against misleading advertising and misleading representations in the course of trade. This article has been supplemented by the EU legislation on misleading advertising, that is, Directives 2006/114 EU and 2005/29 EU. It is worth mentioning that Directive 2006/114 EU applies to business to business relationships and deals with misleading and comparative advertising, while Directive 2005/29 EU on unfair trade practices applies to business to consumers relationships and deals with many practices that are considered to be contrary to good morals, including misleading, unfair and aggressive advertising.

572. Article 13 of L. 146/1914 deals with non-registered distinctive signs and is the legal provision granting protection to marks that are not registered as trademarks. Unlike Article 1, it does not require intent of any form. It does not require that the claimant and the defendant be competitors either, although it requires likelihood of confusion and in assessing likelihood of confusion one has to take into account whether the respective goods or services are directly or indirectly competing against one another, although this is a materially different issue than establishing a competitive relationship between the claimant and the defendant. Article 13 grants exclusive rights over distinctive marks that have been used in the course of trade. Marks that are not inherently distinctive can only be protected if they have developed a secondary meaning through acquired distinctiveness; this would require evidence of a greater level of use and advertisement in the course of trade.

573. Much of the law on unfair competition has been developed through legal literature and the courts on a case by case basis. In particular, legal commentators and the courts have identified many different forms of unfair commercial practices by assessing good morals and honest practices, such as:

- (a) Exploitation of another's reputation (i.e., unauthorized use of famous marks).
- (b) Misappropriation of another's work, achievement, methods and system of organization (including slavish imitation of products/achievements not protected by specific intellectual property law provisions, know-how, etc.).
- (c) Destructing business reputation (i.e., defamation).
- (d) Deceptive advertising, emotional advertising, excessive aggressive and annoying advertising.
- (e) Intrusion in another's business activity, i.e., by way of soliciting employees, or clients, or threatening to sue, etc.
- (f) Violation of laws and contractual obligations.
- (g) Intrusion with trade secrets of competitors.

413. SMCFI of Athens 8011/1992, *EEmpD* 1992, 670.

414. CA of Larisa 730/2008, *EILDni* 2009, 1443.

574. The first two types, i.e., exploitation of another's reputation and misappropriation of another's work, require on the one hand confusion as to origin (hence, confusion as to products / achievements as such is usually not actionable) and, on the other, a certain level of either distinctiveness or originality. It is worth mentioning that it is easier to establish exploitation of reputation (unfair resemblance to a famous mark, where dilution due to loss of licensing opportunities can easily be argued), while it is more difficult to establish misappropriation (slavish imitation) of products, where confusion must be not only as to the products themselves, but as to origin (source).

### §3. REMEDIES AND DEFENCES

575. The basic remedy is a cease and desist order. This can be obtained through ordinary proceedings, or through summary proceedings for an injunction. Damages can also be claimed if the specific volume can be substantiated, which involves great difficulties as to evidence. The law does not provide any criteria for the quantification of damages as in other fields of law, i.e., in case of copyright infringement. Due to the difficulties of proof as to the volume of damages, a claim for psychological (moral) damages is usually raised. Its volume is assessed by the court on discretion, taking, however, into account the financial condition of the parties, the type of fault involved in the case, i.e., intent or negligence, the volume of the frustration caused, the impact on consumers and competition, as well as all other surrounding circumstances. In court practice the volume of psychological damages awarded usually varies from EUR 10,000 to EUR 30,000. Certain acts of unfair competition may also result in criminal sanctions.

576. There are certain time limitations with respect to civil claims for unfair competition. These are set by Article 19 of L. 146/1914. The time bar for a cease and desist order is eighteen months, as from the date the claimant became aware of the infringing act and of the party behind it; however, a cease and desist order cannot be sought if five years from the act have lapsed. For a claim in damages the limitation period is five years as from the date that damage arose. The most common problem in court practice in relation to time limitation of actions is that acts of unfair competition are usually repeated, that is, they are not momentous, but lasting. So the legal issue that arises, is whether the time limitation period commences when the first or the last infringing act took place. The prevailing view in court jurisprudence is that it is the first infringing act that is material in terms of time bars;<sup>415</sup> in legal literature, though, the opposite view is much supported<sup>416</sup>.

577. The claimant in an unfair competition legal action (or application for injunction) must carry on business in Greece (Article 23 of L. 146/1914). Due to this requirement, foreign entities without a local operation may be hindered from invoking unfair competition law.

415. AP 700/1977, NoV 1978, 371, 12670/1989, *EEmpD* 1990, 720, 1285/2005, *EEmpD* 2005, 818.

416. N. Rokas, *Industrial Property*, *supra*, at 229.

## §4. ENDORSING AND MERCHANDISING

578. Endorsing of products by celebrities in the context of advertisement and character merchandising are among the more controversial issues regarding the applicability of the law of unfair competition. Celebrities endorsing refers to the idea that certain persons or entities, usually celebrities enjoying reputation either for their likeness (i.e., athletes, singers, actors), or for their assumed expertise in certain matters (i.e., a well know scientist), are supporting, or are somehow associated with certain goods or services. Endorsing in this sense is a form of advertisement. Character merchandising refers to the idea that certain fictional characters that are well known from the cinema, etc. (i.e., cartoons like Mickey Mouse) are used in advertisements to promote products or services. The idea is that the likeness and consumer awareness attached to certain fictitious characters is used to promote certain goods or services.

579. There is a difference in the way celebrities endorsing and character merchandising cases are treated by the courts. Character merchandising cases can prove more difficult for the claimants, when the defendant uses only the name of a famous fiction character and not the picture of the character. The picture of the character will usually be copyrighted and when copyright is available it will easier to establish an infringement. However, when only the name is used, if such name has not been registered as a trademark, it is questionable whether the name itself deserves legal protection under the law of unfair competition. The reason is that the name of a fiction character cannot function as an indication of origin, since it does not refer to the manufacturer of the product, or the creator of the fiction character. So, it will be extremely difficult to establish likelihood of confusion, as this is basically understood as confusion as to origin and the name of a fiction character used as an advertising support does not refer to any source of origin.

580. With respect to celebrities endorsing, it is worth mentioning that under Greek law there is a separate absolute right to personality. This is of great assistance in establishing a valid claim against unauthorized use of a celebrity's name or picture in advertising. In this context, under Greek law, the reputation accompanying a celebrity can enjoy legal protection even in the absence of goodwill and even in the absence of a competitive relationship with the infringer. However, celebrities may encounter difficulties to prove that they have suffered damages due to unauthorized use of their name or picture by a manufacturer of products in the context of advertisement; such damages will usually consist of loss of profits, or loss of licensing opportunities, or dilution. Moreover, they will encounter difficulties to establish a competitive relationship with the defendant manufacturer. Courts, however, are becoming increasingly cognizant of modern endorsing and merchandising techniques and in most cases will use the right to personality to overcome such difficulties raised by the traditional theory of unfair competition law. There is, though, a concern that protection of reputation alone may be superfluous and unnecessary in certain cases and may lead to excessive restraints of free competition; for example, an abuse of the absolute right to personality may result in a celebrity being able to prohibit any use of his or hers name by anybody in any context, even irrespective

to any advertising and marketing promotion and even in the context of private use, or parody, or public commenting.

581. Another problem relating to damages in celebrities endorsing and character merchandising cases is that the amount of damages awarded are usually equal to a license fee that would otherwise been agreed, had the defendant asked for the claimant's license. This means that the defendant has no real motive to seek the authorization of the claimant and to avoid litigation, in the sense that he can make an attempt to use the reputation of the claimant without his authorization and in case of litigation he will pay the license fee which he would have paid in any case; so he has no motive not to risk being involved in litigation.

582. In a pure unfair competition context (i.e., irrespective of the right to personality), establishing a valid claim in connection to unauthorized celebrity endorsing or character merchandising would require either an act contrary to honest commercial practices under Article 1, or a misleading representation under Article 3, or likelihood of confusion due to unauthorized use of a name under Article 13, provided, however, that in the latter case such name has been used in the course of trade and has become a distinctive sign as well. In all these cases, what is usually necessary is to prove a misrepresentation associated to the unauthorized use of the name, or the picture of a celebrity or a fiction character. Such misrepresentation may consist in falsely implying that the sponsor supports or recommends the defendant's products with his expertise, likeness, reputation, or just with the glamour accompanying him. In case of character merchandising the misrepresentation may consist in that the defendant falsely purports to offer another's copyrighted work under license, while he truly provides his own work which is a different thing.

583. Another approach to celebrity endorsing and character merchandising in the context of unfair competition law is that unauthorized use of the name or the picture of a celebrity or a fictitious character qualifies as an unfair exploitation of another's reputation. In this context, the unauthorized use of a third party's reputation and likeness is contrary to honest commercial practices. Still, though a major problem is that confusion as to origin must be established and not any type of confusion with reference to any matter.

#### §5. 'LOOK ALIKE' PRODUCTS, PRODUCTS GET UP AND TRADE DRESS

584. The law of unfair competition is usually employed to obtain legal protection in connection with the products overall appearance (get up, trade dress), its colour combinations, its design, etc. A legal action based on unfair competition in such cases is useful particularly when the overall appearance of the product is not protected under any specific intellectual property laws, i.e., when the packaging has not been registered as a trademark, or when the artistic elements of the packaging (i.e., colour combinations and designs) are not covered by copyright. If there are such specific intellectual property rights in connection to the product get up, legal



protection can be obtained on this basis. However, in the absence of such specific rights, a legal action based on unfair competition is the only available remedy.

585. The idea that imitating the overall appearance of another product is based on the idea that this is contrary to honest commercial practices and that it qualifies either as exploitation of another's reputation, or as misappropriation of another's work and achievement. In connection to the former approach, it is worth mentioning that Article 13 of L. 146/1914 expressly states that the product get up (product trade dress and overall appearance) may constitute a distinctive sign.

586. One problem usually associated with such 'look alike' cases is that the claimant has to establish that the product and packaging get up elements that are copied are distinctive of himself only. This means that the claimant has to prove that such elements are distinctive as such, or that they have become distinctive through use in the course of trade and in addition to this that they are distinctive of his own products only, i.e., that they are not used by other competitors. In connection to these issues one has to point out that artistic elements, such as colour combinations, designs, etc., are not necessary and are not always distinctive. In most cases such artistic elements are not characteristic of the respective product, i.e., it is not such elements that identifies the product to consumers; instead, the product is identified by way of its trademark or brand name. So, artistic elements are distinctive, only if they function as indications of origin, or quality, or if they have an advertising power. Furthermore, in many cases artistic elements, such as colour combinations, drawing, designs, etc., are characteristic of a whole class of products and not of specific products; for example household appliances usually come in white colour, while whisky products usually come in light brown colour.

587. The jurisprudence of the Greek courts on the matter should not be regarded as a reliable, as it lacks predictability and judgments are sometimes conflicting one another. This is mainly because such cases have been decided on the basis of the 'overall impression doctrine' and on the basis of their respective facts, which are always particular to each case. Below is a brief discussion of some indicative cases which provide a general idea of the attitude and approach of the Greek courts on product get up and trade dress problems.

588. The 'Petro gas' liquid gas case. The subject matter of this case was whether legal protection could be granted in connection with the colour of the product's packaging (i.e., liquid gas cylinders for home use in blue colour). There seems to be no positive precedent from Greek civil courts in favour of protection of colour as such (i.e., colour alone, not taking into account other figurative and pictorial elements or words) under either trademark, or unfair competition law. On the contrary, the only case that seems to have dealt with this issue has been decided against the protection of colour alone. This was the case of 'Petro gas' liquid gas for home use, which was traded in blue collared cylinders and whose colour was copied by 'Vitom gas'. The plaintiff's legal action was rejected in both the first instance and the appeal

court. The Cassation court<sup>417</sup> reasoned that copying of colour should be assessed in the context of the 'overall impression' doctrine; in other words, the other figurative or word elements, as well as the overall packaging and appearance should also be taken into account, in order to determine whether there is any likelihood of confusion or association, unfair resemblance or dilution. The Court, however, noted that copying of the colour alone could suffice to establish likelihood of confusion, if on the evidence it was found that it is the colour which is the prevailing element of the whole packaging and appearance of the product and if it could be proved that copying of the colour alone could attract the attention of consumers.

589. The slice toast bread case. This case was about the colour combinations of the packaging of a product. In this case the court found that one of the main elements copied by the defendant was the basic overall colour of the packaging. The Court found that the basic overall colour was prevailing in the overall impression of the packaging. However, in this case, the defendant had also copied the colour combination, as well as other figurative and word elements used by the plaintiff and this may reasonably have had an impact on the final ruling of the court<sup>418</sup>.

590. Camper Twins Shoes case. In this case the court<sup>419</sup> granted trade dress protection under unfair competition law to the red packaging and design of 'Camper twins shoes'. It is important that the court emphasized that the red packaging of the shoes was characteristic for 'camper twin shoes' and was therefore protected as such. Another important point in this judgment was that the court found that the red camper packaging had become distinctive, due to intense advertisement, although it circulated in the market only for a short period of time (two years). However, in this case, again, the defendant had copied the camper shoes design as well, and this may reasonably had an impact on the final court's judgment.

591. The Toblerone case. This case related mainly to the shape of the product. Protection was granted to Toblerone's chocolate shape and packaging<sup>420</sup>. Although the word elements were different in the products compared and although certain pictorial elements were different as well, the court found that likelihood of confusion was established mainly due to the copying of the triangle shape of the product, which was found to be characteristic for Toblerone chocolate.

592. The Nescafe Classic case. Finally, Greek courts have granted legal protection to the NESCAFE CLASSIC overall packaging and colour combination that were copied by a competitor with a different word element (Golden Coffee)<sup>421</sup>.

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417. AP 399/1989, *EEmpD* 1990, 144.

418. SMCFI of Athens 1265/2005, *EEmpD* 2005, 628.

419. MMCFI of Athens 6778/2004, *EEmpD* 2005, 634.

420. MMCFI of Athens 1478/2005, unreported. For a similar judgment granting protection to the cylinder shape of delicatessen products on the grounds that it was the shape that was characteristic of the product see SMCFI of Volos 53/1984, *EEmpD* 1984, 357.

421. CA of Athens 1687/2004, *EEmpD* 2005, 623.

## §6. TRADEMARKS AND UNFAIR COMPETITION

593. The traditional view was that the law of unfair competition is not applicable to registered trademarks and that the latter are protected exclusively by the trademark legislation alone; the law on trademarks is more specific on the matter and excludes the application of the law on unfair competition<sup>422</sup>. This view has been abandoned, however, and the approach currently prevailing in court practice is that the law on unfair competition is supplementary to trademark law, since both fields of law serve the same needs and support the same interests. So, a claimant trademark owner can invoke both trademark legislation and the law on unfair competition<sup>423</sup>.

594. There are, though, certain material differences among trademark law and the law on unfair competition that are worth mentioning. The most basic difference is that in a legal action based on trademark law likelihood of confusion is assessed on the basis of the trademark filed, irrespective of how it is used in practice and irrespective of additional elements that might accompany the trademark in the packaging of the product; on the contrary, in a legal action based on unfair competition law likelihood of confusion is assessed on the basis of the overall appearance of the respective products, that is, all the word and pictorial elements of the product and its packaging need to be taken into account. This means that, depending on the circumstances of each case, an action on trademark law may be preferable to the trademark owner instead of an action for unfair competition and vice versa. Usually, trademark law allows manufacturers to isolate specific word or pictorial elements and seek legal protection for such elements as such.

595. Moreover, an action for unfair competition requires proof of use in the course of trade, while an action based on trademark law requires only to produce to the court a certificate of registration.

596. Finally, foreign claimants without a business presence in Greece may find it more convenient to file a legal action based in trademark law, since a legal action for unfair competition is inadmissible, unless the claimant has a business operation within the jurisdiction.

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422. AP 608/1953, *EEN* vol. KA, 165.

423. AP 1254/1994, *DEE* 1995, 389.