### **Act XI of 1997**

### on the Protection of Trademarks and Geographical Indications

In order to promote the development of the Hungarian market economy, to strengthen the conditions for fair competition that is based on the ability of distinguishing different goods and services, to improve the level of consumer information, in harmony with Hungary's commitments under international and European Union law regarding the protection of intellectual property rights, Parliament has adopted the following Act on the protection of trademarks and geographical indications:

### **PART ONE**

### LEGAL PROTECTION OF TRADEMARKS

### Chapter I

#### SUBJECT MATTER OF TRADEMARK PROTECTION

### **Signs Suitable for Distinction**

#### Section 1

- (1) A trademark may consist of any signs which are
- a) capable of distinguishing goods or services from the goods or services of others; and
- b) capable of being represented in a manner which enables the competent law enforcement bodies and the public to determine the clear and precise subject matter of the protection afforded to its proprietor.
  - (2) A trademark may consist of any of the following signs:
  - a) words, word combinations, including personal names and slogans;
  - b) letters, numerals;
  - c) designs, graphics;
  - d) flat or three-dimensional figures, including the shape of the goods or of their packaging;
  - e) a color, a combination of colors, a light signal, a hologram;
  - *f*) sounds;
  - g) motion displays;
  - h) position signs;
  - i) multimedia displays;
  - j) patterns; and
  - k) combination of signs.

#### **Absolute Grounds for Refusal**

- (1) A sign may not be granted trademark protection if it fails to comply with the requirements set out in Section 1.
  - (2) The following shall not be registered as a trademark:
- a) trademarks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service:
- b) trademarks which consist exclusively of signs or indications which have become customary in the current language or in the fair and established practices of the trade;
  - c) trademarks which are devoid of any distinctive character for other reasons;
  - d) signs which consist exclusively of:
  - da) the shape, or another characteristic, which results from the nature of the goods themselves;
- db) the shape, or another characteristic, of goods which is necessary to obtain a technical result; or
  - dc) the shape, or another characteristic, which gives substantial value to the goods.
- (3) A sign may not be refused trademark protection under Paragraphs a)-c) of Subsection (2) if it has acquired a distinctive character through its use either before or after the date of application for registration but before the date of registration.

- (1) A sign may not enjoy trademark protection, if
- a) it is in conflict with public order or moral standards;
- b) it is of such a nature as to deceive consumers, for instance as to the nature, quality or geographical origin of the goods or service;
  - c) it was submitted for registration in bad faith.
  - (2) A sign shall not be registered as a trademark if:
- a) it contains or includes either of the signs, emblems and hallmarks listed in Article 6ter (1) of the Paris Convention for the Protection of Industrial Property, provided that:
- *aa*) such sign, emblem and hallmark other than flags of States had been communicated according to Article 6*ter* (3) of the Paris Convention, and
- *ab*) the application for registration of a mark in which official signs and hallmarks indicating control and warranty or armorial bearings are incorporated is intended to be used on goods of the same or a similar kind as the goods on which said signs and hallmarks are rightfully used;
- b) it contains badges, emblems and escutcheons other than those covered by Paragraph a), and which are of particular public interest, or it includes such badges, emblems and escutcheons;
- c) it covers a sign of high symbolic value, in particular a religious symbol or a symbol of any other conviction, in a way determining its overall impact.
- (3) With the consent of the competent authorities, a sign which contains or consists of the signs defined in Paragraphs *a*) and *b*) of Subsection (2) may be granted trademark protection.
  - (4) The following shall not be registered as a trademark:
- a) where protection with respect to goods of the same type as the product protected by geographical indication is requested by trademark application submitted after the date of filing the geographical indication registered in accordance with Part Seven or Eight of this Act, and using it would be contrary to Subsection (2) of Section 109;
- b) trademarks which are excluded from registration, pursuant to European Union legislation providing for protection of designations of origin and geographical indications; or
- c) trademarks which are excluded from registration pursuant to international agreements to which the European Union or Hungary is party, providing for protection of designations of origin and

geographical indications.

- (5) A sign shall not be registered as a trademark if excluded from registration pursuant to European Union legislation or international agreements providing equivalent protection, to which the European Union is party, providing for protection of traditional terms for wine.
- (6) A sign shall not be registered as a trademark if excluded from registration pursuant to European Union legislation or international agreements providing equivalent protection, to which the European Union is party, providing for protection of traditional specialities guaranteed.
- (7) Trademarks which consist of, or reproduce in their essential elements, an earlier plant variety denomination registered in accordance with:
  - a) European Union legislation providing for protection of plant variety rights;
  - b) the Patent Act; or
- c) international agreements to which the European Union or Hungary is a party, providing for protection of plant variety rights;

and which are in respect of plant varieties of the same or closely related species shall not be registered as a trademark.

#### **Relative Grounds for Refusal**

- (1) The following may not be granted trademark protection:
- *a)* a sign with later priority which is identical to an earlier trademark and is registered for identical goods or services as the earlier trademark;
- b) any sign where, because of its identity with, or similarity to, the earlier trademark and the identity or similarity of the goods or services covered by the trademark and the sign, there exists a likelihood of confusion on the part of the consumers; including the case where the likelihood of confusion includes the likelihood of association between the sign and the earlier trademark;
- c) any sign which is identical with, or similar to, an earlier trademark irrespective of whether the goods or services for which it is applied or registered are identical with, similar to or not similar to those for which the earlier trademark is registered, where the earlier trademark has a reputation in Hungary or, in the case of an EU trademark, has a reputation in the European Union and the use of the later trademark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trademark.
  - (2) For the purposes of this Section 'earlier trademark' shall mean:
- a) any trademark of the following kinds with a date of application which is earlier than the date of application for registration of the trademark, taking account, where appropriate, of the priorities claimed in respect of those trademarks:
- *aa*) trademarks registered under this Act, including trademarks registered under international arrangements which have effect in Hungary,
- *ab*) European Union trademarks registered under Regulation 2017/1001/EU of the European Parliament and of the Council (hereinafter referred to as "European Union Trademark Regulation");
- b) for the purposes of Paragraphs a) and b) of Subsection (1), any trademark which, on the date of application for registration of the trademark, or, where appropriate, of the priority claimed in respect of the application for registration of the trademark, is well known in Hungary in accordance with Article 6bis of the Paris Convention for the Protection of Industrial Property;
- c) European Union trademarks which validly claim seniority, in accordance with the European Union Trademark Regulation, of a trademark referred to in Subparagraph aa) of Paragraph a), even when the latter trademark has been surrendered or allowed to lapse;
- d) applications for the trademarks referred to in Paragraphs a) and c), subject to their registration; with the proviso that any reference made in this Act to earlier or later trademark, the provisions of

this Subsection shall apply mutatis mutandis as far as chronological order is concerned.

(3) Registration of a trademark may not be refused on the ground that there is an earlier conflicting trademark that was not used by the proprietor as provided for in Section 18, or whose protection no longer exists on the date of trademark application.

(4)

### Section 5

- (1) The following shall not be registered as a trademark:
- a) signs which would infringe upon an earlier right of a third party, in particular the right to a name or the right of personal portrayal;
- b) signs that would infringe earlier copyrights or rights related to copyright, or industrial rights of a third party.
  - (2) The following shall not be registered as a trademark:
- a) any sign where the use of such sign could be prohibited by the earlier user pursuant to other legislation relying on a non-registered sign that has been put to genuine use in Hungary within the scope of economic activities;
- b) any sign where the use of such sign could be prohibited pursuant to European Union or national legislation providing for protection of designations of origin and geographical indications by the proprietor of the right stemming from the protection of geographical indications, provided that an application for a designation of origin or a geographical indication had already been submitted and the designation of origin or geographical indication is registered subsequently.
- (3) In determining as to whether a right, the use, or the application for a designation of origin or a geographical indication is earlier from the perspective of applying Subsections (1) and (2), the priority of the trademark application shall be taken into consideration.

### Section 6

A sign shall not be registered as a trademark if the representative or agent of the proprietor of a trademarksubmitted the sign for registration in his own name without proper authorization by the proprietor unless the representative or the agent is able to verify his action as legitimate.

### **Statement of Consent**

#### Section 7

- (1) A sign shall not be refused trademark protection on the basis of Section 4, Subsection (1) of Section 5 and Paragraph a) of Subsection (2) hereof, and/or a trademark may not be declared invalid on the grounds set out in those provisions if the proprietor of the earlier conflicting right consents expressly to the registration thereof.
- (2) The above-specified statement of consent must be fixed in a public document or in a private document with full probative force to be effective.
- (3) The statement of consent may not be withdrawn, and may not be substituted by the court's decision.

### **Right to Trademark Protection**

A sign shall be granted trademark protection, if

- a) it meets the requirements set forth in Section 1 and is not excluded from trademark protection on the basis of Sections 2-7; and
  - b) the application therefor meets the conditions stipulated in this Act.

### Chapter II

### RIGHTS AND OBLIGATIONS CONFERRED BY TRADEMARK PROTECTION

### **Right to Trademark Protection**

### Section 9

- (1) Legal protection of a trademark (hereinafter referred to as "trademark protection") shall be granted to persons who has the sign registered in accordance with the procedures set out in this Act.
- (2) Any natural or legal person may be granted trademark protection, regardless of whether they are actively engaged in economic activities or not.
- (3) If several parties apply for joint registration of a trademark, trademark protection shall be granted to them jointly. Where there are several proprietors and there are no conflicting signs, the share of the proprietors shall be considered equal.

### **Commencement of Trademark Protection**

#### Section 10

Trademark protection commences from date of registration, and it is effective retroactively to the date of filing for registration.

### **Duration of Trademark Protection**

#### Section 11

- (1) Trademark protection shall be valid for a period of ten years from the date of filing for registration.
- (2) Trademark protection may be renewed for further periods of ten years. In the event of renewal, trademark protection commences from the day following the date of expiration of the previous trademark protection.

### **Contents of Trademark Protection**

- (1) Trademark protection affords exclusive right for the proprietor of the trademark to use the trademark.
- (2) On the basis of this exclusive right of use, without prejudice to any rights acquired by others before the date of filing or the date of priority of the trademark, the proprietor may initiate

proceedings against any party who, without his consent, uses within the scope of its economic activities:

- a) any sign which is identical with the trademark in relation to goods or services which are identical with those for which the trademark is registered;
- b) any sign where, because of its identity with, or similarity to, the trademark and the identity or similarity of the goods or services covered by the trademark and the sign, there exists a likelihood of confusion on the part of the consumers, including the case where the likelihood of confusion includes the likelihood of association between the sign and the earlier trademark; or
- c) any sign which is identical with, or similar to, the trademark irrespective of whether it is used in relation to goods or services which are identical with, or similar to those for which the trademark is registered, where the latter has a reputation in Hungary and where use of that sign without due cause takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the trademark.
  - (3) The following, in particular, may be prohibited under Subsection (2):
  - a) affixing the sign to the goods or to the packaging of those goods;
- b) placing goods under the sign on the market, offering them for sale, or stocking them for the purpose of placing on the market or offering for sale;
  - c) supplying or offering services under the sign;
  - d) importing or exporting the goods under the sign;
  - e) using the sign on business papers and in advertising;
  - f) using the sign as a trade or company name or part of a trade or company name;
- g) using the sign in comparative advertising in a manner that is contrary to the Act on the Prohibition of Unfair Trading Practices and Unfair Competition.
- (4) Without prejudice to the rights of proprietors acquired before the filing date or the priority date of the registered trademark, the proprietor of that registered trademark shall also be entitled to prevent all third parties from bringing goods, in the course of trade, into Hungary, without being released for free circulation, where such goods, including the packaging thereof, come from third countries and bear without authorization a trademark which is identical with the trademark registered in respect of such goods, or which cannot be distinguished in its essential aspects from that trademark.
- (5) The entitlement of the trademark proprietor pursuant to Subsection (4) shall lapse if, during the proceedings to determine whether the registered trademark has been infringed, initiated in accordance with Regulation (EU) No. 608/2013 of the European Parliament and of the Council of 12 June 2013 concerning customs enforcement of intellectual property rights and repealing Council Regulation (EC) No. 1383/2003, evidence is provided by the declarant or the holder of the goods that the proprietor of the registered trademark is not entitled to prohibit the placing of the goods on the market in the country of final destination.
- (6) Where the risk exists that the packaging, labels, tags, security or authenticity features or devices, or any other means to which the trademark is affixed, could be used in relation to goods or services and that use would constitute an infringement of the rights of the proprietor of a trademark under Subsections (2) and (3), the proprietor of that trademark shall have the right to prohibit the following acts if carried out within the scope of economic activities:
- a) affixing a sign identical with, or similar to, the trademark on packaging, labels, tags, security or authenticity features or devices, or any other means to which the trademark may be affixed;
- b) offering or placing on the market, or stocking for those purposes, or importing or exporting, packaging, labels, tags, security or authenticity features or devices, or any other means to which the trademark is affixed.
- (7) The proprietor of a trademark may invoke the rights conferred by that trademark against the licensee provided for in Subsection (1) of Section 23 who contravenes any provision in his licensing contract with regard to:
  - a) the duration of the license;

- b) the form covered by the registration in which the trademark may be used;
- c) the scope of the goods or services for which the license is granted;
- d) the territory in which the trademark may be affixed; or
- e) the quality of the goods manufactured or of the services provided by the licensee.

### **Publication of the Trademark in Books**

### Section 13

If the reproduction of a trademark in a dictionary, encyclopedia or other manual, in print or electronic form, gives the impression that it constitutes the generic name of the goods or services for which the trademark is registered, the publisher of the work shall, at the request of the proprietor of the trademark, ensure that the reproduction of the trademark is, without delay, and in the case of works in printed form at the latest in the next edition of the publication, accompanied by an indication that it is a registered trademark.

# Rights to Oppose the Use of a Trademark Registered Without Entitlement by a Representative or Agent

#### Section 14

- (1) If a trademark proprietor's representative or agent applies for registration of the trademark or registers the trademark in his own name, without the consent of the proprietor, the proprietor may oppose the use of the trademark by his agent or representative and may demand the assignment of the trademark claim or the trademark in his favor alternatively or additionally.
  - (2) Subsection (1) shall not apply where the agent or representative justifies his action.

#### Limitation of the Effects of a Trademark

#### Section 15

- (1) The trademark shall not entitle the proprietor to prohibit a third party from using, in the scope of carrying out economic activities, in accordance with honest practices in industrial or commercial matters,
  - a) his own name or address;
- b) signs or indications which are not inherently distinctive or which concern the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of the service, or other characteristics of the goods or services;
- c) the trademark for the purpose of identifying or referring to goods or services as those of the proprietor of that trademark, in particular, where the use of the trademark is necessary to indicate the intended purpose of a product or service, in particular as accessories or spare parts.
- (2) Only natural persons may cite their own name or address on the basis of Paragraph a) of Subsection (1) in response to a challenge by the trademark proprietor.

### **Exhaustion of Trademark Protection**

- (1) Trademark protection shall not entitle the trademark proprietor to prohibit use of the trademark in relation to goods that have been placed on the market in the European Economic Area by the proprietor or by others with his express consent.
- (2) The provision contained in Subsection (1) shall not apply where the proprietor has a legitimate reason for opposing further trade with the goods, in particular if the state or condition of the goods has changed or been impaired after being placed on the market for the first time.

### Acquiescence

#### Section 17

- (1) If the proprietor of an earlier trademark provided for in Subsection (2) of Section 4 has acquiesced, for a period of five successive years, in the use of a later trademark in Hungary, while being aware of such use, the trademark proprietor shall no longer be entitled to oppose the use of this later trademark [Subsection (1) of Section 27/B], nor may he apply for a declaration that the later trademark is invalid on the basis of his earlier trademark [Paragraph *b*) of Subsection (2) of Section 33].
- (2) The provision set forth in Subsection (1) may only be applied to those goods or services in connection with which the later trademark was actually used.
- (3) The provision set forth in Subsection (1) may not be applied if the registration of the later trademark was applied for in bad faith.
- (4) The proprietor of the later trademark shall not be entitled to oppose the use of the earlier trademark even though that earlier right may no longer be invoked against the later trademark on the basis of Subsection (1).
- (5) The provisions of Subsections (1)-(4) hereof shall apply mutatis mutandis to the earlier rights referred to in Paragraphs a)-b) of Subsection (1) of Section 5 and in Paragraph a) of Subsection (2) hereof.

#### Failure to Use the Trademark

- (1) If the proprietor of the trademark does not begin actual use of the trademark in Hungary in connection with the goods or services listed in the specification of goods for which the trademark is registered within five years from the date of registration, or if he fails to use the trademark for a period of five consecutive years, the legal consequences set out in this Act shall be applied to the trademark [Subsection (3) of Section 4, Section 27/A, Paragraph *d*) of Subsection (1) of Section 30, Paragraph *a*) of Subsection (2) of Section 33, Section 34, Section 61/E, Subsection (2) of Section 73] unless the proprietor is able to demonstrate proper reasons for non-use.
- (2) For the purposes of Subsection (1), the date of registration, in the case of a trademark registered by the accelerated procedure [Subsection (7) of Section 64/A], shall be a date:
  - a) subsequent to the expiry of the period referred to in Subsection (1) of Section 61/B; or
  - b) in the case of opposition when the decision regarding the opposition was adopted.
- (3) For the purposes of Subsection (1), the date of registration, in the case of a registered international trademark which have effect in Hungary shall be the date of registration provided for in Subsection (5), (5c), (5d) or (5e) of Section 76/P, as the case may be.
- (4) For the purposes of Subsection (1), the following shall constitute actual use of a trademark in Hungary:
- a) use of the trademark in a form differing in elements which do not alter the distinctive character of the trademark in the form in which it was registered, regardless of whether or not the trademark

in the form as used is also registered in the name of the trademark proprietor;

- b) affixing of the trademark to goods or to the packaging thereof in Hungary solely for export purposes.
- (5) For the purposes of this Section, use of the trademark with the consent of the trademark proprietor shall be deemed to constitute use by the trademark proprietor.
- (6) Any reference made to use in accordance with this Section where it pertains to European Union trademarks shall constitute use as provided for in Article 18 of the European Union Trademark Regulation.

### Chapter III

# TRADEMARKS AND TRADEMARK PROTECTION IN PROPERTY TRANSACTIONS

### **Legal Succession**

#### Section 19

- (1) Rights associated with a trademark and rights deriving from trademark application and/or from trademark protection constitute tradable rights.
- (2) The legal successor of a legal entity obtains also the trademark, unless the parties specify to the contrary, or the circumstances clearly dictate otherwise.
- (3) Trademark protection can be transferred by contract. Trademark protection of any part of the specification of goods for which the trademark is registered can also be transferred.
- (4) A contract for the transfer of a trademark protection is null and void if it may result in the deception of consumers.

(5)

### **Encumbrance and Procedure for Levy of Execution**

### Section 20

Rights associated with a trademark and rights deriving from trademark application and/or from trademark protection may be pledged as security and may be levied in execution. For filing a lien a pledge agreement shall be made out in writing and the lien shall be recorded in the trademark register.

### Joint Trademark Protection Claim and Joint Trademark Protection

- (1) If a trademark has several proprietors, any of the proprietors may freely dispose over his share. The other proprietors shall have the right of first refusal for other proprietor's share in the trademark.
- (2) Any proprietor is free to use the trademark, but is required to pay a fee in relation to his share in the trademark to the other proprietors. In the application of Section 18 such use of is treated as use by all the proprietors.

- (3) Joint proprietors of a trademark may only jointly grant the right to use the trademark to third parties. In accordance with the general provisions of the Civil Code, such approval can be substituted with a court verdict.
- (4) In cases of doubt, the share of the joint proprietors in the trademark shall be equal. If one proprietor renounces the trademark, the rights of the other proprietors shall extend proportionally to his share.
- (5) Any of the proprietors may independently take action for the renewal, invocation or protection of the trademark. His actions in proceedings with the exception of concluding settlements, and recognizing or renouncing rights shall extend to a proprietor who has defaulted on a prescribed time limit or deadline, or has failed to take an action, under the condition that such proprietor does not later make up for such failure.
- (6) If the actions of joint trademark proprietors deviate from one another in proceedings, such actions shall be judged taking into account other information pertinent to the proceedings.
- (7) Joint trademark proprietors shall bear the costs of trademark protection in their relationship in proportion to their share in the trademark. If one of the joint proprietors fails to meet his payment obligations in spite of a request for payment, the proprietor bearing the costs may request the transfer of the share belonging to the party which fails to meet such obligation.
- (8) The provisions relating to joint trademark protection shall apply mutatis mutandis also to joint trademark protection claims.

Chapter IV

#### LICENSING

### **Licensing Contract**

### Section 23

- (1) Under a licensing contract (trademark licensing contract) the proprietor of the trademark may grant permission for the use of the trademark and the party using the trademark assumes the obligation to pay a fee for such use.
- (2) The contents of the licensing contract may be established freely by the contracting parties. If, however, a licensing contract might lead to deception of consumers, it shall be deemed null and void.

### **Rights and Obligations of the Parties**

### Section 24

(1) The trademark proprietor shall guarantee for the entire duration of the licensing contract that no third parties have any rights which would prevent or restrict the use of the trademark. This guarantee obligation is subject to the provisions of the Civil Code on the warranty of title, with the exception that the licensee shall have the right to terminate the contract with immediate effect instead of withdrawal.

- (2) The trademark proprietor shall inform the licensee regarding rights related to the trademark and any other major circumstances; nonetheless, business, technical and organizational information related to the trademark must be transferred only if the parties have expressly agreed therefor.
- (3) The trademark proprietor may inspect the quality of goods or services offered under the trademark.
- (4) The licensing contract shall extend to all goods or services for which the trademark is registered, and to all forms and extents of use, without any temporal or territorial limitation.
- (5) A licensing contract grants exclusive rights only in the event it contains a specific clause to this effect. In the case of an exclusive license for use, the trademark proprietor may also use the trademark in addition to the licensee, unless such use by the proprietor is expressly forbidden by the contract. The trademark proprietor may terminate the exclusive nature of the license while at the same time reducing the license fees to the same extent if the licensee fails to begin use of the trademark within a reasonable period of time under the given situation.
- (6) The licensee may transfer the license to a third party, or grant further license for the use of the trademark to a third party only upon the express consent of the trademark proprietor thereto.

### **Termination of the Licensing Contract**

#### Section 25

The licensing contract shall terminate for the future upon the expiration of the duration of the contract or upon the occurrence of the circumstances specified in the contract, as well as upon termination of trademark protection.

### **Nature of Regulations Pertaining to Licensing Contracts**

### Section 26

(1) If both parties agree, they may deviate from the regulations pertaining to a licensing contract, to the extent that such deviation is not prohibited by law.

(2)

### Chapter V

#### **INFRINGEMENT**

### **Infringement of Trademark**

- (1) 'Infringement of trademark' means the unauthorized use of the trademark in contravention of the provisions of Section 12.
- (2) In the event of trademark infringement, the trademark proprietor may in accordance with the circumstances of the case lodge the following civil law claims:
  - a) he may demand a court ruling establishing that trademark infringement has occurred;
- b) he may demand cessation of the trademark infringement or threat of infringement and inhibition of the infringer from further infringement;

- c) he may demand that the infringer provide information on parties taking part in the manufacture of and trade in goods or performance of services which infringe on the trademark, as well as on business relationships established for the use of the infringer;
- d) he may demand that the infringer make amends for his action by declaration or in some other appropriate manner and, if necessary, that such amends should be given due publicity by and at the expense of the infringer;
- e) he may demand restitution of the economic gains achieved through infringement of the trademark:
- f) he may demand seizure of those assets and materials used exclusively or primarily in the infringement of the trademark, as well as of the goods infringing on the trademark or their packaging, or demand that they are delivered to a particular person, recalled and definitively withdrawn from commercial circulation, or destroyed.
- (3) In the event of trademark infringement the trademark proprietor may demand compensation for damages in accordance with the provisions of civil liability.
- (4) The trademark proprietor may seek the remedy referred to in Paragraph b) of Subsection (2) against a person whose services are being used in connection with the infringement.
- (5) The trademark proprietor may seek the remedy referred to in Paragraph c) of Subsection (2) against a person who:
  - a) was found in possession of the infringing goods on a commercial scale;
  - b) was found to be using the infringing services on a commercial scale;
  - c) was found to be providing on a commercial scale services used in infringing activities;
- d) was indicated by the person referred to in Paragraphs a)-c) as being involved in the production, manufacture or distribution of the goods or the provision of the services.
- (6) In the application of Paragraphs *a*)-c) of Subsection (5), acts carried out on a commercial scale are those where the nature and quantity of the goods or services involved clearly indicate that they are carried out for direct or indirect economic or commercial advantage. Pending proof to the contrary, the definition of acts carried out on a commercial scale would normally exclude acts carried out by end consumers acting in good faith.
- (7) Pursuant to Paragraph *c*) of Subsection (2) and to Subsection (5) the infringer or the person referred to in Subsection (5) may be compelled to furnish the following information:
- a) the names and addresses of the producers, manufacturers, distributors, suppliers and other previous holders of the goods or services involved in the infringement, as well as the intended wholesalers and retailers or those actually involved;
- b) information on the quantities produced, manufactured, delivered, received or ordered, as well as the price paid or received for the goods or services in question.
- (8) Upon request by the trademark proprietor, the court may order that the assets, materials, goods and packaging materials seized, or recalled and withdrawn from commercial circulation be deprived of the infringing nature, and that they be destroyed if such removal is not possible. Under justified circumstances the court may also order, instead of destruction, sale of the seized assets and materials in accordance with the regulations of judicial enforcement, and in this case shall determine the disposition of the proceeds from such sale.
- (9) Assets and materials used in the infringement of a trademark and goods and packaging materials infringing on a trademark may also be impounded if such articles are not in the possession of the infringer, but the owner of the articles was aware of the trademark infringement or could have been aware of such with proper circumspection.
- (10) The court shall order that the measures referred to in Paragraph f) of Subsection (2) and in Subsection (8) be carried out at the expense of the infringer, unless particular reasons are invoked for not doing so. The court's ruling for the recall and definitive removal from the channels of commerce, or destruction of the infringing goods shall be adopted, taking into account the interests of third parties and it shall be proportional according to the seriousness of the infringement.
  - (11) The court may order, at the request of the trademark proprietor and at the expense of the

infringer, appropriate measures for the dissemination of the information concerning the decision. The mode of dissemination shall be decided by the court. Dissemination shall include publication in a national newspaper or display on the internet.

### **Non-use as Defense in Infringement Actions**

### Section 27/A

- (1) The proprietor of a trademark shall be entitled to prohibit the use of a sign only to the extent that the proprietor's rights are not liable to be revoked pursuant to Section 34 at the time the infringement action is brought.
  - (2) If the defendant so requests, the proprietor of the trademark shall furnish proof that,
- a) during the five-year period preceding the date of bringing the action, the trademark has been put to genuine use as provided in Section 18 in connection with the goods or services in respect of which it is registered and which are cited as justification for the action, or that
- b) there are proper reasons for non-use, provided that the five-year period provided for in Subsections (1)-(3) of Section 18 has already lapsed at the date of bringing the action.

# Intervening Right of the Proprietor of a Later Registered Trademark as a Defense in Infringement Actions

### Section 27/B

- (1) The proprietor of a trademark shall not be entitled to prohibit the use of a later registered trademark where that later trademark would not be declared invalid pursuant to Subsection (2) or (2a) of Section 33 or Subsection (3) of Section 73.
- (2) The proprietor of a trademark shall not be entitled to prohibit the use of a later registered European Union trademark where that later trademark would not be declared invalid pursuant to Article 60(1), (3) or (4), Article 61(1) or (2) or Article 64(2) or (3) of the European Union Trademark Regulation.
- (3) Where the proprietor of a trademark is not entitled to prohibit the use of a later registered trademark pursuant to Subsection (1) of Section 27/B and Subsection (2) of Section 27/B, the proprietor of that later registered trademark shall not be entitled to prohibit the use of the earlier trademark, even though that earlier right may no longer be invoked against the later trademark.

### **Consequences of Trademark Infringement in Customs Law**

### Section 28

In the event of trademark infringement, the trademark proprietor may demand - in accordance with the provisions of the legislation on customs action against goods suspected of infringing certain intellectual property rights - that the customs authorities take action to prevent the customs goods infringing on the trademark from entering into trade circulation.

# Rights of the Registering Party and the User of the Trademark on the Basis of a Trademark License Contract in Cases of Trademark Infringement

- (1) The registering party may also take legal action against infringement of trademark, but the case shall be suspended until a final decision is made regarding registration of the trademark.
- (2) The licensee may bring action in his own name for trademark infringement only upon the proprietor's consent, except where so authorized by the licensing contract. In the case of an exclusive license, however, the licensee may bring such proceedings in his own name, without the proprietor's consent, against the infringer if the proprietor of the trademark, after formal notice, does not himself bring infringement proceedings within thirty days from the date of notice.
- (3) A licensee shall, for the purpose of obtaining compensation for damage suffered by him, be entitled to intervene in infringement proceedings brought by the proprietor of the trademark as co-litigant. Paragraph *a*) of Subsection (2) of Section 52 of Act CXXX of 2016 on the Code of Civil Procedure (hereinafter referred to as "CPC"), and Subsection (3) of Section 38 and Section 39 of the CPC shall apply mutatis mutandis to the deadline for intervention and status of co-litigants, respectively.

### Chapter VI

#### TERMINATION OF TRADEMARK PROTECTION

### **Manners of Termination**

#### Section 30

- (1) Trademark protection shall terminate, if
- a) upon the lapse of the duration of protection without renewal (Section 11, Section 31), on the day following lapse of the period of protection;
- b) the trademark proprietor surrenders protection of the trademark (Section 32), on the day following receipt of such surrender, or at an earlier date specified by the party surrendering such protection;
- c) the trademark has been declared invalid (Section 33), effective retroactively to the date of filing;
- d) the trademark proprietor has failed to put the trademark to actual use (Section 18, Section 34), effective retroactively to the date upon which proceedings for revocation were initiated;
- e) the trademark has lost its distinctive character or has become liable to mislead the public (Section 35), effective retroactively to the date upon which proceedings for revocation were initiated.

f

- (2) In the cases provided for in Paragraphs d) and e) of Subsection (1) hereof, an earlier date with retroactive effect, on which one of the grounds for submission of the application for revocation occurred, may be fixed in the decision at the request of one of the parties, provided that the conditions for revocation existed at the earlier date indicated, and also at the time of submission of the application for revocation.
- (3) For the purposes of Subsection (2), the priority date of the applicant's subsequent conflicting trademark application shall be construed pending proof to the contrary the date on which the grounds for submission of the application for revocation occurred, provided that the applicant has submitted such trademark application.

### Partial Termination upon Lapse of the Protection Period

If trademark protection is only renewed for certain goods or services for which the trademark is registered, trademark protection for the remaining items not specified for renewal shall terminate upon the lapse of the protection period.

### **Surrender of Trademark Protection**

### Section 32

- (1) A trademark proprietor listed in the Trademark Register may surrender protection of the trademark by sending a written statement to this effect to the Szellemi Tulajdon Nemzeti Hivatala (Hungarian Intellectual Property Office).
- (2) If such surrender has an effect on the rights of a third party based on a legal regulation, an official ruling or on a licensing contract or other contract recorded in the Trademark Register, or if legal proceedings are recorded in the Trademark Register, then the surrender shall only be valid subject to approval by the party concerned.
- (3) Such surrender may also apply only to a specified portion of the goods or services for which the trademark is registered.
  - (4) Surrender of trademark protection cannot be retracted.

### **Revocation of Trademark**

- (1) A trademark shall be revoked, if
- a) the subject of trademark protection did not meet the conditions specified in Paragraph a) of Section 8;
- b) the sign comprising the trademark is different, or the range of goods is larger than that which was contained in the trademark application submitted on the recognized date of submission, or, in the case of division, than that which was contained in the divided application;
- c) the application for the international registration of a trademark has been submitted by a person deemed ineligible under the Madrid Agreement and the Protocol relating to the Madrid Agreement [Paragraph a) of Subsection (1) of Section 76/I].
  - (2) A trademark may not be revoked, if
- a) it conflicts with an earlier trademark [Subsection (2) of Section 4], the use of which does not satisfy the requirements laid down in Section 18 at the time the application for a declaration of invalidity is filed, or whose protection no longer exists at the time the application for a declaration of invalidity is filed; or
- b) it conflicts with an earlier trademark, non-registered sign or other right, the proprietor of which was aware of the later trademark registration and acquiesced to the use of such for a period of five successive years, unless the proprietor of the later trademark acted in bad faith.
- (2a) An application for a declaration of invalidity on the basis of an earlier trademark shall not succeed if it would not have been successful at the filing date or the priority date of the later trademark for any of the following reasons:
- a) the earlier trademark, liable to be declared invalid pursuant to Paragraphs a)-c) of Subsection (2) of Section 2, had not yet acquired a distinctive character as referred to in Subsection (3) of Section 2;
  - b) the application for a declaration of invalidity is based on Paragraph b) of Subsection (1) of

Section 4 and the earlier trademark had not yet become sufficiently distinctive to support a finding of likelihood of confusion within the meaning of Paragraph *b*) of Subsection (1) of Section 4;

- c) the application for a declaration of invalidity is based on Paragraph c) of Subsection (1) of Section 4 and the earlier trademark had not yet acquired a reputation within the meaning of Paragraph c) of Subsection (1) of Section 4.
- (2b) A trademark shall not be declared invalid on the basis of Paragraphs *a*)-*c*) of Subsection (2) of Section 2 if, before the date of application for a declaration of invalidity, following the use which has been made of it, it has acquired a distinctive character.
- (3) If the grounds for revocation of the trademark apply to only some of the goods or services for which the trademark is registered, the trademark protection shall be restricted accordingly.
- (4) A final ruling for rejecting a request for revocation precludes initiation by any party of new proceedings aimed at revocation of the same trademark on the same factual grounds.

#### **Termination due to Lack of Use**

### Section 34

- (1) Trademark protection may terminate due to lack of use for all or for a portion of the goods or services for which the trademark has been registered, depending on whether failure to use the trademark applies to all the goods or services for which the trademark was registered or only to a portion of such.
- (2) No person may claim that the proprietor's rights in a trademark should be revoked on the grounds of non-use where, after the expiry of the time period specified in Subsections (1)-(3) of Section 18, but before the date of filing the application for revocation, genuine use of the trademark has been started or resumed. This provision shall not apply where the commencement or resumption of use within a period of three months preceding the filing of the application for revocation which began at the earliest on expiry of the continuous period of five years of non-use, where preparations for the commencement or resumption occur only after the proprietor becomes aware that the application for revocation may be filed.
- (3) A final ruling rejecting an application for termination due to lack of use precludes initiation by any party of new proceedings aimed at establishment of termination of the same trademark due to lack of use on the same factual grounds.

### Termination due to Loss of Distinctive Character or Liability to Mislead

- (1) Trademark protection shall be revoked:
- a) if, in consequence of acts or inactivity of the trademark proprietor, the trademark has become the common name in the trade for a product or service in respect of which it is registered; or
- b) if, in consequence of the use made of the trademark by the proprietor of the trademark or with his consent, the trademark is liable to mislead the public, particularly as to the nature, quality or geographical origin of those goods or services.
- (2) Trademark protection may terminate due to lack of distinctive character or liability to mislead for all or for a portion of the goods or services for which the trademark has been registered, depending on whether the grounds for termination of the trademark applies to all the goods or services for which the trademark was registered or only to a portion of such.
- (3) A final ruling rejecting an application for termination due to lack of distinctive character or liability to mislead precludes initiation by any party of new proceedings aimed at establishment of

termination of the same trademark on the same factual grounds.

### Section 35/A

### **Reclamation of Fees**

### Section 36

If protection of the trademark is terminated retroactively, only that portion of the fees may be reclaimed from the trademark proprietor which does not cover the economic gains resulting from the use of the trademark.

### Chapter VI/A

### APPLICATION OF THE PROVISIONS OF THE CIVIL CODE

### Section 36/A

- (1) In matters not covered by this Act, the relevant provisions of the Act on the Civil Code (hereinafter referred to as "Civil Code") shall apply relating to:
- *a)* the succession, transfer and pledge of rights associated with trademarks and rights conferred by trademark protection, joint trademark protection claims and joint trademark protection;
  - b) licensing contracts; and
  - c) other issues of a personal and financial nature concerning trademarks.

(2)

### PART TWO

# PROCEDURE OF THE SZELLEMI TULAJDON NEMZETI HIVATALA (HUNGARIAN INTELLECTUAL PROPERTY OFFICE) IN TRADEMARK MATTERS

### Chapter VII

#### GENERAL RULES FOR TRADEMARK PROCEEDINGS

### Jurisdiction of the Szellemi Tulajdon Nemzeti Hivatala

- (1) The following trademark matters shall fall under the jurisdiction of the Szellemi Tulajdon Nemzeti Hivatala:
  - (2) The Szellemi Tulajdon Nemzeti Hivatala shall have competence in matters arising in

connection with the application of the regulations relating to the EU trademark system (Chapter X/A) and the international registration of trademarks (Chapters X/B-X/C).

- a) registration of trademarks,
- b) renewal of trademark protection,
- c) establishment of termination of trademark protection,
- d) revocation of the trademark,
- e) division of trademark protection,
- f) recording of trademark applications and trademarks,
- g) provision of official information.

# **Application of the General Provisions of Administrative Proceedings and Electronic Communication**

### Section 38

- (1) The Szellemi Tulajdon Nemzeti Hivatala shall proceed in the trademark matters referred to its jurisdiction subject to the derogations and additional provisions set out in this Act in accordance with the provisions of Act CL of 2016 on General Public Administration Procedures (hereinafter referred to as "Administrative Procedure Act") and the Act on the General Rules for Trust Services and Electronic Transactions.
- (2) Unless otherwise prescribed by law, the Szellemi Tulajdon Nemzeti Hivatala shall proceed in the trademark matters referred to its jurisdiction upon request.
- (2a) With the exception of requests for, and supply of, information, access to documents and hearings, in trademark procedure referred to the jurisdiction of the Szellemi Tulajdon Nemzeti Hivatala all communication shall be conducted in writing, or by way of electronic means pending identification, however, information may not be requested, or supplied, by way of short text messages.
- (2b) Unless otherwise provided for by this Act, in trademark matters falling within the competence of the Szellemi Tulajdon Nemzeti Hivatala the application shall contain:
- *a)* in the case of natural persons, the applicant's and where applicable the representative's name and home address, and where communication is maintained by way of electronic means the place and date of birth, and mother's name of the natural person who maintains communication in this manner:
- b) if other than a natural person, the applicant's and where applicable the representative's name and registered office, and where communication is maintained by way of electronic means tax number; furthermore
- c) where communication is maintained by means other than electronic, the signature of the applicant or the applicant's representative.
- (3) Section 3, Subsection (1) of Section 5, Subsection (8) of Section 13, Section 21, Section 26, Subsection (2) of Section 37, Subsection (2) of Section 46, Subsections (1)-(4) of Section 48, Subsection (1) of Section 62, Subsection (1) of Section 74, Section 75, Section 76, Section 87, Subsection (2) of Section 94, Section 97, Subsection (2) of Section 127 and Section 130 of the Administrative Procedure Act shall not apply to trademark matters.
- (4) In trademark cases summary proceedings may not be held and applications may not be submitted at one-stop government windows.

(5)

### Decisions of the Szellemi Tulajdon Nemzeti Hivatala

(1)

- (2) The Szellemi Tulajdon Nemzeti Hivatala shall appoint a three-member council for conducting hearings in revocation and invalidation proceedings. In connection with trademark registration proceedings, where a hearing has to be held concerning any objection lodged in connection with the registration of a trademark, the Szellemi Tulajdon Nemzeti Hivatala shall appoint a three-member council for the hearing to adopt a decision. The council shall pass its decisions with a majority of votes.
- (3) The decisions of the Szellemi Tulajdon Nemzeti Hivatala shall be considered binding when served, unless an action is filed to have it reversed.
- (4) A decision of the Szellemi Tulajdon Nemzeti Hivatala may be communicated by way of public announcement if:
- a) the client's residence address or registered office (business establishment, branch) is unknown; or
- b) the postal consignment is returned marked as addressee unavailable or address unknown.
- (5) The public announcement shall be published in the official journal of the Szellemi Tulajdon Nemzeti Hivatala and shall be posted on its official web site on the same day. Decisions communicated by way of public announcement shall be considered served on the fifteenth day following the public announcement. The communication of decisions by way of public announcement shall otherwise be governed by the provisions of the Administrative Procedure Act, with the understanding that posting shall be construed as the publication of the public announcement.
- (6) Where Subsection (1) of Section 44 applies, all decisions shall be served upon the authorized representative.
- (7) The provisions of the Administrative Procedure Act on the proclamation of resolutions shall not apply to trademark proceedings.

### **Establishment of Facts**

- (1) The Szellemi Tulajdon Nemzeti Hivatala with the exception set out in Subsection (2) shall investigate the facts in trademark proceedings conducted before it ex officio; this investigation shall not be limited to the statements of the parties.
- (2) The Szellemi Tulajdon Nemzeti Hivatala shall investigate the facts in trademark registration proceedings concerning any objection lodged in connection with the registration of a trademark, in revocation proceedings and in proceedings for termination of the trademark within the confines of the petition, relying upon the statements and presentations of, and the evidence supplied by the parties.
- (3) The Szellemi Tulajdon Nemzeti Hivatala shall base its decisions only on facts and evidence in connection with which the party had the opportunity to make his opinion known; however, any statement or evidence that the party did not submit in due time may be dismissed.
- (3a) In the proceedings referred to in Subsection (2), the parties shall submit their petitions, and the enclosures thereof, to the Szellemi Tulajdon Nemzeti Hivatala in a single copy in the case of electronic communication, and in other cases in the same number of copies as there are adverse parties, plus one. Where several parties are represented by a common representative, such parties shall receive one copy. If the number of copies of the petition or its enclosures the party has submitted is less than what is prescribed, and if the party does not comply with the invitation to remedy such deficiencies as referred to in Subsection (4), the opposition, the application for a declaration of invalidity and the application for revocation shall be considered withdrawn and the

statement of the applicant or the proprietor of the trademark shall be deemed not to have been made.

(4) If there are any deficiencies in an application submitted in trademark matters, or the enclosures thereof, which can be remedied, the client shall be requested to remedy such deficiencies or submit a statement, indicating the legal consequences of non-compliance. If the application fails to comply with the relevant requirements after the deficiencies are remedied or the statement is made, and this Act does not contain other legal consequences to that effect, it shall be refused. If the client fails to reply to the request within the prescribed time limit, the application shall be considered withdrawn, provided that this Act does not contain other legal consequences to that effect.

(5)

#### **Deadlines and Time Limits**

#### Section 41

- (1) The deadlines and time limits specified in this Act may not be extended. Legal consequences of failure to meet such deadlines may occur without special notice being given.
- (2) Where no time limit is specified in this Act for remedying deficiencies, or for the submission of statements, a period of not less than one and not more than three months shall be made available to the party and this period may be extended by not less than one and not more than three months by submission of an application to such effect prior to the lapse of such period. Extension may be granted repeatedly, or in excess of three months but not more than six months on a duly justified basis.
- (3) In trademark proceedings the administrative time limits prescribed in the Administrative Procedure Act shall not apply, furthermore, the provisions of the Administrative Procedure Act containing deadlines prescribed for other actions of the competent authority shall not apply either.
- (4) In trademark proceedings the date of presentation for a petition submitted by way of the postal service shall be the date of delivery to the Szellemi Tulajdon Nemzeti Hivatala. However, where a petition is delivered beyond the deadline prescribed by the Szellemi Tulajdon Nemzeti Hivatala, it shall be considered to have been received in time if it was dispatched in a registered consignment before the said deadline, except if the petition is delivered more than two months after the deadline.

### **Justification**

- (1) Unless Subsection (5) contains provisions to the contrary, in trademark proceedings an application for excuse may be submitted within fifteen days from the end of the prescribed time limit or deadline. In the application for excuse the reason for default and the circumstances substantiating an excuse shall be presented.
- (2) If a party becomes aware of defaulting upon a deadline at a later point or if an obstruction is eliminated subsequently, the time limit shall be reckoned from the time of gaining knowledge or when the obstacle was removed. An application for excuse may not be submitted later than six months following the end of the prescribed time limit or deadline.
- (3) In the event that a deadline is missed, the action neglected must be performed simultaneously with submission of the application for excuse, or a request for extension of the time limit may be presented, if such extension is permissible.
- (4) If the Szellemi Tulajdon Nemzeti Hivatala accepts the application for excuse, the action performed by the defaulting party shall be considered to have been performed within the prescribed

time limit, and any hearings held on the deadline date must be repeated to the extent that this is necessary. In light of the new hearings, a decision must also be adopted on the subject of affirming, or completely or partially abolishing decisions made on the basis of the cancelled hearing.

- (5) Justification shall not be permissible:
- a) in connection with any failure to submit the priority declaration within the prescribed time period [Subsection (2) of Section 53];
- b) in connection with any failure to press union or issuance priority claims within the prescribed six-month time limit.
- c) in connection with missing the deadline prescribed for lodging an objection [Subsections (1) of Section 61/B, Subsection (3) of Section 76/P];
- d) in connection with missing the deadline prescribed for applying for a simplified procedure [Subsection (1) of Section 64/A].

### **Suspension of Proceedings**

### Section 43

- (1) If a lawsuit is launched concerning a trademark application or entitlement to the trademark, the trademark proceedings shall be suspended, pending final conclusion of the lawsuit. Where the final decision in a trademark proceeding requires the preliminary judgment of an issue where the decision lies with another authority, the Szellemi Tulajdon Nemzeti Hivatala shall suspend the trademark proceedings.
- (2) In case of the death of the client, or the termination of a legal entity, the trademark proceedings shall be suspended until the legal successor is notified and verified. If the person of the legal successor is not notified within a period deemed appropriate for the case in question, the Szellemi Tulajdon Nemzeti Hivatala shall terminate the proceedings or shall adopt a decision based on the information in its possession.
- (3) The Szellemi Tulajdon Nemzeti Hivatala shall suspend the trademark proceedings at the client's request or ex officio, if the case cannot be reliably resolved without a decision in another proceeding under its competence that closely relates to the case on hand.
- (3a) Where two or more adverse party is involved, trademark proceedings shall be suspended at their joint request. Suspension shall be declared by the Szellemi Tulajdon Nemzeti Hivatala by means of a ruling. Such proceedings may be suspended only once. The proceedings shall be continued at the request of either of the parties. After a period of six-month suspension, proceedings which are opened upon request only shall be terminated.
- (4) Trademark registration proceedings cannot be suspended upon the applicant's request, unless Subsection (1) or (3) applies.
- (4a) Except as provided in Subsection (1) of Section 61/D, proceedings for trademark registration may not be suspended.
- (5) Upon the suspension of proceedings all deadlines shall be discontinued, and shall recommence when suspension is terminated.
- (6) In addition to having the proceedings suspended, the Szellemi Tulajdon Nemzeti Hivatala may declare that the suspension shall not pertain to the procedural steps pending, nor to the time limits prescribed for their completion.

### Representation

- (1) Unless otherwise prescribed by international agreement, foreign nationals shall be required to authorize a patent agent or an attorney to represent them in all trademark matters falling under the jurisdiction of the Szellemi Tulajdon Nemzeti Hivatala.
- (2) A power of attorney shall be made out in writing. For the power of attorney granted and given to a patent agent, attorney, patent agents' office, patent agency company or law firm inside or outside the country to be valid, it is sufficient, if it has been signed by the principal. An authorization for representation may be in the form of a general authorization allowing the representative to act in respect of all patent related proceedings before the Szellemi Tulajdon Nemzeti Hivatala to which the person who has issued it is a party. Where authorization is granted to a law firm, a patent agents' office or patent agency company, it shall be deemed to be an authorization of any representative who can establish that he/she practices within that law firm, office or company.
- (3) The Szellemi Tulajdon Nemzeti Hivatala shall appoint a representative ad litem for trademark proceedings from among the patent agents and lawyers:
- a) upon request by the opposing party in the event that the legal successor or the other party's place of residence is not known,
- b) for a foreign national who does not have an authorized representative, at the request of the opposing party.
- (4) Subsection (1) and Paragraph *b*) of Subsection (3) shall not apply if the foreign person is a natural or legal person whose residence or corporate domicile is located in a Member State of the European Economic Area.
- (5) Where the provisions laid down in Paragraph *b*) of Subsection (3) and in Subsection (4) do not apply and the foreign person did not satisfy the requirements set out in Subsection (1), the Szellemi Tulajdon Nemzeti Hivatala shall proceed in the trademark proceeding in accordance with what is contained in Subsections (2)-(4) of Section 59; it shall, however, consider the application based upon the information available if the foreign person involved in the proceeding as the opposing party did not satisfy the requirements set out in Subsection (1).
- (6) The expenses and remuneration of a representative ad litem shall be advanced by the party who has requested one to be appointed.
- (7) For the purposes of the Act on the General Rules for Trust Services for Electronic Transactions and in the application of the provisions of this Act relating to electronic administration, patent agents, patent agents' offices and patent agency companies shall also be regarded as legal counsels in trademark procedures.

### Language

### Section 45

- (1) Trademark proceedings shall be held in the Hungarian language and the trademark registration shall be made in the Hungarian language.
- (2) In trademark proceedings, petitions in foreign languages may also be submitted; the Szellemi Tulajdon Nemzeti Hivatala may, however, prescribe the submission of a certified Hungarian translation or a re-certified document. A certified Hungarian translation or a re-certified document may be demanded when there are reasonable grounds to challenge the accuracy of the translation or the authenticity of the information contained in the foreign document.

### **Public Information**

(1) All documents of a trademark proceeding shall be made available to the general public, with the exception of drafts of decisions and the documents obtained in preparation of these resolutions and expert opinions, which are not conveyed to the parties, and with the exception set out in Subsection (2).

(1a)

- (2) Except in the cases provided for in the Administrative Procedure Act, personal data that were not specified in the Trademark Register or in the official notice shall not be made available to the public, except if the data subject consents expressly to have them disclosed or made available, or in the cases where third-party access to documents containing personal data is permitted in accordance with the provisions of the Administrative Procedure Act.
- (3) The Szellemi Tulajdon Nemzeti Hivatala shall provide copies of the documents, that may be inspected, upon payment of a fee.
  - (4) In trademark matters, proceedings shall be made public only if an adverse party is involved.

### **Legal Remedies**

### Section 46/A

- (1) In connection with the decisions of the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) there shall be no right of appeal, no administrative actions, oversight proceedings may be opened, and no prosecutor's intervention and action under the Act on the Prosecution Service may be taken.
- (2) The decisions of the Szellemi Tulajdon Nemzeti Hivatala adopted in trademark matters may be reviewed by the court in nonlitigious proceedings as governed under Chapter XI.
- (3) Unless otherwise provided for in this Act, the Szellemi Tulajdon Nemzeti Hivatala may amend or withdraw its decisions final and conclusive adopted in the following matters only on the basis of a petition for reversal and only before such petition is forwarded to the court:
  - a) registration of a trademark;
  - b) renewal of a trademark;
  - c) division of trademark protection;
  - d) termination of trademark protection if surrendered by the proprietor;
  - e) revocation of the trademark;
  - f) declaration of termination of trademark protection;
- g) application for the international registration of a trademark, and forwarding an application for subsequent territorial extension in connection with international registration;
  - h) definitive rejection of extension of protection covering the territory of Hungary;
- *i)* refusal to honor a transfer or license for use of an internationally registered trademark with protection in Hungary;
  - j) conversion of an international registration into an application for national registration.
- (4) Unless otherwise provided for in this Act, the Szellemi Tulajdon Nemzeti Hivatala may amend or withdraw its final and conclusive decisions adopted in the matters referred to in Paragraphs *e*) and *f*) of Subsection (3) only on the basis of a petition for reversal and only if it finds that the decision is unlawful, or if the parties mutually request the decision to be reversed or withdrawn.
- (4a) In cases where there is no adverse party, the Szellemi Tulajdon Nemzeti Hivatala may in an action for reversal withdraw the decisions adopted under Paragraphs *b*)-*e*) of Subsection (1) of Section 77, or may alter them as requested in the action for reversal even if the decision is not found unlawful, but the Szellemi Tulajdon Nemzeti Hivatala is in agreement with the reasons stated in the action for reversal.
  - (4b) The decision adopted in the action for reversal shall be delivered to the party who brought

the action, and to all other persons to whom the contested decision was delivered.

- (4c) The decisions on amendment may be appealed the same as the amended decision.
- (5) Subsection (4) shall apply to decisions adopted in the proceedings under Paragraph *a*) of Subsection (3), if an objection has been lodged against the application for trademark registration, and the Szellemi Tulajdon Nemzeti Hivatala did not reject the application for trademark registration under the reasons defined in Sections 2-3.

### **Enforcement**

#### Section 46/B

- (1) The provisions of the Administrative Procedure Act on enforcement shall apply to the rulings of the Szellemi Tulajdon Nemzeti Hivatala for imposing administrative penalties.
- (2) The decision adopted by the Szellemi Tulajdon Nemzeti Hivatala for the fixing of costs shall be carried out in due observation of the provisions of Act LIII of 1994 on Judicial Enforcement.

### **Costs and Fees**

### Section 46/C

- (1) In trademark proceedings exemption from costs shall not be permitted.
- (2) In addition to the fees prescribed in this Act, trademark proceedings shall be subject to the payment of an administrative service fee of an amount prescribed in the legislation on the administrative service fees payable in connection with industrial property proceedings according to the detailed regulations laid down in the legislation on the administrative service fees payable in connection with industrial property proceedings in connection with the following:
  - a) applications for amendments, deadline extension and for continuation;
- b) applications for acknowledgment in connection with succession and licenses, and for applications in connection with establishing a lien.
- (3) The Szellemi Tulajdon Nemzeti Hivatala shall have authority to reduce in justified cases the authorized representative's remuneration if it is not commensurate as to the work actually performed. Accordingly, the provisions relating to the costs and expenses to be awarded in court proceedings to attorneys at law and patent agents shall apply.

### **Use of Electronic Means and Regulatory Services**

### Section 46/D

- (1) In trademark procedures the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall maintain electronic communication in accordance with the Act on the General Rules for Trust Services for Electronic Transactions and this Act.
- (2) In trademark procedures clients and the legal representatives of clients are not obliged to maintain communication electronically.

### Chapter VIII

### TRADEMARK REGISTER, OFFICIAL NOTICE

### Trademark Register

### Section 47

- (1) The Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall maintain a register on trademark applications and registered trademarks, containing in accordance with Section 48 all facts and circumstances associated with trademark rights.
  - (2) The Trademark Register shall, in particular, indicate the following:
  - *a)* the registration number of the trademark;
  - b) the case number;
  - c) the trademark;
  - d) the specification of goods and services for which the trademark is registered;
  - e) the name (corporate name) and address (registered office) of the proprietor;
  - f) the name and registered office of the representative;
  - g) the date of application;
  - h) any priority rights;
  - i) the date of the resolution on admission into the register;
  - *j*) renewal of the trademark;
- *k*) revocation of the trademark, the legal grounds and time thereof, and any restrictions to the trademark protection,
  - *l*) licenses for use;
- m) if the trademark protection claim or any right arising from a trademark comprise a part of assets placed into a trust fund;
  - n) any lien filed in the trademark, and the fact if levied in execution or seizure; and
- o) the first day of the five-year period provided for in Subsections (1) of Section 18 determined in accordance with Subsections (1)-(3) of Section 18.
- (3) The Trademark Register shall be construed as authentic proof of the rights and facts registered therein. The rights and facts registered in the Trademark Register shall be presumed to exist in the absence of proof to the contrary. The burden of proof relating to any data an information contained in the Trademark Register lies with the person who disputes their authenticity or accuracy.
- (4) Against any third party who has obtained rights in good faith in exchange for valuable consideration, any rights pertaining to trademark protection may only be claimed if they have been recorded in the Trademark Register.
- (5) The Trademark Register shall be open to the public for inspection, made available on the official website of the Szellemi Tulajdon Nemzeti Hivatala by means of electronic access. Certified extracts on data and information contained in the Trademark Register may be obtained for a fee.

### **Admission into the Trademark Register**

- (1) Entries are made into the Trademark Register by the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) based on its own decision, on the decisions of other authorities and court rulings, indicating also the facts that may have emerged during trademark procedures. As regards the entries made pursuant to the decisions referred to in Subsection (1) of Section 77 the Register also indicates the operative dates of those decisions. Where either of the decisions listed under Subsection (1) of Section 77 had been contested by means of a petition for reversal, this deed and the fact that the decision is not final shall be indicated as well.
  - (2) As regards the acknowledgment of rights or facts in connection with trademark protection -

other than the facts associated with trademark procedures - the Szellemi Tulajdon Nemzeti Hivatala shall decide on the basis of a request presented in writing, writing, with the proviso that any notification received from another authority on changes in the client's particulars shall not be regarded as a request made in writing. The underlying authentic instruments or private documents with reliable probative force shall be attached to the appeal. Where in a single matter requests are submitted which may prove to be mutually exclusive, such requests shall be decided in the order in which they are received.

- (3) The request shall be rejected if it is based on a document which is considered invalid due to a formal defect, or that is lacking the official approval as prescribed by law, furthermore if, based on the contents of the document, the legal statement contained therein is manifestly invalid.
- (3a) The request for the acknowledgment of succession shall be refused if the trademark protection claim or any right arising from trademark protection was transferred under a fiduciary asset management contract that was concluded with an entity other than a fiduciary asset management company, acting as the fiduciary, and the request was lacking the notification certificate provided for in the Act on Fiduciaries and on the Regulations Governing Their Activities.

(4)

#### Official Information

### Section 49

The Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall publish in its official journal the following information and facts with regard to trademark applications and trademarks, in particular:

- a) at the date of publication of the application for registration, the name and address (registered office) of the applicant and the representative, the case number, the date of filing or, if different, the priority date, as well as the mark itself and the specification of goods and services for which the mark is being registered;
- b) following admission into the Trademark Register, the registration number, the name and address (registered office) of the trademark proprietor, the name and address (registered office) of the representative, the case number, the date of filing or, if different, the priority date, the mark itself and the specification of goods and services for which the mark is registered, as well as the date of resolution for admission into the register;
  - c) in the case of renewal or division of trademark protection, the information relating thereto;
  - d) termination of trademark protection, and the legal grounds and time of termination;
- e) any changes in the rights pertaining to trademark protection which are entered in the Trademark Register.

### Section 49/A

The Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall publish in its official journal the official information, prescribed under Chapters X/B-X/C, pertaining to applications for international registration of trademarks.

### Chapter IX

### PROCEEDINGS FOR TRADEMARK REGISTRATION

### Submission of the Trademark Application and the Related Documents

### Section 50

- (1) Proceedings for the registration of a trademark shall commence upon submission of an application to the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*).
- (2) The trademark application shall include the application request, the sign and the specification of goods and services, as well as any other appendices necessary.
- (3) By way of derogation from Subsection (2b) of Section 38, application for registration of a trademark shall contain the applicant's name and home address or registered office, and where applicable the applicant's representative's name and home address or registered office, furthermore, where communication is maintained by means other than electronic, the signature of the applicant or the applicant's representative.
- (3a) If the applicant or his or her representative is required to maintain communication electronically in trademark matters falling within the competence of the Szellemi Tulajdon Nemzeti Hivatala, or wishes to maintain communication with the Szellemi Tulajdon Nemzeti Hivatala electronically, in addition to the details provided for in Subsection (3) the application shall contain:
- a) in the case of natural persons, the applicant's and where applicable the representative's place and date of birth and mother's name;
- b) the applicant's, if not a natural person, and/or the representative's tax number, if other than the organizations mentioned in Paragraph c);
- c) in the case of organizations required to use the office gateway, repository, the abbreviated name and KRID identifier of the office gateway.
- (3b) In other respects, trademark applications shall be submitted according to the legislation on the formal requirements for trademark applications and on the detailed regulations for the filing of applications for the protection of industrial property rights by way of electronic means.
- (4) A fee, as specified in the legislation on the administrative service fees payable in connection with industrial property proceedings, shall be paid for the trademark application; it shall be payable within one month following the date of filing.
- (5) If the specification of goods and services contained in the application is drawn up in a foreign language, the Hungarian version of the specification of goods and services shall be provided within two months following the date of filing.
- (6) The applicant may withdraw the trademark application prior to the trademark's entry into the register in due observation of the provisions of Section 32.

### Section 50/A

### **Date of Filing**

- (1) The date of filing is the day upon which the application received by the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) contains at least the following:
  - a) reference to a claim for trademark protection;
- b) the applicant's name and home address or registered office, or address for registered delivery service, where applicable, the representative's name and home address or registered office, or address for registered delivery service, or other information to make contact with the applicant;
  - c) a reproduction of the mark which satisfies the requirements set out in Paragraph b) of

#### Subsection (1) of Section 1; and

- d) the registered goods and services provided for in Subsection (2) of Section 52, regardless of whether such registered goods and services meet the other requirements.
- (2) For recognition of the application date, it is sufficient to refer to the priority document, in lieu of submitting the sign and specification of goods and services.

### Unitary Character of the Mark; Specification of Goods and Services

### Section 52

- (1) Trademark protection may only be claimed for an individual mark in a trademark application.
- (2) The specification of goods contains a list of goods or services for which trademark protection is claimed under the mark.
- (3) Goods and services in respect of which trademark registration is applied for shall be classified in conformity with the system of classification established by the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks (hereinafter referred to as "Nice Classification").
- (4) In the trademark application the goods and services for which the protection of the trademark is sought shall be identified with sufficient clarity and precision to enable the competent authorities and economic operators, on that sole basis, to determine the extent of the trademark protection sought.
- (5) The general indications included in the class headings of the Nice Classification or other general terms may be used, provided that they comply with the requisite standards of clarity and precision set out in Subsection (4).
- (6) The use of general terms, including the general indications of the class headings of the Nice Classification, shall be interpreted as including all the goods or services clearly covered by the literal meaning of the indication or term.
- (7) Goods and services shall not be regarded as being similar to, or dissimilar from, each other solely on the ground that they appear in the same class, or in different classes, under the Nice Classification.

### **Priority**

- (1) Date of establishment of priority shall be
- a) generally the filing date of the trademark application (application priority),
- b) in the cases specified by the Paris Convention for the Protection of Industrial Property, the filing date of foreign application (union priority),
- c) in the cases defined by the publication of a notice by the President of the Szellemi Tulajdon Nemzeti Hivatala published in the Magyar Közlöny (Hungarian Gazette) the date when the mark began to be exhibited, no earlier than six months prior to the application date (exhibition priority),
- d) the filing date of a trademark application by the applicant for an identical mark which is in processing, the date of which is not earlier than six months, if, in connection with such, no other claims of priority have been enforced (internal priority).
- (2) Union, exhibition or internal priority must be claimed within two months of filing the trademark application. The document establishing union priority, or the certification of exhibition must be submitted within four months of the application date.
  - (3) Union priority, under the conditions set out in the Paris Union Convention, may be requested

even if the application was submitted in a country that is a member of the World Trade Organization but not a party to the Paris Union Convention or in another country under the principle of reciprocity. Whether reciprocity applies shall be determined on the basis of the opinion of the President of the Szellemi Tulajdon Nemzeti Hivatala.

### **Certification of Exhibition**

#### Section 54

- (1) A certification of exhibition is made out by the organizing body of the exhibition to verify the exhibition and the date when it is held.
- (2) The mark, whose identity with the mark exhibited at the exhibition shall be confirmed and attached to the certification of exhibition.
- (3) The certificate of exhibition shall only be valid during the exhibition, for the period of time during which the mark may be viewed at the exhibition.

### **Examination Following Submission of the Application**

### Section 55

Following submission of the application, the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall examine whether

- a) the application meets the requirements for the accordance of a date of filing (Section 51),
- b) the filing fee has been paid [Subsection (4) of Section 50],
- c) the Hungarian version of the specification of goods and services has been submitted [Subsection (5) of Section 50].

#### Section 56

- (1) If no date of filing can be accorded, the applicant shall be requested to remedy the deficiencies in the application within a period of thirty days.
- (2) In the event that the deficiencies are remedied within the prescribed period, the date of filing shall be accorded as the date upon which the deficiency in the application was remedied. Otherwise the trademark application shall be considered withdrawn.
  - (3) The applicant shall be informed regarding the date of filing accorded.
- (4) If the filing fees are not paid, or the Hungarian language specification of goods and services is not submitted, the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall request the applicant to remedy the deficiencies within the period prescribed by law [Subsections (4) and (5) of Section 50]. Should such remedy fail to occur, the application shall be considered withdrawn.

### **Disclosure of Data**

#### Section 57

#### **Observations**

- (1) In trademark registration proceedings, any person may send comments to the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) stating that the mark does not meet either of the requirements set out in Sections 2 and 3 for trademark protection.
- (2) The observation shall be taken into account in the course of the examination covering the condition objected to, except if submitted at a time when it is likely to cause an unreasonable delay in the decision-making process. Following publication of the application for registration (Section 61/A), the Szellemi Tulajdon Nemzeti Hivatala shall extend its examination only upon such observations, as to whether trademark protection shall be refused to the mark in question for lacking compliance with the requirements set out in Sections 2 and 3 as stated in the observations, where it shall examine the facts affected by the observations based on the allegations and verified statements made by the person lodging the observations.
- (3) The observations referred to above shall be communicated to the applicant, except if the Szellemi Tulajdon Nemzeti Hivatala decided to disregard them pursuant to the first sentence of Subsection (2).
- (4) A person lodging an objection shall not be treated as a party to the trademark application proceeding. Such person shall be notified of the outcome of his objection.

### **Formal Examination**

#### Section 59

- (1) If the trademark application meets the requirements examined in accordance with Section 55, the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall examine the application as to whether it fulfils the formal requirements set out in Subsections (2)-(3b) of Section 50, and the requirements set out in Section 52 for the unitary character of the mark and for the goods or services for which the trademark is registered.
- (2) If the application fails to meet the requirements examined under Subsection (1), the applicant shall be requested to remedy the deficiency or to divide the application.
- (3) The trademark application shall be rejected if compliance with the prescribed requirements is not achieved upon the necessary corrections or upon provision of a statement. An application may only be refused on the grounds specifically and clearly stated in the request.
- (4) If the applicant fails to respond to the request within the prescribed time limit, or fails to divide the application, the application shall be considered withdrawn.
- (5) In connection with the formal examination of a trademark application the provisions of Subsections (6)-(7) of Section 61 shall also apply.

### **Search for Earlier Rights**

- (1) If the trademark application meets the requirements examined on the basis of Section 59, the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall conduct a search for earlier rights referred to in Section 4 and, on the basis of the mark with due consideration of the specification of goods and services, shall draw up a search report.
- (2) The search report shall contain all information which can be taken into account in respect of determining whether the mark contained in the trademark application meets the requirements for trademark protection.

(3) The Szellemi Tulajdon Nemzeti Hivatala shall convey a copy of the search report to the applicant.

# Notification of the Proprietor of an Earlier Right as Indicated in the Search Report

#### Section 60/A

- (1) The applicant, the proprietor of the trademark and the user registered in the trademark register may request the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) to be notified of any subsequent trademark registration and to receive a copy of the relating search report in which their earlier right is indicated.
- (2) The above-specified request may be submitted for maximum one-year periods, defined in calendar months, beginning on the first day of the calendar year or half-year; the request is subject to a fee specified in the legislation on the administrative service fees payable in connection with industrial property proceedings. The Szellemi Tulajdon Nemzeti Hivatala shall comply with the request after the fee is paid in full.
- (3) In the absence of any notification, the Szellemi Tulajdon Nemzeti Hivatala shall upon request refund the fee that has been paid in accordance with Subsection (2) in full or to the extent affected by its negligence. Failure to provide notification shall carry no other legal ramifications, therefore it will have no effect in terms of objection or acquiescence.

### **Formal Examination of Merits**

- (1) If an application for registration is found in compliance with the requirements set out in Section 59, the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall examine the merits of the application for registration.
  - (2) The examination of merits shall determine whether
- a) the mark is in conformity with the requirements laid down in Section 1, and there are no grounds for refusal under Sections 2-3;
  - b) the application includes all the particulars provided for in this Act.
- (3) If the trademark application is not in conformity with the requirements referred to in Subsection (2), the applicant shall be requested, according to the nature of the objection, to remedy the deficiency or submit a statement.
- (4) The trademark application shall be fully or partially rejected if compliance with the prescribed requirements is not achieved upon the necessary corrections or upon provision of a statement. An application may only be refused on the grounds specifically and appropriately explained in the request; if necessary, a request can be re-issued.
- (5) The trademark application shall be considered withdrawn if the applicant fails to respond to the request within the prescribed time limit.
- (6) Simultaneously with the submission of a petition for reversal lodged against a resolution for the partial rejection of a trademark application to the court [Subsections (9) and (10) of Section 77], the trademark registration proceedings shall be suspended with respect to the remaining portion of the specification of goods until the final and binding court decision is adopted.
- (7) Based on an examination of merits conducted *ex officio*, following the operative date of the resolution for the partial rejection of a trademark application, the trademark registration proceedings shall be completed with respect to the remaining portion of the specification of goods.

### Publication of Applications for the Registration of a Trademark

#### Section 61/A

- (1) The Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall publish the application for registration after fifteen days from sending the search report to the applicant [Subsection (3) of Section 60] if the application is found in compliance with the requirements set out in Section 59.
- (2) Publication shall take place after the official information referred to in Paragraph *a*) of Section 49 has been published in the official journal of the Szellemi Tulajdon Nemzeti Hivatala.
  - (3) The applicant shall be notified of the publication.
- (4) The withdrawal, invalidation, rejection, modification or division of an application after publication shall be officially communicated in the official journal of the Szellemi Tulajdon Nemzeti Hivatala.

### **Investigation of Objections**

### Section 61/B

- (1) Within three months from the proposed date of registration of a trademark, the following parties may file an objection under Sections 4-6 against the registration of a mark as notified:
- a) the proprietor of the earlier trademark and the holder of the right of use under the licensing contract;
- b) the proprietor of the right referred to in Paragraphs a)-b) of Subsection (1) of Section 5, and in the case of an industrial property right the user holding exploitation rights under contract of exploitation, and the person authorized to use a copyright under contract;
- c) the earlier user under Paragraph a) of Subsection (2) of Section 5, and the person authorized under Paragraph b) of Subsection (2) of Section 5 to exercise the rights arising from a designation of origin or a geographical indication;
- d) the proprietor under Section 6, without whose consent the representative or the agent submitted the mark for registration in his own name.
- (2) The objection shall be considered to have been lodged in due time if it was dispatched in a registered consignment before the deadline prescribed under Subsection (1), except if the submission is delivered more than two months after the deadline.
- (3) The objection shall indicate the reason or reasons for objection (cause of objection) in detail, and it shall be duly accompanied by the underlying evidence.
- (4) The objection may be filed subject to payment of a fee specified in the legislation on the administrative service fees payable in connection with industrial property proceedings within one month.
- (5) Where an objection is lacking any of the requirements set out in Subsections (1)-(3), the objector shall be advised to bring it into compliance; if the objector did not pay the fee, he shall be advised to do so within the prescribed time limit. In the event of any further failure to comply, the objection shall be deemed withdrawn.

### Section 61/C

The person lodging the objection shall participate in the proceeding for the registration of a trademark - to the extent of the objection - as a party.

### Section 61/D

- (1) Where an objection has been entered, the parties, in the case of a joint request, shall be given on one occasion at least two and not more than six months to reach a settlement. During that time the proceedings shall be suspended. If the parties did not request continuation of the proceedings before the expiry of the deadline, the objection shall be considered withdrawn and the trademark registration proceedings shall be continued.
- (1a) In connection with the opposition, the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall request the applicant to present a statement; subsequently, following written preparation, it shall with the exception specified in Subsection (2) pass a resolution concerning the registration of the trademark. A ruling closing the proceedings and a decision in approval of the settlement may be adopted outside a hearing as well.
- (2) The Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall, following written preparation, conduct a hearing if it is necessary to hear arguments from the applicant and the opposing party collectively to ascertain the relevant facts of a case, or if it is requested unanimously by the parties in due time.
- (3) If the applicant fails to respond within the prescribed time limit or if the applicant fails to appear at the hearing, the Szellemi Tulajdon Nemzeti Hivatala shall adjudge the objection based on the information it has available.
- (4) The rulings and decisions adopted in connection with the hearing shall be delivered on the day of the hearing, and delivery may be postponed only regarding the decision and for maximum eight days, only if it is absolutely necessary on account of the complexity of the case. In this case, however, the date of delivery must be announced forthwith, and the decision must be made out in writing by the set date of delivery. The decision put in writing shall be served promptly to the parties present at the time of delivery, and to the parties absent within three days from the time of delivery.
  - (5) Delivery of decision shall comprise the brief description of the operative part and the reasons.
- (6) The decision except where delivery has been postponed by the Szellemi Tulajdon Nemzeti Hivatala has to be made out in writing within fifteen days from the date when adopted, and the decision in writing shall be served upon the parties within fifteen days.
  - (7) The objection shall be deemed withdrawn if the objector
  - a) fails to respond within the prescribed time limit, or
  - b) fails to appear at the hearing and does not request the hearing be held in his absence.
- (8) Following the deadline for lodging an objection [Subsections (1) of Section 61/B], no further causes for objection shall be admissible. Any argument presented thereafter shall be disregarded by the Szellemi Tulajdon Nemzeti Hivatala in the process of adopting a final and binding resolution in the case of the objection.

### Section 61/E

- (1) Where an opposition is based on an earlier conflicting trademark, the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall, at the request of the applicant made in good time, call upon the opposing party provided that the five-year period within which the earlier trademark must have been put to genuine use as provided for in Subsections (1)-(3) of Section 18 had expired, to furnish proof:
- a) that his or her own trademark has been put to genuine use as provided for in Section 18 during the five-year period preceding the filing date or date of priority of the later trademark, or
  - b) that proper reasons for non-use can be shown.
- (2) The trademark application may not be refused on the basis of an opposition that has not been properly substantiated as required in Subsection (1). If the proprietor of the earlier trademark used the trademark as provided for in Subsection (1) in relation to only part of the goods or services for

which it is registered, the trademark shall, for the purpose of the examination of the opposition, be deemed to be registered in respect of that part of the goods or services only.

- (2a) The trademark application may not be refused on the basis of an opposition relating to an earlier trademark whose protection no longer exists on the day of filing the trademark application.
- (3) If the objector fails to respond to the advise referred to in Subsection (1), the objection shall be deemed withdrawn.

#### Section 61/F

An objection may be settled by composition.

### Section 61/G

- (1) If more than one objection is raised in connection with the same application for the registration of a trademark, they shall be addressed in a single proceeding.
- (2) A proceeding in progress in connection with several objections lodged against the same application for registration may be suspended with regard to any one objection. A court action may not be lodged for the reversal [Subsection (1) of Section 77] of a ruling ordering the suspension of the proceeding; it may be appealed only as part of a petition for the reversal of the peremptory decision adopted in connection with the registration of the trademark. The ruling on suspension if necessary may contain the costs to be borne by the objector up to the date of suspension.
- (3) If a proceeding for the registration of a trademark is terminated upon the decision of rejection becoming final, any objection in connection with which the proceeding was suspended shall be deemed withdrawn. Otherwise, the proceeding shall continue based upon the objection in connection with which it was previously suspended.

#### Section 61/H

- (1) The investigation of an application for the registration of a trademark following an objection shall include whether the sign is to be refused trademark protection under Sections 4-7 with a view to the reason of the objection.
- (2) An application for the registration of a trademark shall be refused in whole or in part if it fails to comply with the requirements set out in Subsection (1).
- (3) The losing party shall bear the costs of the objection proceedings; the objector shall not be considered losing if the objection is to be treated as withdrawn pursuant to Subsection (3) of Section 61/G.
- (4) The Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall refund the fee for the objection [Subsection (4) of Section 61/B] upon request and in the extent and under the conditions laid down in the legislation on the administrative service fees payable in connection with industrial property proceedings, if
- a) the application for the registration of a trademark is refused according to Subsection (4) of Section 61;
- b) the application for the registration of a trademark is deemed withdrawn according to Subsection (5) of Section 61;
- c) the applicant withdraws the application for the registration of a trademark [Subsection (6) of Section 50];
  - d) the objection is deemed withdrawn according to Subsection (3) of Section 61/G.

### **Modification and Division of the Application**

- (1) The following elements of a trademark application may not be modified:
- a) the mark,
- b) the specification of goods or services, to the extent that such modification would expand the scope of such specification beyond that which is stated in the application submitted on the filing date.
- (2) The applicant may within the framework set out in Paragraph b) of Subsection (1) revise the specification of goods and services before the day when the decision is adopted concerning the registration of the trademark.

### Section 63

- (1) Before the day when the decision concerning the registration of the trademark is adopted, the applicant may divide the application:
- a) prior to an official request to this effect [Subsection (2) of Section 59], if the trademark protection was claimed for several marks in the application; or
- b) if, through division of the specification of goods or services, separate trademark protection claims are made in respect of specific goods or services.
- (2) A fee, as specified in the legislation on the administrative service fees payable in connection with industrial property proceedings, shall be paid for division of the application within two months of the submission of a request to this effect.
- (3) If such division fee is not paid upon submission of the application for division, the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall request the applicant to fulfil the payment requirement within the period set forth in Subsection (2). In the event that such a request is not complied with, the application for division shall be considered withdrawn.
- (4) The application for division shall be refused if a notice of opposition to registration of the mark applied for has been given, and the division would affect the part of the specification of goods and services to which the objection pertains.

### **Registration of Trademark**

### Section 64

- (1) If the sign and the application for registration meet all the requirements to be examined [Subsection (2) of Section 61 and Subsection (1) of Section 61/H], the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall register the notified sign as a trademark. The date of the resolution for registration shall be construed as the date of registration.
- (2) Registration of the trademark shall be entered in the Trademark Register (Section 47) and official publication shall be made in the official journal of the Szellemi Tulajdon Nemzeti Hivatala [Paragraph *b*) of Section 49].
- (3) Following registration of the trademark, the Szellemi Tulajdon Nemzeti Hivatala shall prepare the trademark certificate. The extract from the Trademark Register shall be attached to this certificate.

### **Simplified Procedure**

- (1) At the applicant's request, the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall conduct a simplified procedure for the registration of a trademark. The request may be presented within one month from the date of filing.
- (2) A request for a simplified procedure may be filed subject to payment of a fee specified in the legislation on the administrative service fees payable in connection with industrial property proceedings within one month from the date when filed.

(3)

- (4) If the applicant did not pay the fee he shall be advised to do so within the prescribed time limit. In the event of failure to comply the request shall be deemed withdrawn.
- (5) If the request is in compliance with the requirements set out in Subsections (1) and (2), the Szellemi Tulajdon Nemzeti Hivatala shall order the simplified procedure.
- (6) By way of derogation from the provisions of Chapters VII and IX, in connection with simplified procedures
- a) the time limit for corrections in the application and for filing statements may be set at fifteen days;
- b) the application for registration may be published within the fifteen days period following the conveyance of the search report to the applicant [Subsection (3) of Section 60, Subsection (1) of Section 61/A].
- c) in connection with an objection the Szellemi Tulajdon Nemzeti Hivatala shall conduct a hearing if it is necessary to hear arguments from the applicant and the objector to ascertain the relevant facts of a case, or if it is requested by either party in due time.
  - d) the registration fee shall be paid within the time limit specified in Subsection (2) hereof.
- (7) Upon the explicit request of the applicant made in the request for a simplified procedure, the Szellemi Tulajdon Nemzeti Hivatala, simultaneously with the publication of the application for registration shall register the notified sign as a trademark (particular simplified procedure), whereby the provision contained in Subsection (3) of Section 64 applies only after the lapse of the time limit prescribed for lodging an objection [Subsections (1) of Section 61/B]. A request for particular simplified procedure may be lodged only inside the time limit prescribed under Subsection (1) for the simplified procedure; and the fee payable for the particular simplified procedure shall be the fee payable for the simplified procedure times one and a half.
- (8) If an objection has been filed against the registration of a mark as notified, the resolution adopted under Subsection (7) for the registration of the trademark shall be withdrawn, and the registration procedure shall be continued. The withdrawal of the resolution adopted for the registration of the trademark shall be noted in the Trademark Register (Section 47), and official publication of such shall be made in the official journal of the Szellemi Tulajdon Nemzeti Hivatala (Section 49).

### Chapter X

### OTHER TRADEMARK PROCEEDINGS

### **Renewal Proceedings**

- (1) Registration of a trademark shall be renewed [Subsection (2) of Section 11] by the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) at the request of the proprietor of the trademark or any person authorized to do so by law or by contract.
  - (2) Renewal of registration of a trademark shall be subject to a fee provided for in the legislation

on the administrative service fees payable in connection with industrial property proceedings. Payment of the renewal fee shall not in itself be construed a request for renewal.

- (3) The Szellemi Tulajdon Nemzeti Hivatala shall inform the proprietor of the trademark of the option for renewal of the trademark at least six months before the said expiry. Failure to give such information shall not involve the responsibility of the Szellemi Tulajdon Nemzeti Hivatala and shall not affect the expiry of the registration.
- (4) The request for renewal shall be submitted in the six-month period prior to the expiry of the registration, with payment of the renewal fee. Failing that, the request may be submitted within a further period of six months immediately following the expiry of the registration, subject to payment of an additional fee for late payment of the renewal fee.
- (5) If the date of registration of the trademark is later than the expiry of the registration, the request for renewal may be submitted, with payment of the renewal fee, within six months following the date of registration.
- (6) The request for renewal shall contain the registration number of the trademark affected; in other regards the regulations pertaining to requisites of trademark applications and its annexes [Subsections (2)-(3b) of Section 50] shall apply mutatis mutandis.
- (7) In the renewal of trademark registration the mark itself may not be changed and the specification of goods and services may not be expanded.

## Section 65/A

## Section 66

- (1) If the request for renewal fails to meet the requirements specified in Section 65 including payment of the renewal fee -, the applicant shall be requested to remedy such deficiencies and/or to submit a statement. If the fee for the request for renewal was paid only in part, the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall ask the applicant to specify the part of registered goods and services for which renewal is requested.
- (2) The renewal application shall be rejected if compliance with the requirements specified in the request is not achieved upon the necessary corrections or upon provision of a statement. If the applicant fails to respond to the request within the prescribed time limit, the renewal application shall be considered withdrawn.

(3)

## Section 67

- (1) If the request is in compliance with the requirements set out in Section 65, the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall renew the registration of the trademark. If the renewal of trademark registration is requested for only part of the registered goods and services, the Szellemi Tulajdon Nemzeti Hivatala shall renew registration only for that part of the registered goods and services. Renewal shall take effect from the day following the date on which the existing trademark registration expires. Where a request for renewal is submitted after the date of expiry, renewal shall take effect retroactively to that day.
- (2) Renewal of the trademark shall be entered in the Trademark Register and official publication of such shall be made in the official journal of the Szellemi Tulajdon Nemzeti Hivatala.

(3)

# **Trademark Division Proceedings**

## Section 68

- (1) By dividing the specification of goods and services, the trademark proprietor may divide trademark protection in respect of specific goods or services.
- (2) The application for division of the trademark shall be submitted in the manner and number according to which the proprietor desires to divide the list of registered goods or services. These applications shall be consistent with each other and shall each contain the appropriate appendices.
- (3) The application for division shall contain the original registration number; in other regards the regulations pertaining to requisites of trademark applications [Subsections (2)-(3b) of Section 50] shall apply mutatis mutandis.
- (4) A fee, as specified in the legislation on the administrative service fees payable in connection with industrial property proceedings, shall be paid for an application for the division of trademark protection within two months of the date of submission.

## Section 69

- (1) If the application for the division of trademark protection fails to meet the requirements specified in Subsections (1)-(3) of Section 68, the proprietor shall be advised to bring it into compliance.
- (2) The application for the division of trademark protection shall be refused if compliance with the requirements specified in the request is not achieved upon the necessary corrections or upon provision of a statement. If the applicant fails to respond to the request, the application for division shall be considered withdrawn.
- (3) If the fee for the application for division of trademark protection is not paid, the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall advise the proprietor to do so within the prescribed time limit. In the event of failure to comply the application for division shall be deemed withdrawn.

## Section 70

- (1) If the application is in compliance with the requirements set out in Section 68, the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall divide the protection of the trademark.
- (2) Division of the trademark shall be entered in the Trademark Register and official publication of such shall be made in the official journal of the Szellemi Tulajdon Nemzeti Hivatala.
- (3) Following division of the trademark the Szellemi Tulajdon Nemzeti Hivatala shall prepare a trademark certificate. The extract from the Trademark Register shall be attached to this certificate.

## **Establishment of Termination Due to Expiration and Surrender**

- (1)
- (2) In the event of surrender by proprietor (Section 32), the Szellemi Tulajdon Nemzeti Hivatala shall establish the termination of trademark protection by way of a ruling.
- (3) Expiration of the trademark protection period without renewal [Paragraph *a*) of Subsection (1) of Section 30] and surrender by the proprietor shall be entered in the Trademark Register and official publication of such shall be made in the official journal of the Szellemi Tulajdon Nemzeti Hivatala.

# **Revocation Proceedings**

### Section 72

- (1) With the exception set out in Subsection (2), any person may request revocation of the trademark on the basis of Section 33.
  - (2) Under Sections 4-6 revocation of the trademark may be requested by:
  - a) the proprietor of the earlier trademark and its user authorized under licensing contract;
- b) the proprietor of the right referred to in Subsection (1) of Section 5, and in the case of an industrial property right the user holding exploitation rights under contract of exploitation, and the person authorized to use a copyright under use contract;
- c) the earlier user under Paragraph a) of Subsection (2) of Section 5, and the person authorized under Paragraph b) of Subsection (2) of Section 5 to exercise the rights arising from a designation of origin or a geographical indication; or
- d) the proprietor under Section 6, without whose consent the representative or the agent submitted the mark for registration in his own name.
- (3) The application shall contain the data specified in Subsection (2b) of Section 38, the reasons serving as basis for the invalidation, and the documentary evidence shall be attached. Where the application for a declaration of invalidity does not concern the trademark in its entirety, it may apply to only a part of the goods or services for which the trademark is registered.
- (4) A fee, as specified in the legislation on the administrative service fees payable in connection with industrial property proceedings, shall be paid for an application for trademark revocation within one month of the date of submission.
- (5) If the application for trademark revocation fails to meet the requirements established by law, the applicant shall be advised to bring it into compliance; if the fee for the application for trademark revocation is not paid, the Hungarian Patent Office shall request the applicant to do so within the prescribed time limit. In the event of failure to comply the application for revocation shall be deemed withdrawn.

- (1) In connection with an application for a declaration of invalidity of a trademark, the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall request the trademark proprietor to make his opinion known; subsequently, following written preparation, it shall adopt a decision whether to declare the trademark invalid, or to restrict protection, or to refuse the application following a hearing. If the proprietor of the trademark fails to respond to the request of the Szellemi Tulajdon Nemzeti Hivatala in due time, the Szellemi Tulajdon Nemzeti Hivatala shall adopt a decision based on the information in its possession, without holding the hearing. The ruling closing the proceedings or the decision in approval of the settlement may be adopted outside a hearing as well. Following the deadline the Szellemi Tulajdon Nemzeti Hivatala has prescribed for the applicant, any cause that was not indicated before the deadline as a reason for invalidation may not be admitted as a reason for invalidation. Any reason presented accordingly shall be inadmissible when adopting a decision in conclusion of the proceedings.
- (2) Where the application for a declaration of invalidity is based on an earlier conflicting trademark of the applicant, the Szellemi Tulajdon Nemzeti Hivatala shall, at the request of the proprietor of the later trademark made in good time, call upon the applicant provided that the registration process of the earlier trademark has at the date of the application for a declaration of invalidity been completed for not less than five years -, to furnish proof:
- a) that his or her own trademark has been put to genuine use as provided for in Section 18 in connection with the goods or services in respect of which it is registered during the five-year period

preceding the date of the application for a declaration of invalidity; or

- b) that proper reasons for non-use can be shown.
- (2a) If the five-year period within which the earlier trademark must have been put to genuine use as provided for in Subsections (1)-(3) of Section 18 had expired at the filing date of the later trademark, or on the date of priority claimed, if applicable, the applicant shall in addition to what is contained Subsection (2) furnish proof:
- a) that his or her own trademark has been put to genuine use as provided for in Section 18 during the five-year period preceding the filing date of the later trademark or date of priority claimed, or
  - b) that proper reasons for non-use can be shown.
- (3) A trademark may not be declared invalid on the basis of an application for a declaration of invalidity that has not been properly substantiated as required in Subsections (2)-(2a). If the proprietor of the earlier trademark used the trademark as provided for in Subsections (2)-(2a) in relation to only part of the goods or services for which it is registered, the trademark shall, for the purpose of the examination of the application for a declaration of invalidity, be deemed to be registered in respect of that part of the goods or services only.
- (4) If the person applying for revocation fails to respond to the request referred to in Subsection (2), the application shall be deemed withdrawn.
- (4a) Where so requested by the parties jointly at least three days before the scheduled day of the hearing, with justification included, the Szellemi Tulajdon Nemzeti Hivatala shall postpone the hearing. If the joint request is submitted subsequently, the hearing may be postponed only in cases of particular importance.
- (4b) The Szellemi Tulajdon Nemzeti Hivatala may postpone a scheduled hearing before or during the hearing without holding the hearing only in cases of importance or for reasons attributable to the Szellemi Tulajdon Nemzeti Hivatala, with the reasons indicated.
- (4c) If the hearing is postponed the Szellemi Tulajdon Nemzeti Hivatala shall contemporaneously provide for setting a new date for the hearing.
- (5) The decisions adopted in connection with the hearing shall be delivered on the day of the hearing, and delivery may be postponed only regarding the resolution and for maximum eight days, only if it is absolutely necessary on account of the complexity of the case. In this case, however, the date of delivery must be announced forthwith, and the resolution must be made out in writing by the set date of delivery.
- (6) Delivery of the decision shall comprise a brief description of the operative part and the reasons.
- (7) The decision except where delivery has been postponed by the Szellemi Tulajdon Nemzeti Hivatala has to be made out in writing within fifteen days from the date when adopted, and the decision in writing shall be notified to the parties within fifteen days.

### Section 73/A

- (1) Revocation proceedings shall be conducted at the request of either of the parties by the accelerated procedure:
- a) if an action is brought relating to the trademark infringement and the action is in progress at the time the request is submitted, or
- b) a request for provisional measures was lodged before bringing action, and if this is verified, provided that no final decision has been reached regarding the application for provisional measures before the request for the accelerated procedure is submitted.
- (2) A request for a simplified procedure may be filed subject to payment of a fee specified in the legislation on the administrative service fees payable in connection with industrial property proceedings within one month from the date when filed.
- (3) If the request is not in compliance with the requirements set out in Subsection (1), the party requesting the simplified procedure shall be advised to make the necessary corrections or to file a

statement. The request for a simplified procedure shall be refused if compliance with the requirements laid down in this Act is not achieved upon the necessary corrections or upon provision of a statement. The request for a simplified procedure shall be deemed withdrawn if the requesting party fails to respond within the prescribed time limit.

- (4) If the party requesting the simplified procedure did not pay the applicable fee, he shall be advised to do so within the prescribed time limit. In the event of failure to comply the request for the simplified procedure shall be deemed withdrawn.
- (5) The Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall order the simplified procedure by way of a ruling.
- (6) By way of derogation from the provisions of Sections 41 and 73, in connection with simplified procedures:
- a) the time limit for corrections in the application and for filing statements may be set at fifteen days;
  - b) an extension of the time limit shall only be allowed in justified cases;
- c) the Szellemi Tulajdon Nemzeti Hivatala shall conduct a hearing only if it is necessary to hear arguments from the parties to ascertain the relevant facts of a case, or if it is requested by either party in due time.

## Section 74

- (1) Several applications for the revocation of a single trademark shall be handled in a single proceeding where possible.
- (2) In case the petition for revocation is withdrawn, the proceedings may nonetheless be continued ex officio, with the exception set out in Subsection (2) of Section 72. The Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall, in such cases as well, proceed within the confines of the petition, relying upon the former statements and presentations of the parties. A revocation proceeding governed under Subsection (2) of Section 72 may be settled by composition.
- (3) The losing party shall be compelled to bear the costs of the revocation proceedings. If the proprietor did not give cause for the revocation proceedings, and if surrenders the trademark protection with retroactive effect to the date of filing of the application at least in connection with the relevant parts of the specification of goods and services before the time limit [Subsection (1) of Section 73] prescribed for making his opinion known, the costs of the proceedings shall be borne by the applicant.
- (4) Revocation or restriction of the trademark shall be entered in the Trademark Register and official publication shall be made in the official journal of the Szellemi Tulajdon Nemzeti Hivatala.

# Establishment of Revocation on the Grounds of Non-use, Loss of Distinctive Character or Liability to Mislead the Public

- (1) Any person may launch a proceeding for the termination of protection due to lack of use of the trademark under Section 18 and Section 34, due to the trademark being devoid of any distinctive character or due to the fact that the mark has become liable to mislead the public under Section 35.
- (2) The application shall contain the data specified in Subsection (2b) of Section 38, the reasons for revocation, and the documentary evidence shall be attached. If revocation is requested pursuant to Subsection (2) of Section 30 for an earlier date, relative to the dates mentioned in Paragraphs *d*) and *e*) of Subsection (1) of Section 30, it shall be specifically indicated in the application. If revocation is requested on the grounds of non-use of the trademark, the proprietor shall be liable to

substantiate that his use of the trademark was in compliance with the requirements set out in Section 18. Where the application does not concern the revocation of the trademark in its entirety, it may apply to only a part of the goods or services for which the trademark is registered.

- (3) A fee, as specified in the legislation on the administrative service fees payable in connection with industrial property proceedings, shall be paid for an application for termination of trademark protection within two months of the date of submission.
- (4) If the application for termination of trademark protection fails to meet the requirements established by law, the applicant shall be advised to bring it into compliance; if the fee for the application for establishment of trademark termination is not paid, the Hungarian Patent Office shall request the applicant to do so within the prescribed time limit. In the event of failure to comply the application for termination of trademark protection shall be deemed withdrawn.

## Section 76

- (1) In connection with an application for revocation of a trademark, the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall request the trademark proprietor to present a statement, and if the proprietor of the trademark complies in due time -, following written preparation, it shall adopt a decision in a hearing to declare the trademark revoked in whole or in part on the grounds of non-use, loss of distinctive character or liability to mislead the public, or shall refuse the application. If the proprietor of the trademark fails to respond to the request of the Szellemi Tulajdon Nemzeti Hivatala in due time, the Szellemi Tulajdon Nemzeti Hivatala shall adopt a decision based on the information in its possession, without holding the hearing. A ruling closing the proceedings may be adopted outside a hearing as well. As regards the postponement of the hearing and the publication, transcription and delivery of the decisions adopted during the hearing the provisions of Subsections (4a)-(7) of Section 73 shall be applied.
- (2) Several applications for the termination of a trademark as well as applications for revocation and termination of a single trademark shall, where possible, be handled in a single proceeding.
- (3) In case the petition for revocation is withdrawn, the proceedings may nonetheless be continued ex officio. The Szellemi Tulajdon Nemzeti Hivatala shall, in such cases as well, proceed within the confines of the petition, relying upon the former statements and presentations of the parties.
- (4) The losing party shall bear the costs of the proceedings for the termination of trademark protection. If the proprietor did not give cause for the proceedings for the termination of the trademark, and if surrenders the trademark protection with retroactive effect to the date of filing of the application at least in connection with the relevant parts of the specification of goods and services before the time limit prescribed under Subsection (1) hereof for making his opinion known, the costs of the proceedings shall be borne by the applicant.
- (5) Full or partial termination of a trademark protection due to lack of use, loss of distinctive character, liability to mislead the public shall be entered in the Trademark Register and shall be officially published in the official journal of the Szellemi Tulajdon Nemzeti Hivatala.

## **PART THREE**

# Regulations concerning the EU trademark system

# Chapter X/A

EU trademarks and applications for the registration of EU trademarks

## **General Provisions**

## Section 76/A

For the purposes of this Act:

- a)
- b) 'EU trademark' shall mean the trademark defined in Article 1(1) of the European Union Trademark Regulation;
- c) 'EU trademark application' shall mean an application for registration of an EU trademark made under the European Union Trademark Regulation.

Section 76/B

## Section 76/C

# **Legal Consequences for the Infringement of a EU Trademark**

## Section 76/D

In accordance with Article 17 of the European Union Trademark Regulation, any infringement of a European Union trademark shall be governed by the provisions of this Act relating to infringement of a trademark registered by the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*).

# **Conversion into a National Trademark Application**

## Section 76/E

- (1) If the application for the registration of a EU trademark or for the conversion of a EU trademark is admissible under Article 140(5) of the EU Trademark Regulation, the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall proceed in accordance with the provisions of Chapters VII-IX subject to the conditions contained in Subsections (2)-(5) to open the trademark registration procedure.
- (2) The application fee [Subsection (4) of Section 50] shall be paid within two months from the date on which the application referred to in Subsection (1) is received by the Szellemi Tulajdon Nemzeti Hivatala.
- (3) The Hungarian translation of the application referred to in Subsection (1) and its enclosures shall be furnished to the Szellemi Tulajdon Nemzeti Hivatala within four months from the date on which the application is received by the Szellemi Tulajdon Nemzeti Hivatala. This translation, for the purposes of the provisions contained in Chapter IX, shall be treated the same as the translations requested under Subsection (5) of Section 50.
- (4) The Szellemi Tulajdon Nemzeti Hivatala shall notify the applicant upon receipt of the application referred to in Subsection (1) and shall simultaneously convey the warning under Subsection (4) of Section 56, if applicable.
- (5) The date of filing, the date of priority and seniority shall be determined as provided for in Article 139(3) of the EU Trademark Regulation. Subsection (3b) of Section 50 shall apply in due consideration of what is contained in Article 141(2) of the EU Trademark Regulation.

- (6) In the procedure initiated for an application for the conversion of a EU trademark under Subsection (1), the Szellemi Tulajdon Nemzeti Hivatala if the application fee is paid and the translation referred to in Subsection (3) is submitted shall register the EU trademark without further investigation as provided for in this Act (Section 64).
- (7) Other aspects concerned with the investigation of applications for the registration of a EU trademark or the conversion of a EU trademark into a national trademark and the procedures opened in accordance with Subsection (1) shall be governed by the provisions of Chapters VII-IX.

# **Seniority Claimed for the European Union Trademark**

# Section 76/F

- (1) A trademark registered by the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) in accordance with this Act, for which seniority was claimed over a European Union trademark as provided for in Articles 39 and 40 of the Community Trademark Regulation, and that was surrendered or allowed to lapse,
  - a) may be declared invalid, or
- b) may be revoked on the grounds of non-use, loss of distinctive character of the trademark, or liability to mislead the public,
- if the conditions for revocation or invalidity have existed on the date of revocation of the earlier trademark.
- (1a) Where in the cases under Subsection (1) the trademark is invalidated or revoked, the seniority shall lapse.
- (2) When seniority is claimed for a trademark over a EU trademark, it shall be indicated in the trademark register. Loss of seniority shall also be entered in the trademark register.
- (3) Where seniority is claimed for a national trademark over a EU trademark, all relating facts and circumstances, such as license for use, lien, and any other encumbrance on rights associated with a trademark and rights conferred by trademark protection and the transfer of these rights must be recorded in the trademark register, even after the trademark has been surrendered or allowed to lapse.

(4)

## Section 76/G

## **EU Trademark Courts**

## Section 76/H

- (1) In Hungary the Fővárosi Törvényszék (Budapest Metropolitan Court) shall have jurisdiction in the first instance in the composition referred to in Subsection (2) of Section 78 to perform the functions of a EU trademark court assigned in Article 123(1) of the EU Trademark Regulation.
- (2) Appeals against the decisions of the Fővárosi Törvényszék (Budapest Metropolitan Court) shall be adjudged by the Budapest High Court of Appeal, performing the functions of the EU trademark court in the second instance.

### PART FOUR

# PROVISIONS CONCERNING THE INTERNATIONAL REGISTRATION OF TRADEMARKS

# Chapter X/B

# GENERAL PROVISIONS RELATING TO APPLICATIONS FOR THE INTERNATIONAL REGISTRATION OF TRADEMARKS

## **General Provisions**

## Section 76/I

- (1) For the purposes of this Act
- a) 'application for the international registration of a trademark' shall mean an application filed under the Madrid Agreement Concerning the International Registration of Marks of 14 April 1891 (for the purposes of this Part, hereinafter referred to as "Madrid Agreement") and under the Protocol relating to the Madrid Agreement signed on 27 June 1989 (hereinafter referred to as "Protocol") for the registration of a trademark;
  - b) 'International Bureau' shall mean the International Bureau of Intellectual Property;
- c) 'International Register' shall mean the register operated by the International Bureau on Trademarks registered according to the Madrid Agreement and the Protocol;
- d) 'application indicating Hungary' shall mean an application for the international registration of a trademark with effect for the territory of Hungary;
- *e*) 'office of origin' shall mean the office of the country of origin referred to in Article 2(2) of the Protocol.
- (2) Any reference made in this Act to the Madrid Agreement and the Protocol shall be construed to mean the Common Implementation Regulations of the Madrid Agreement and the Protocol relating to the Madrid Agreement.
- (3) Unless the Madrid Agreement or the Protocol contains provisions to the contrary, the provisions of this Act with the exceptions set out in this Part (Chapters X/B-X/C) shall apply to applications for the international registration of trademarks.

(4)

# Chapter X/C

# APPLICATION FOR THE REGISTRATION OF INTERNATIONAL TRADEMARKS

# Applications Filed through the Szellemi Tulajdon Nemzeti Hivatala (Hungarian Intellectual Property Office)

## Section 76/J

(1) A person applying to the Szellemi Tulajdon Nemzeti Hivatala (Hungarian Intellectual

*Property Office*) for the registration of a trademark and the proprietor of a trademark registered by the Szellemi Tulajdon Nemzeti Hivatala may file an application for the international registration of a trademark with the International Bureau under the Protocol through the Szellemi Tulajdon Nemzeti Hivatala, functioning as the office of origin.

- (2) If an application for the international registration of a trademark is submitted before the registration of the trademark referred to in Subsection (1), the applicant may request international registration for the trademark referred to in Subsection (1). In this case, the date of filing shall be the date of registration of the trademark.
- (3) The Szellemi Tulajdon Nemzeti Hivatala shall forward an application for the international registration of a trademark if the applicant:
  - a) has a real and effective industrial or commercial establishment in Hungary,
  - b) resides in Hungary, or
  - c) is a Hungarian citizen.
- (4) An application for the registration of an international trademark shall be submitted with the Szellemi Tulajdon Nemzeti Hivatala, functioning as the office of origin, in compliance with the formal requirements set out in the Protocol and in the manner prescribed therein, in one of the languages specified in the Protocol.
- (5) At the request of the Szellemi Tulajdon Nemzeti Hivatala, the applicant shall provide proof to substantiate his eligibility for filing an application for the international registration of a trademark referred to in Subsection (2). Failing this, the Szellemi Tulajdon Nemzeti Hivatala shall refuse to forward the application for international registration.

## Section 76/K

- (1) Prior to forwarding an application for the international registration of a trademark, the Szellemi Tulajdon Nemzeti Hivatala shall examine whether
- a) the application contains the registration number or filing number of the trademark referred to in Subsection (1) of Section 76/J;
- b) the application contains a request for forwarding and the data provided for in Subsection (2b) of Section 38; and whether it contains the information for identifying the applicant, the sign, and the registered goods and services;
- c) the data indicated in the application correspond to the data of the trademark referred to in Subsection (1) of Section 76/J as indicated in the trademark register;
  - d) the application contains an indication of the countries for which protection is requested;
- e) the application is submitted in the language and according to the requirements set out in the Protocol;
  - f) the application contains the signature of the applicant or his authorized representative.
- (2) If the request for forwarding or the application is not in conformity with the requirements referred to in Paragraphs a)-c) and f) of Subsection (1) hereof unless the registered goods and services it contains is less than the goods and services of the trademark referred to in Subsection (1) of Section 76/J the Szellemi Tulajdon Nemzeti Hivatala shall request the applicant to remedy the deficiencies. In that context, the applicant shall be advised that if the application is not received by the International Bureau within two months from the original date of filing, the date of international registration shall be the date of receipt by the International Bureau rather than the date of filing.
- (3) In the event of the applicant's failure to make the corrections referred to in Subsection (2), the Szellemi Tulajdon Nemzeti Hivatala shall refuse to forward the application for international registration.
- (4) If the application does not conform to the requirements set out in Paragraphs d)-e) of Subsection (1), the Szellemi Tulajdon Nemzeti Hivatala shall request the applicant to make the necessary corrections. In the event of any further failure to comply, the application shall be forwarded to the International Bureau as received.

## Section 76/L

- (1) Forwarding an application for the international registration of a trademark shall be subject to payment of a forwarding fee to the Szellemi Tulajdon Nemzeti Hivatala as specified in the legislation on the administrative service fees payable in connection with industrial property proceedings. Registration of a mark shall be subject to payment of an international fee to the International Bureau as specified in the Protocol.
- (2) The forwarding fee referred to in Subsection (1) shall be payable on the day of filing the application for international registration to which it pertains. If the fee is not paid in full within one month from the due date, the application for the international registration of a trademark shall be deemed withdrawn.
- (3) The international fee referred to in Subsection (1) shall be paid directly to the International Bureau in the manner and within the time specified in the Protocol.
- (4) In connection with an application for international registration submitted through the Szellemi Tulajdon Nemzeti Hivatala, the date and number of international registration shall be indicated in the trademark register.

# Subsequent Extension of Protection under International Registration through the Szellemi Tulajdon Nemzeti Hivatala (Hungarian Intellectual Property Office)

## Section 76/M

- (1) Where the Szellemi Tulajdon Nemzeti Hivatala is treated under the Protocol as the office of the contracting state where the proprietor is a resident, territorial extension of international protection may be subsequently requested through the Szellemi Tulajdon Nemzeti Hivatala.
- (2) Any request for territorial extension made subsequently to the international registration must be presented in the form prescribed by the Protocol, in the manner and in the language prescribed in the Protocol.
- (3) The Szellemi Tulajdon Nemzeti Hivatala, prior to forwarding an application for subsequent territorial extension, shall examine whether:
- a) the application contains a request for forwarding and the data provided for in Subsection (2b) of Section 38; and whether the application for subsequent territorial extension contains the signature of the applicant or the applicant's representative;
- b) the application for subsequent territorial extension was submitted in the manner prescribed in the Protocol.
- (4) If the request for forwarding or the application for subsequent territorial extension fails to conform to the requirements set out in Paragraph *a*) of Subsection (3), the Szellemi Tulajdon Nemzeti Hivatala shall request the applicant to remedy the deficiencies. In the event of the applicant's failure to comply, the Szellemi Tulajdon Nemzeti Hivatala shall refuse to forward the application.
- (5) If the application for subsequent territorial extension fails to conform to the requirements set out in Paragraph *b*) of Subsection (3), the Szellemi Tulajdon Nemzeti Hivatala shall request the applicant to make the necessary corrections. In the event of any further failure to comply, the application for subsequent territorial extension shall be forwarded to the International Bureau as received.
- (6) The provisions contained in Section 76/L shall also apply to applications for subsequent territorial extension.
- (7) The provisions of Subsections (1)-(6) shall be duly observed in connection with applications for the registration of changes in the International Register arising from applications for the international registration of a trademark or from international registration when notified through the

Szellemi Tulajdon Nemzeti Hivatala in accordance with the Protocol.

# **Applications Indicating Hungary**

## Section 76/N

- (1) An application indicating Hungary shall have the same effect from the date of international registration under Article 3 (4) of the Protocol and from the date of territorial extension subsequent to the international registration under Article 3ter (2) of the Protocol as if the application for the registration of a trademark had been properly filed with the Szellemi Tulajdon Nemzeti Hivatala (Hungarian Intellectual Property Office).
- (2) A mark entered in the International Register upon an application indicating Hungary shall have the same protection from the date referred to in Subsection (1), as if it had been registered under Section 64, if the Szellemi Tulajdon Nemzeti Hivatala does not refuse the extension of protection covering the territory of Hungary under Article 5(1) and (2) of the Protocol or if it withdraws its previous refusal.
- (3) The provisions pertaining to applications indicating Hungary shall apply to requests for territorial extension made subsequently to the international registration concerning Hungary.
- (4) After the international registration of an application indicating Hungary, the Szellemi Tulajdon Nemzeti Hivatala shall make available to the public the contents as published and shall provide access to the entries made in the International Register pertaining to the mark in question.

## Section 76/O

- (1) Publication of an application indicating Hungary shall be effected by publishing the following particulars from the application for international registration:
  - a) the sign;
  - b) the international registration number of the application;
- c) date of publication in the official journal of the International Bureau and the volume of the journal in which it was published.
- (2) The Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall publish an application indicating Hungary in accordance with Subsection (1) following notification of international registration.

# Section 76/P

- (1) The Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall prepare, for the applications indicating Hungary, the search report under Section 60 and shall conduct the examination under Section 61.
- (2) The Szellemi Tulajdon Nemzeti Hivatala shall send the search report to the applicant by way of the International Bureau.
- (3) The deadline for objection in connection with an application indicating Hungary shall be calculated for the purposes of Subsection (1) of Section 61/B from the date of publication under Subsection (1) of Section 76/O.
- (4) If an application for the international registration of a trademark fails to comply with the requirements set out in Subsection (2) of Section 61 or if an objection has been lodged, the International Bureau shall be notified thereof in the manner and within the time limit specified in the Protocol (temporary rejection). A minimum period of three months shall be provided for filing a statement; this period may be extended if a request is made before it expires.
  - (5) If the applicant fails to respond within the prescribed time limit, the Szellemi Tulajdon

Nemzeti Hivatala shall - except where Subsection (5a) applies - notify the International Bureau of its refusal to grant protection for the mark in the territory of Hungary (definitive refusal), or that it shall recognize the grant of protection only in part. The Szellemi Tulajdon Nemzeti Hivatala shall send the aforesaid notices to the International Bureau following the operative date of the resolution on definitive refusal or on the partial recognition of the grant of protection. If the grant of protection is recognized in part, the date of the decision shall be construed as the date of registration.

- (5a) If the applicant fails to respond within the prescribed deadline to a notice issued by the Szellemi Tulajdon Nemzeti Hivatala solely in connection with an objection, the Szellemi Tulajdon Nemzeti Hivatala shall adopt a decision relying on the information in its possession in the matter of registration of the mark, and shall notify the International Bureau, on definitive refusal or in accordance with Subsection (5e), as appropriate.
- (5b) If the applicant responds within the prescribed deadline, the Szellemi Tulajdon Nemzeti Hivatala shall continue the examination and decide on this basis in the matter of registration of the mark. If an application for the registration of a trademark might be refused on that basis [Subsection (4) of Section 61, Subsection (2) of Section 61/H], the Szellemi Tulajdon Nemzeti Hivatala shall notify the International Bureau after the effective date of the relevant decision of its refusal to grant protection for the mark in the territory of Hungary (definitive refusal).
- (5c) If the Szellemi Tulajdon Nemzeti Hivatala does not issue a temporary refusal and does not send a notice to the International Bureau under Subsection (5d), the first day following the time limit for temporary refusal shall be construed as the date of registration.
- (5d) The Szellemi Tulajdon Nemzeti Hivatala, if it considers before the expiry of the time limit for temporary refusal that temporary refusal may not be issued, shall forthwith notify the International Bureau on the recognition of the grant of protection. The date of notice concerning the recognition of the grant of protection shall be construed as the date of registration.
- (5e) If the Szellemi Tulajdon Nemzeti Hivatala cancels the temporary refusal in part or in whole following substantive examination, the International Bureau shall be notified without delay after the decision of withdrawal becomes final concerning the recognition of the grant of protection in part or in whole. The date of the decision of withdrawal shall be construed as the date of registration.

(6)-(7)

(8) The Szellemi Tulajdon Nemzeti Hivatala - in due observation of Section 48 - shall record in the trademark register when an international registration replaces the national trademark registered by the Szellemi Tulajdon Nemzeti Hivatala under Article 4bis of the Protocol.

## Refusal to Honor a Transfer and License for Use

### Section 76/R

- (1) In connection with a transfer or license for use of an international trademark with protection in Hungary, if the Szellemi Tulajdon Nemzeti Hivatala finds that the transfer or the authority is, in whole or in part, in violation of the provisions of this Act, the Szellemi Tulajdon Nemzeti Hivatala shall by way of the International Bureau notify the applicant thereof in the manner and within the time limit specified in the Madrid Agreement and the Protocol.
  - (2) The notification of refusal shall indicate the reasons for refusal and its extent.

## **Invalidation of an International Trademark**

### Section 76/S

Invalidation of an international trademark under Article 5 (6) of the Protocol shall be construed,

for the purposes of this Act, as the revocation of the mark and the termination of trademark protection.

## **Accessory Register**

## Section 76/T

The Szellemi Tulajdon Nemzeti Hivatala shall operate an accessory register containing the applications indicating Hungary, and this register shall include records of the facts and circumstances that cannot be entered in the International Register according to the Madrid Agreement and the Protocol.

# Transformation of an International Registration into an Application for National Registration

## Section 76/U

- (1) An application for transformation under Article 9quinquies of the Protocol shall be submitted to the Szellemi Tulajdon Nemzeti Hivatala (Hungarian Intellectual Property Office) within three months from the date on which the international registration was cancelled.
- (2) Within four months from the date on which the application for transformation is submitted, the Hungarian translation of the registered goods and services shall be submitted, and within two months the transformation fee shall be paid in the same amount as the application fee as specified in the legislation on the administrative service fees payable in connection with industrial property proceedings. In the absence of these, the application for transformation shall be considered withdrawn.
- (3) In other respects, applications for transformation shall be governed by the provisions of Chapters VII-IX; if, however, the international registration is cancelled after either of the dates of registration referred to in Subsections (5) and (5c)-(5e) of Section 76/P, the Szellemi Tulajdon Nemzeti Hivatala shall register the sign as a trademark without the application of the provisions of Sections 61-63. In this case, the date referred to in Subsections (5) and (5c)-(5e) of Section 76/P shall be construed the date of registration.

Chapter X/D

Section 76/V-76/Z

### **PART FIVE**

## COURT PROCEEDINGS IN TRADEMARK MATTERS

## Chapter XI

Reviewing the Decisions of the Szellemi Tulajdon Nemzeti Hivatala (Hungarian

# Intellectual Property Office)

## **Petition for Reversal**

### Section 77

- (1) Upon request, the court may reverse the following decisions of the Szellemi Tulajdon Nemzeti Hivatala:
  - a) the decisions listed in Subsection (3) of Section 46/A;
- b) the decisions adopted for the suspension of proceedings and for admission into the trademark register;
- c) the decisions for the refusal or restriction of the inspection of files, which can be appealed independently according to the Administrative Procedure Act;
- d) the ruling on the refusal to grant client status to a client other than the one having submitted a request for the opening of proceedings;
- e) the decision adopted for imposing an administrative penalty and concerning the award and bearing the costs of the proceedings.
- (2) Any appeal against the decision adopted for imposing an administrative penalty and concerning the award and bearing the costs of the proceedings shall have no effect concerning the other provisions of the decision to which the appeal does not pertain, and shall not prevent them from becoming operative and enforceable.
- (3) The decisions of the Szellemi Tulajdon Nemzeti Hivatala not mentioned in Subsection (1) may only be contested in a petition launched for the reversal of the decisions listed under Subsection (1).
  - (4) Reversal of the decision may be requested by any person:
  - a) who has taken part as a party in the proceeding before the Szellemi Tulajdon Nemzeti Hivatala;
  - b) whose right for the inspection of files has been refused or restricted.
  - c) whose request for the granting of client status was refused.
- (5) A petition for reversal of a decision adopted in connection with the registration or revocation of a trademark may be filed by the district attorney in accordance with Paragraphs *a*) and *b*) of Subsection (1) of Section 3 and Subsection (2) of Section 3. Other parties to the proceedings conducted before the Szellemi Tulajdon Nemzeti Hivatala may file their own petition for the reversal of any part of the decision that pertains to them.
- (6) Subject to the exceptions set out in Subsections (7) and (8), the deadline for the submission of a petition for reversal, or to have it dispatched in a registered consignment shall be thirty days from the date of delivery of the decision to the party or other persons involved in the proceedings.
- (7) The thirty-day deadline for the submission of a petition for reversal shall be reckoned from the date of delivery of a ruling rejecting an application for excuse or declaring an application not to have been filed if:
  - a) it was delivered later than the decision referred to in Subsection (6); and
- b) the application for excuse was filed in connection with an action on the basis of which the decision referred to in Subsection (6) was adopted.

(8)

- (9) The petition for reversal may be submitted to the Szellemi Tulajdon Nemzeti Hivatala, which shall forward it within fifteen days to the court, together with the documents of the trademark proceeding, except for the case referred to in Subsection (10). The Szellemi Tulajdon Nemzeti Hivatala shall notify any adverse party to the proceedings concerning the transmission of the petition for reversal.
  - (10) Where a petition for reversal asserts a fundamental legal issue, the Szellemi Tulajdon

Nemzeti Hivatala shall formulate a written statement and submit it to the court together with the petition for reversal and the documents of the patent case within thirty days.

- (11) The following shall be indicated in the introductory part of the application for reversal:
- a) the denomination of the court seised;
- b) the applicant's identification data specified in Subsection (2b) of Section 38, and the known identification data of the opposing party, if available; and
- c) the applicant's legal counsel's identification data specified in Subsection (2b) of Section 38, and his or her address for registered delivery service.
  - (11a) The following shall be indicated in the substantive part of the application for reversal:
- a) the number of the decision to which the application for reversal pertains, the registration number if available and if considered necessary, and the provision or part of the decision to which the application for reversal pertains;
  - b) definitive request seeking reversal by the court of the contested decision; and
- c) the reasons underlying the reversal of the decision, showing also the evidence corroborating such request with the legal basis indicated.
  - (11b) The following shall be indicated in the closing part of the application for reversal:
- a) facts and specific statutory provisions on which the competence and jurisdiction of the court is based;
- b) the amount of duty paid and the mode of payment, or if the procedural fee is paid in part only the application for cost allowance, furthermore, if exempted from the payment of duties by virtue of law, the underlying facts and specific statutory provisions;
- c) facts and specific statutory provisions on which the authorized representative's power of representation is based; and
  - d) proof in support of the facts contained in the closing part.
- (12) If the petition for reversal is filed beyond the prescribed deadline, the court shall decide regarding any application for excuse.

# **Jurisdiction and Competence**

## Section 78

- (1) Proceedings for the reversal of the decisions of the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall fall within the exclusive jurisdiction of the Fővárosi Törvényszék (*Budapest Metropolitan Court*).
  - (2) The Fővárosi Törvényszék shall act in a panel consisting of three professional judges.

(3)

# **Regulations Governing Proceedings Related to Petitions for Reversal**

## Section 79

The court shall determine applications for the reversal of a decision of the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) in non-contentious proceedings, in observation of the derogations laid down in this Act. As regards procedural issues which are not otherwise provided for in this Act, the provisions of the CPC on non-contentious judicial civil actions shall apply, subject to the derogations stemming from the special characteristics of non-contentious proceedings, as well as the general provisions of the Act on the Rules Applicable to Non-Contentious Civil Actions and on Non-Contentious Court Proceedings.

## **Public Access**

### Section 80

At the request of one of the parties, the court may decide to hold the hearings in closed sessions even in absence of the conditions set forth in the CPC.

#### **Exclusion**

## Section 81

- (1) In addition to the cases set forth in the CPC, the following parties shall be prohibited from taking part in the processing of the case and from taking part as a judge:
  - a) persons who participated in passing the decision of the Szellemi Tulajdon Nemzeti Hivatala;
- b) persons who are close relatives, as defined in the Civil Code, of the persons referred to in Paragraph a).
- (2) The provisions of Subsection (1) shall also be applied for the exclusion of keepers of the minutes and experts.

## **Parties and Other Participants in the Proceedings**

## Section 82

- (1) The appellant shall take part in the court proceedings as a party. The prosecutor initiating the proceedings may exercise all those rights due to a party; he may, however, not conclude a compromise settlement, waive rights or recognize rights.
- (2) If an adverse party is involved in any proceedings before the Szellemi Tulajdon Nemzeti Hivatala, the court proceedings shall be launched against this party.

## Section 83

If any of the proprietors of a joint trademark takes independent action to sustain and defend protection of the trademark, or if the proceedings are initiated against only one of the proprietors, the court shall notify the other proprietors that they may join their fellow proprietor in the proceedings.

- (1) Parties having a legitimate interest in the outcome of a petition for the reversal of decision of the Szellemi Tulajdon Nemzeti Hivatala may intervene in the proceedings on behalf of the parties representing the same interest until such time as a final decision is passed.
- (2) The intervening party shall be entitled to take any action, with the exception of the right to conclude a settlement, and waive or recognize rights, which the party it supports may take; its actions, however, shall only have effect insofar as such intervening actions do not contradict the actions of the party to the proceedings.
- (3) No judgment in legal disputes between the intervening party and the party to the proceedings shall be rendered in the proceedings.

# Representation

#### Section 85

- (1) A patent agent may take action in the proceedings as an authorized representative, including legal representation under Section 85/A.
- (2) For the power of attorney given to a patent agent or patent attorney inside or outside the country to be valid, it is sufficient, if it has been signed by the principal.

#### Section 85/A

In the proceedings before the court legal representation is mandatory, including redress procedures.

# **Costs of Proceedings**

## Section 86

- (1) If an adverse party is involved in the court proceedings, the regulations governing the costs of a legal action shall apply mutatis mutandis for the advance payment or liability for the costs of the proceedings.
- (2) In the absence of an adverse party, the appellant shall provide advance payment or bear the costs.
- (3) The out-of-pocket expenses and fees of the patent agent shall be included in the costs of the proceedings.

# Failure to Appear

## Section 87

If the appellant or both parties fail to appear at the hearing or fail to comply with the court summons within the prescribed time limit, the court shall judge the appeal on the basis of the information at its disposal.

## **Justification**

## Section 88

The provisions of Section 42 shall apply mutatis mutandis for the submission of an application for excuse in nonlitigious court proceedings.

### Measures Taken on the Basis of the Petition

## Section 88/A

If the Szellemi Tulajdon Nemzeti Hivatala has filed a written statement on the petition for

reversal [Subsection (10) of Section 77], the presiding judge shall provide the party or parties with written notification concerning such statement.

## **Court Hearing and Evidence**

## Section 89

- (1) The court of first instance shall take evidence in accordance with the CPC, and shall conduct a hearing in accordance with the regulations of the CPC on hearings as to merits.
  - (1a) In court proceedings there shall be no right of stay.
- (2) If there is no adverse party participating in the proceedings and the case can be decided on the basis of the documents, the court may adopt a decision without hearings, however, the party shall be permitted to state his case if he so requests.
- (3) If the court is proceeding without hearings, however, it finds that hearings are needed during the course of the proceedings, such hearings may be set at any time. If, on the other hand, the court judges the case in the course of hearings, or sets a date for such hearings, it may not then revert to judging the case without hearings.
- (4) If in the proceedings before the Szellemi Tulajdon Nemzeti Hivatala composition agreements are not permitted, no such agreement shall be allowed in the court proceedings.

## Resolutions

## Section 90

The court shall render judgment by way of a ruling on the merits of the matter and in other cases.

## Section 91

- (1) If the court reverses the decision passed in the trademark matter, its ruling shall replace the decision of the Szellemi Tulajdon Nemzeti Hivatala. Instead of the reversal of a decision adopted in connection with a trademark the court shall annul the decision and instruct the Szellemi Tulajdon Nemzeti Hivatala to reopen the proceedings if the petition for reversal was submitted against a decision concerning the refusal or withdrawal of an application for the registration of a trademark, or declaring an application not to have been filed, in the absence of which the Szellemi Tulajdon Nemzeti Hivatala would have been compelled to continue the trademark registration procedure.
- (2) The court shall annul the decision and instruct the Szellemi Tulajdon Nemzeti Hivatala to reopen the proceedings, if
  - a) any person against whom there exist grounds for exclusion took part in passing the decision;
- b) any grave violation of the procedural regulations took place in the proceedings before the Szellemi Tulajdon Nemzeti Hivatala, which cannot be remedied in the court proceedings.

c

(3) If the party seeks a court decision in an issue which was not involved in the proceedings before the Szellemi Tulajdon Nemzeti Hivatala, the court shall transfer the request to the Szellemi Tulajdon Nemzeti Hivatala, except where the Szellemi Tulajdon Nemzeti Hivatala decided to disregard the grounds for objection - where applicable - in accordance with Subsection (8) of Section 61/D, or the grounds for the revocation of a trademark in accordance with Subsection (1) of Section 73, or if new evidence for objection or revocation had been disclosed in a petition for reversal or after the petition was presented; such evidence for objection or revocation shall be dismissed by the court. In the case of transfer of the request, the court shall abolish the decision of

the Szellemi Tulajdon Nemzeti Hivatala when it deems it appropriate.

- (4) The court shall disregard any statements, facts or evidence which the party has submitted in the petition for reversal or afterwards, that were properly dismissed by the Szellemi Tulajdon Nemzeti Hivatala in its proceedings in accordance with what is contained in Subsection (3) of Section 40.
- (5) If, following the submission of the petition for reversal, the Szellemi Tulajdon Nemzeti Hivatala has withdrawn any of its decisions specified in Paragraphs b)-d) of Subsection (1) of Section 77, the court shall terminate the proceedings. If the Szellemi Tulajdon Nemzeti Hivatala has amended its decision, the court proceedings may be continued only for the issues still in dispute.

## Section 92

The court shall communicate its ruling passed on the merits of the case by service of process; it shall not be deemed communicated by way of delivery. If the court's ruling for a petition for reversal is adopted in a hearing, the final decision shall be delivered on the day of the hearing. Delivery may be postponed for maximum eight days, only if it is absolutely necessary on account of the complexity of the case. In this case, however, the date of delivery must be announced forthwith, and the final decision must be made out in writing by the set date of delivery.

## Section 93

The provisions of Sections 389-391 of the CPC shall apply *mutatis mutandis* to appeals filed against the judgment of the Fővárosi Törvényszék (Budapest Metropolitan Court), with the exception that the court of second instance shall conduct a hearing for the parties when requested, unless the appeal was filed against a ruling adopted in connection with a petition for the reversal of the decisions of the Szellemi Tulajdon Nemzeti Hivatala specified in Paragraphs *c*) and *d*) of Subsection (1) of Section 77.

Section 94

## Chapter XII

## TRADEMARK ACTIONS

# **Regulations Governing Trademark Actions**

- (1) The Fővárosi Törvényszék (Budapest Metropolitan Court) shall have exclusive jurisdiction to hear cases of trademark infringement, suits filed under Section 14 for the prohibition of use of trademarks by the representative or the agent, or filed for the transference of the trademark protection claim or of the trademark protection, and suits filed for the prohibition of use of Community trademarks under Articles 137 and 138 and Article 209 (5) of the EU Trademark Regulation [Subparagraph *ab*) of Subsection (2) of Section 4]. The Fővárosi Törvényszék shall proceed in such actions in the form of the panel specified in Subsection (2) of Section 78.
- (2) In trademark infringement actions provisional measures shall be considered necessary unless there is any evidence presented to prove otherwise in cases of exceptional circumstances provided for in Paragraph d) of Subsection (1) of Section 103 of the CPC, if the petitioner is able to prove

presumptively that the trademark is protected and that he is the proprietor of the trademark, or a licensed user entitled to file for court proceedings due to infringement in his own name.

- (3) Subsection (2) shall not apply if the trademark infringement has commenced more than six months before, or if a period of sixty days has passed since the petitioner gained knowledge of the infringement and of the identity of the infringer.
- (4) A request for provisional measures may be lodged in connection with a trademark infringement or any imminent threat thereof even in the absence of the additional conditions prescribed by the CPC on provisional measures before the statement of claim is filed. A request for provisional measures lodged before the statement of claim is filed shall be determined by the Fővárosi Törvényszék. As regards non-contentious proceedings for provisional measures the provisions of the Code of Civil Procedure shall apply, unless otherwise provided for by this Act, subject to the derogations stemming from the special characteristics of non-contentious proceedings, and the general provisions of the Act on the Rules Applicable to Non-Contentious Civil Actions and on Non-Contentious Court Proceedings on non-contentious judicial civil actions. If the applicant has filed charges in accordance with Subsection (8) in connection with the trademark infringement, the costs of the judicial proceedings shall be due and payable in addition to the fees paid for the non-contentious proceedings.
- (5) The trademark proprietor or a licensed user entitled to file for court proceedings due to infringement in his own name may apart from the civil claims available in connection with infringements request the court to order, under the conditions applicable to provisional measures:
- a) protective measures in accordance with the provisions laid down in the Act on Judicial Enforcement, if able to verify that any subsequent attempt for the recovery of profits made by the infringement or the payment of damages is in jeopardy;
- b) the infringer to disclose, and to present bank, financial or commercial information and documents for the purpose of ordering the protective measures referred to in Paragraph a);
- c) the provision of counter-security if in exchange in lieu of demanding the termination of the infringement the trademark proprietor agrees for the infringer to continue the alleged acts of infringement.
- (6) The court may order the provision of counter-security as referred to in Paragraph c) of Subsection (5) in the absence of any request on the part of the trademark proprietor, provided that the trademark proprietor or a licensed user entitled to file for court proceedings in his own name due to infringement has filed charges for termination of the infringement and it was turned down by the court.
- (7) The court shall adopt a ruling on provisional measures in priority proceedings, at the latest within fifteen days following presentation of a petition for such measures. The court of second instance shall adjudge appeals against the ruling on provisional measures in priority proceedings, at the latest within fifteen days following the date of lodging the appeal.
- (8) The court shall, upon request of the opposing party, vacate its ruling given on an application for provisional measures including the measures available under Subsections (5) and (6) submitted before the statement of claim is filed, if the applicant fails to bring action for trademark infringement regarding damages secured by the provisional measures within fifteen days of delivery of the ruling. The court shall adopt a ruling concerning a request for abolishing the provisional measures in priority proceedings, at the latest within fifteen days following the date of submission of the application.
- (9) Where a party in a trademark infringement action has already substantiated its statements to a reasonable extent, upon the request of the party providing proof, the court may require the opposing party:
  - a) to present and allow for review of the documents and other physical evidence in his possession;
- b) to notify of and to present bank, financial or commercial information and documents in his possession.
  - (10) A preliminary evidentiary hearing may be conducted before court proceedings are instituted,

if the proprietor of the trademark or a licensed user entitled to file for court proceedings due to infringement has already substantiated the trademark infringement or threat of such infringement to a reasonable extent. The court shall adopt a ruling on the preliminary taking of evidence in priority proceedings, at the latest within fifteen days following presentation of a petition for such measures. The ruling on the refusal of the preliminary taking of evidence may be appealed; the court of the second instance shall adjudge such appeals in priority proceedings, at the latest within fifteen days following the date of lodging the appeal by way of a ruling. Before the action is launched, preliminary taking of evidence shall be requested at the Fővárosi Törvényszék. The preliminary taking of evidence shall be conducted by the Fővárosi Törvényszék.

- (11) The court shall, upon request of the opposing party, vacate its ruling ordering the preliminary taking of evidence if the proprietor of the trademark fails to bring action for trademark infringement within fifteen days of delivery of the ruling ordering the preliminary taking of evidence. The court shall adopt a ruling concerning a request for abolishing the ruling ordering the preliminary taking of evidence in priority proceedings, at the latest within fifteen days following the date of submission of the application.
- (12) Where any delay in consequence of hearing the opposing party on the subject of ordering provisional measures including the measures available under Subsections (5) and (6) is likely to cause irreparable harm, it may be ordered without hearing the opposing party. Where any delay in consequence of hearing the opposing party on the subject of ordering the preliminary taking of evidence is likely to cause irreparable harm, or if there is a demonstrable risk of evidence being destroyed, it may be ordered without hearing the opposing party in accordance with Paragraph b) of Subsection (1) of Section 337 of the CPC. If the court decided not to hear the opposing party, the ruling on ordering the provisional measures or the preliminary taking of evidence shall be delivered to the opposing party without delay after being implemented. Upon being notified of the ruling the opposing party may request to be heard and may request that the ruling ordering the provisional measures or the preliminary taking of evidence is refused, the court shall send the application for provisional measures or the preliminary taking of evidence to the opposing party together with the ruling of refusal.
- (13) At the opposing party's request, the court may require the provision of security in connection with the preliminary taking of evidence and with the exception of Paragraph c) of Subsection (5) and Subsection (6) the ordering of provisional measures.
- (14) As regards the release or return of the security or counter-security provided for in Paragraph c) of Subsection (5), Subsection (6) and Subsection (13) the provisions of the CPC on security shall apply, with the proviso that the court apart from the judgment may optionally provide for the release or return of the security or counter-security in the ruling on abolishing or establishing the expiry of the ruling adopted on the preliminary taking of evidence and/or provisional measures.
- (14a) In trademark infringement actions the legal effects defined in Subsections (2)-(3) of Section 27 shall not apply with respect to a period when the reasons for declaring the invalidity of the trademark existed under this Act, provided that the defendant so claims in his defense as to the merits.
- (15) In the actions provided for in Subsection (1), and in all other actions related to trademark protection the relevant provisions of the CPC shall apply in other respects subject to the derogations provided for in Section 80, Section 85 and Subsection (3) of Section 86.

  (16)

## PART SIX

# Chapter XIII

## COLLECTIVE TRADEMARKS

## **Collective Trademarks**

### Section 96

- (1) A 'collective trademark' shall mean a trademark which is described as such in the trademark application and is capable of distinguishing the goods or services of the members of an association, public sector body or grouping from the goods or services of others.
  - (2)
  - (3) A mark shall be refused protection as a collective trademark if
- a) the public is liable to be misled as regards the character or the significance of the trademark, in particular if it is likely to be taken to be something other than a collective mark;
- b) the instruction for its use contain any specification which is in conflict with public order or moral standards, or unlawful.
- (4) Protection of collective trademarks is granted to associations, public sector bodies or groupings and the members thereof are also entitled to use the mark.
- (5) An application for a collective trademark shall not be refused if the applicant, as a result of an amendment of the regulations governing use of the collective trademark, meets the requirements of Section 97.
- (6) Within the meaning of Section 18, use by any of the members of the association, public sector body or grouping shall also be treated as use of the collective trademark.

# **Regulations Governing Collective Trademarks**

- (1) A mark may be granted protection as a collective trademark if there are regulations governing its use, which meet the requirements set forth in Subsections (2). The regulations shall be drawn up by the association, public sector body or grouping entitled to use the collective trademark.
  - (2) These regulations shall include:
- a) the name and registered office of the association, public sector body or grouping registered as the proprietor of the collective trademark;
  - b) a list of the members of the association, their names, addresses and/or registered offices;
  - c) conditions of membership;
  - d) conditions of use of the trademark;
  - e) regulations governing control of the use of the trademark;
  - f) procedure for taking action against unauthorized use of the trademark.
  - (3)
- (4) The application for a collective trademark shall contain these regulations. In connection with collective trademarks, the Trademark Register shall also indicate the information specified in Paragraph *b*) of Subsection (2). The regulations and its amendments under in Subsection (5) shall be attached with the application for admission of the collective trademark into the Trademark Register.
  - (5) In the event of any changes in the regulations, the proprietor of the collective mark shall

submit the amended regulations to the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*). The amended regulations shall come into effect upon the registration of the amendment in the Trademark Register. The amendment may not be registered in the Trademark Register if:

- a) the amended regulations are not in conformity with the requirements set out in Subsection (2),
- b) in consequence of the amendment the regulations do not satisfy the requirements of Subsection (1) of Section 96, or if
  - c) it involves one of the grounds for refusal referred to in Subsection (3) of Section 96.

## **Transfer of Collective Trademark Protection**

## Section 98

- (1) For the transfer of collective trademark protection a written contract to this effect and notification of the change in the proprietorship of the trademark in the Trademark Register is required.
- (2) Protection of a collective trademark may not be transferred if the conditions specified in Section 96 are not satisfied following the transfer, or if the mark is to be refused protection as a collective trademark.

## **Termination of Collective Trademark Protection**

### Section 99

- (1) Apart from the grounds for revocation provided for in Section 34 and Section 35, the collective trademark shall be revoked on the date stated in the revocation decision if the proprietor of the trademark does not take reasonable steps to prevent the trademark being used in a manner incompatible with the conditions of use.
- (2) Apart from the grounds for invalidity provided for in Section 33, if a sign is found to be ineligible for protection pursuant to Subsections (1) and (3) of Section 96 and Section 97 as a collective trademark, the collective trademark shall be declared invalid, unless the proprietor of the trademark, by amending the regulations governing use, complies with the requirements of those provisions. If the sign is to be refused protection on the basis of Subsection (3) of Section 96, the collective trademark shall be declared invalid with retroactive effect to the date upon which the application for revocation was filed.
- (3) A collective trademark shall be declared to be revoked also if an amendment to the regulations governing use of the trademark has been mentioned in the register in breach of Subsection (5) of Section 97, unless the proprietor of the trademark, by further amending the regulations governing use of the collective trademark, complies with the requirements of Section 97.

## **Exercise of Rights Conferred by Collective Trademark Protection**

- (1) The proprietor of a collective trademark shall be entitled to claim compensation on behalf of persons who have authority to use the collective trademark where they have sustained damage in consequence of unauthorized use of the trademark by a third party, without such licensees of the mark being involved in legal proceedings.
  - (2) Persons authorized to use the collective trademark on the basis of their membership may bring

proceedings for infringement of the trademark only if its proprietor consents thereto. The licensee may bring action in his own name, without the proprietor's consent, for infringement if the proprietor of the trademark, after formal notice, does not himself bring infringement proceedings within thirty days from the date of notice.

(3) The licensee shall, for the purpose of obtaining compensation for damage sustained as a consequence of unauthorized use of the trademark, be entitled to intervene in infringement proceedings brought by the proprietor of the trademark as co-litigant, if the proprietor of the trademark did not demand compensation under Subsection (1) in his name and on his behalf. Paragraph *a*) of Subsection (2) of Section 52 of the CPC, and Subsection (3) of Section 38 and Section 39 of the CPC shall apply mutatis mutandis to the deadline for intervention and status of co-litigants, respectively.

## Chapter XIV

### CERTIFICATION TRADEMARKS

## **Certification Trademarks**

- (1) A certification trademark shall be a trademark which is described as such in the trademark application and is capable of distinguishing goods or services which are certified by the proprietor of the trademark in respect of material, mode of manufacture of goods or performance of services, quality, accuracy or other characteristics from goods and services which are not so certified.
  - (2) The following entities may not obtain protection as a certification trademark:
- a) an enterprise that produces, distributes, or imports the goods or provides services which are listed in the specification of goods and services;
- b) an enterprise that is not independent from a company referred to in Paragraph a) within the meaning of the Act on the Prohibition of Unfair Trading Practices and Unfair Competition;
- c) an enterprise that has a long-term legal relationship with an enterprise referred to in Paragraph a), in relation to the goods and services which are listed in the specification of goods and services.
- (3) The trademark proprietor may not itself use the certification trademark for the purpose of certification; it may, however, license the use of the mark in connection with goods and services meeting the prescribed quality conditions or other characteristics.
- (4) A certification trademark may be granted protection if it is accompanied by the regulations adopted in compliance with the conditions set out in Subsection (5).
  - (5) These regulations shall contain:
  - a) the name and registered office of the trademark proprietor;
- b) the quality requirements for the goods and services contained in the specification of goods and services;
  - c) the regulations governing quality certification;
  - d) conditions of use of the trademark;
  - e) regulations governing the control of trademark use;
  - f) procedure for taking action against unauthorized use of the trademark.
- (6) The provisions governing collective trademarks and their protection shall apply mutatis mutandis to the regulations for certification trademarks, the application and registration of such, their use, transfer, and to the termination of certification trademark protection, as well as to the enforcement of rights conferred by such protection.
  - (6a) The requirements of Section 18 as to genuine use shall be satisfied where use of a

certification trademark in accordance with Section 18 is made by any person who has the authority to use it.

- (7) A certification trademark shall be declared invalid if the application has been submitted by a person deemed ineligible under Subsection (2). A certification trademark shall be revoked on the date stated in the revocation decision if the proprietor of the trademark no longer meets the requirements set out in Subsection (2).
- (8) The provisions of specific other legislation governing certification of quality and other characteristics shall also be applied to the use of certification trademarks.

## Chapter XV

# APPLICATION OF THE PROVISIONS GOVERNING TRADEMARKS TO COLLECTIVE AND CERTIFICATION TRADEMARKS

# **Application of the Provisions Governing Trademarks**

## Section 102

In questions that are not regulated in this Part of this Act, the provisions governing trademarks shall be applied to collective trademarks and certification trademarks and their protection with the exception that objections may also be raised on the grounds referred to in Subsections (1) and (3) of Section 96, Section 97, and Subsections (1)-(2) and (4) of Section 101.

### PART SEVEN

# PROTECTION OF GEOGRAPHICAL INDICATIONS OF NON-AGRICULTURAL PRODUCTS

## Chapter XVI

# SUBJECT, CONTENT, INFRINGEMENT AND TERMINATION OF PROTECTION

## Geographical Indications and Designations of Origin Suitable for Protection

## Section 102/A

For the purposes of this Part, the term 'product' means the products other than the agricultural products defined in Point 1 of Section 1 of Act LXVI of 2022 on the Protection of Origin of Agricultural Products.

- (1) Geographical signs and designations of origin used to indicate the geographical origin of products on the market may be granted protection as geographical indications.
- (2) A geographical indication is the name of a region, specific place or, in exceptional cases, a country that is used for marking products that originate from such area i.e., are produced, processed or prepared in the defined geographical area and whose exceptional quality, reputation or other characteristic is essentially attributable to that geographical origin.
- (3) A designation of origin is the name of a region, specific place or, in exceptional cases, a country which is used for marking products which originate from such area i. e. products which are produced, processed or prepared in the defined geographical area and whose exceptional quality, reputation or other characteristic is exclusively or essentially the result of the particular geographical environment and the characteristic natural and human factors of this environment.

## Section 104

# **Grounds for Rejection**

#### Section 105

- (1) A geographical indication may not be granted protection, if it has become the generic name of the product on the market, irrespective of whether or not the product originates from the area indicated by the geographical indication.
- (2) Following its registration, a geographical indication may not become the generic name of the product on the market.

## Section 106

- (1) The following shall be refused protection:
- a) with regard to identical products, a geographical indication that is identical or similar to the earlier geographical indication;
- b) with regard to identical or similar products, a geographical indication that is identical or similar to the earlier geographical indication;
- c) with regard to a geographical indication that is identical or similar to an earlier trademark where, in the light of a trademark's reputation and good name, and the length of time it has been used, registration is liable to mislead the consumer as to the true identity of the product.
- (2) A geographical indication shall be refused protection if it conflicts with the name of a plant variety or an animal breed that has been registered earlier and, as a result, is likely to mislead the public as to the true origin of the product.

# **Right to Protection and Claim of Protection**

- (1) The geographical indication shall be granted protection, if
- a) it fulfils the requirements laid down in Section 103, and there are no grounds for rejection on the basis of Sections 105 and 106; and
  - b) the application for its registration meets the conditions set forth in this Act.
- (2) Protection of a geographical indication may be obtained by any natural or legal person which produces, processes or prepares such products in the geographical area indicated in the geographical

indication and said products use the geographical indication.

- (3) Geographical indication protection shall be granted jointly to those parties (hereinafter referred to as "proprietors") that produce, process or prepare products in accordance with Subsection (2).
- (4) Foreign persons shall only be granted protection of the geographical indication on the basis of an international treaty or reciprocity. In issues of reciprocity, the opinion of the Szellemi Tulajdon Nemzeti Hivatala shall be authoritative.

## **Commencement and Duration of Protection**

## Section 108

- (1) Protection of a geographical indication shall commence upon registration, effective retroactively to the application filing date.
  - (2) Protection of a geographical indication is not limited in terms of time.

## **Contents of Protection**

## Section 109

- (1) On the basis of protection, the proprietors shall enjoy the exclusive right to use the geographical indication. Only the proprietors may use the geographical indication and no license for use may be issued to others.
- (2) On the basis of the exclusive right of use, the proprietors may take action against any party which, in the course of commercial activities,
- a) uses the protected geographical indication or a designation which could be confused therewith on products which do not originate from the geographical area indicated;
- b) uses the protected geographical indication on products which are not listed in the list of products, but which are similar to such products, and by doing so harms or exploits the reputation of the protected geographical indication;
- c) copies the geographical indication in any way whatsoever or makes reference to it, even if he indicates the genuine origin of the product or if he uses a translation of the designation or uses it with various appendices;
- d) uses any other false or misleading marking in respect of the provenance, origin, nature or essential qualities of the product, regardless of where such marking is located (e. g. on the packaging, in advertising materials or in documents relating to the product);
- e) takes any other action liable to mislead consumers as to the true geographical origin of the product.

# **Infringement of Protection**

- (1) Infringement of protection is committed by any party which, in violation of Section 109, uses a protected geographical indication without authorization.
- (2) Any proprietor may take independent action against an infringement. Organizations representing the interests of the proprietors and consumer protection organizations may also take action against an infringement.

(3) The provisions of Section 27 pertaining to the civil claims which may be lodged against the infringing party, and in terms of customs regulations Section 28 shall be duly applied.

## **Termination of Protection**

## Section 111

- (1) Protection of a geographical indication shall terminate, if
- a) the protection is revoked, with retroactive effect to the date upon which it commences, i. e. when the application was filed;
- b) the proprietors have breached the conditions prescribed in the product specification, with retroactive effect to the date upon which the proceedings for termination were initiated.
- (2) Protection shall be revoked if the geographical indication failed to meet the conditions laid down in Paragraph *a*) of Subsection (1) of Section 107.

(3)

(4) A final resolution rejecting an application for the revocation or termination precludes initiation of new proceedings for revocation or termination based on the same factual grounds and in relation to the same geographical indication.

## Chapter XVII

# PROCEEDINGS IN RELATION TO THE PROTECTION OF GEOGRAPHICAL INDICATIONS

# General Procedural Regulations of the Szellemi Tulajdon Nemzeti Hivatala (Hungarian Intellectual Property Office)

### Section 112

- (1) The following matters related to geographical indications shall fall under the jurisdiction of the Szellemi Tulajdon Nemzeti Hivatala:
  - a) registration of geographical indications,
  - b) revocation and termination of protection,
  - c) keeping the register of geographical indications notified and registered,
  - d) official information related to protection of geographical indications.

(2)

- (3) The Szellemi Tulajdon Nemzeti Hivatala shall appoint a three-member council for conducting hearings in revocation and invalidation proceedings.
- (4) The Szellemi Tulajdon Nemzeti Hivatala may amend or withdraw its decisions final and conclusive adopted in the following matters only on the basis of a petition for reversal and only before such petition is forwarded to the court:
  - a) registration of geographical indications;
  - b) revocation of geographical indications;
  - c) declaration of termination of geographical indications;

d)

- e) forwarding an application filed for the international registration of a designation of origin;
- f) definitive rejection of extension of designations of origin and geographical indications

registered by the International Bureau covering the territory of Hungary.

- (5) The Szellemi Tulajdon Nemzeti Hivatala may amend or withdraw its decisions final and conclusive adopted in the matters referred to in Paragraphs b) and c) of Subsection (4) only on the basis of a petition for reversal and only if it finds that the decision is unlawful, or if the parties unanimously request the decision to be reversed or withdrawn.
- (6) In connection with the proceedings conducted before the Szellemi Tulajdon Nemzeti Hivatala the provisions contained in Chapters VII and VIII shall apply mutatis mutandis.

(7)-(9)

# **Proceedings for the Registration of Geographical Indications**

## Section 113

- (1) Applications for the registration of a geographical indication shall contain the application request, the name of the geographical indication, the list of products and other supporting documents. The application for registration shall contain the data specified in Subsection (2b) of Section 38. In other respects, applications shall be submitted according to the legislation on the formal requirements for applications relating geographical indications and on the detailed regulations for the filing of applications for the protection of industrial property rights by way of electronic means.
- (2) An application fee, set forth in the legislation on the administrative service fees payable in connection with industrial property proceedings, shall be paid within two months of the date of filing for registration of geographical indications.
- (3) If the application for the registration of a geographical indication meets the requirements for the acknowledgement of a filing date upon submission or following any correction of deficiencies, the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall publish in its official journal the data pertaining to the application (publication of data). The data published shall, in particular, contain the following information:
  - a) name of the geographical indication;
  - b) date of filing;
  - c) list of products.
- (4) Following publication, an objection may be filed in a proceedings for the registration of a geographical indication with the Szellemi Tulajdon Nemzeti Hivatala on the grounds that the indication or the application fails to satisfy any of the criteria specified in this Act for protection.
- (5) If an application for the registration of a geographical indication is found in compliance with the requirements set out in Section 55, the Szellemi Tulajdon Nemzeti Hivatala shall examine the merits of the application. The examination of merits shall determine whether
- a) the geographical indication is in conformity with the requirements laid down in Section 103 and there are no grounds for refusal under Sections 105 and 106 and
  - b) the application includes all the particulars provided for in this Act.

(6)

(7) Regarding the registration of geographical indications, the matters not regulated under Subsections (1)-(5) shall be subject to the provisions of Chapter IX; with the exception that any reference made in this Act to specification of goods and services shall be construed as product specifications.

## Section 113/A

# **Proceedings for Revocation and Establishment of Termination**

## Section 114

In proceedings for the revocation of a geographical indication the provisions of Sections 72-74 shall apply, whereas in proceedings for the establishment of termination the provisions of Sections 75 and 76 shall apply, with the proviso that the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall request only the registered proprietors of rights to make a statement relating to the application for revocation or termination.

# **Court Proceedings Related to the Protection of Geographical Indications**

## Section 115

In court proceedings related to the protection of geographical indications the provisions of Chapters XI and XII shall apply mutatis mutandis.

## Section 116

## **PART EIGHT**

# PROVISIONS CONCERNING THE INTERNATIONAL REGISTRATION OF DESIGNATIONS OF ORIGIN AND GEOGRAPHICAL INDICATIONS

Chapter XVII/A

Sections 116/A-116/C

## Chapter XVII/B

# PROVISIONS CONCERNING THE INTERNATIONAL REGISTRATION OF DESIGNATIONS OF ORIGIN AND GEOGRAPHICAL INDICATIONS

# **Interpretative Provisions**

## Section 116/D

- (1) For the purposes of this Act:
- *a)* 'Regulation 2019/1753/EU' shall mean Regulation (EU) 2019/1753 of the European Parliament and of the Council of 23 October 2019 on the action of the Union following its accession to the Geneva Act of the Lisbon Agreement on Appellations of Origin and Geographical Indications:
- b) 'Geneva Act' shall mean the Geneva Act of 20 May 2015 of the Lisbon Agreement of 31 October 1958 on Appellations of Origin and Geographical Indications, as revised at Stockholm on

- 14 July 1967 and amended on 28 September 1979 (hereinafter referred to as "Lisbon Agreement");
- c) 'international application under the Geneva Act' shall mean an application filed under the Geneva Act and the Common Regulations under the Lisbon Agreement and the Geneva Act (hereinafter referred to as "Common Regulations") for a designation of origin or geographical indication, where the relationship of the contracting parties is governed by the Geneva Act;
- d) 'competent authority' shall mean the competent authority provided for in Article 3 of the Geneva Act;
- *e)* 'international application under the Lisbon Agreement and the Common Regulations' shall mean an application filed under the Lisbon Agreement where the relationship of the contracting parties is governed by the Lisbon Agreement;
- f) 'International Bureau' shall mean the International Bureau of the World Intellectual Property Organization;
- g) 'International Register' shall mean a register operated by the International Bureau on designations of origin notified under the Lisbon Agreement, and a register kept by the International Bureau on designations of origin and geographical indications under the Geneva Act;
- h) 'office of the country of origin' shall mean the competent office of the country of origin referred to in Article 2(2) of the Lisbon Agreement.
- (2) International applications, unless the Lisbon Agreement or the Geneva Act contains provisions to the contrary, shall be governed by the provisions of this Act subject to the exceptions contained in this Chapter.

# International Applications Filed through the Szellemi Tulajdon Nemzeti Hivatala under the Lisbon Agreement

## Section 116/E

- (1) The proprietor of a designation of origin registered by the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) [Subsection (3) of Section 107] and not covered by Regulation 1151/2012/EU, Regulation 1308/2013/EU, Regulation 251/2014/EU and Regulation 2019/787/EU, may file an international application with the International Bureau through the Szellemi Tulajdon Nemzeti Hivatala, functioning as the office of the country of origin.
- (2) Matters falling within the competence of Member States under Article 11(3) of Regulation 2019/1753/EU relating to applications for international registrations under the Lisbon Agreement shall be handled by the minister in charge of the agricultural sector and the Szellemi Tulajdon Nemzeti Hivatala.
- (3) An application for international registration under the Lisbon Agreement shall be submitted with the Szellemi Tulajdon Nemzeti Hivatala, functioning as the office of the country of origin, in compliance with the formal requirements set out in the Lisbon Agreement, in the manner and in the language prescribed in the Lisbon Agreement.
- (4) If the international application under the Lisbon Agreement is submitted before the registration of the designation of origin referred to in Subsection (1), the date of registration of the designation of origin shall be construed as the date of filing.

### Section 116/F

- (1) Prior to forwarding an international application under the Lisbon Agreement, the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall examine whether
  - a) the request for forwarding has been submitted;
  - b) the request for forwarding contains the data provided for in Subsection (2b) of Section 38;
  - c) the international application under the Lisbon Agreement contains an indication of the country

of origin, contains the applicant's name, home address or registered office, the designation of origin, a list of products, and the geographical area of the designation of origin;

- d) the data indicated in the international application under the Lisbon Agreement correspond to the data of the designation of origin referred to in Subsection (1) of Section116/E as indicated in the register;
- e) the international application under the Lisbon Agreement is submitted in the language and according to the requirements set out in the Lisbon Agreement;
- f) the international application under the Lisbon Agreement contains the signature of the applicant and/or his authorized representative.
- (2) If the request for forwarding or the international application under the Lisbon Agreement fails to conform to the requirements set out in Subsection (1), the Szellemi Tulajdon Nemzeti Hivatala shall request the applicant to remedy the deficiencies. If the request for forwarding is not remedied to satisfaction with the requirements set out in Paragraphs a)-c) of Subsection (1), the Szellemi Tulajdon Nemzeti Hivatala shall refuse to forward the application.
- (3) The Szellemi Tulajdon Nemzeti Hivatala shall make its opinion known within two months following the time of receipt of the international application under the Lisbon Agreement, and shall simultaneously send the application to the minister in charge of industrial production, if relying on the findings of the examination conducted under Subsection (1) in agreement with sending the draft application to the European Commission in accordance with Subsection (4).
- (4) The minister in charge of industrial production shall in accordance with the opinion of the Szellemi Tulajdon Nemzeti Hivatala as described in the relevant legislation bring a decision within nine months from the time of submission of the international application under the Lisbon Agreement as to whether the application meets the requirements set out in this Act and in the relevant legislation having regard to the products shown in the list of products. If the decision granting the request becomes final, the minister in charge of industrial production shall notify the European Commission of the application accompanied by the draft application under the Lisbon Agreement.
- (5) The European Commission and the minister in charge of industrial production shall, if the need arises, enter into consultation relating to the draft of the international application under the Lisbon Agreement. If the European Commission issued a negative opinion in connection with the application for registration, the minister in charge of industrial production shall so inform the Szellemi Tulajdon Nemzeti Hivatala.
- (6) If the European Commission has not issued a negative opinion within two months of such notification relating to forwarding the international application under the Lisbon Agreement to the International Bureau, the Szellemi Tulajdon Nemzeti Hivatala shall forward the application to the International Bureau.

## Section 116/G

- (1) Forwarding an international application under the Lisbon Agreement shall be subject to payment of a forwarding fee to the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) as specified in other legislation. Registration of an international application under the Lisbon Agreement shall be subject to payment of an international fee to the International Bureau as specified in the Lisbon Agreement.
- (2) The forwarding fee referred to in Subsection (1) shall be payable on the day of filing the international application under the Lisbon Agreement. If the fee is not paid in full within one month from the due date, the international application under the Lisbon Agreement shall be deemed withdrawn.
- (3) The international fee referred to in Subsection (1) shall be paid directly to the International Bureau, in the manner and within the time specified in the Lisbon Agreement.
  - (4) In connection with an international application under the Lisbon Agreement submitted

through the Szellemi Tulajdon Nemzeti Hivatala, the date and number of international registration shall be indicated in the register.

## Section 116/H

International protection of a designation of origin under the Lisbon Agreement shall cease if the underlying designation of origin is no longer protected.

# International Designations of Origin Registered by the International Bureau Under the Lisbon Agreement

## Section 116/I

- (1) An international designation of origin registered for products not covered by the regulations mentioned in Subsection (1) of Section 116/E shall have the same effect as of the date determined under Article 7(1)(a) of the Common Regulations as an application properly submitted to the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) for the registration of a designation of origin.
- (2) A designation of origin entered in the International Register under the Lisbon Agreement upon an application indicating Hungary shall have the same protection from the date referred to in Subsection (1) as if it had been registered by the Szellemi Tulajdon Nemzeti Hivatala, if the Szellemi Tulajdon Nemzeti Hivatala does not refuse the extension of protection covering the territory of Hungary under Article 5(3) of the Lisbon Agreement or if it withdraws its previous refusal.

## Section 116/J

- (1) Following notification of international registration under the Lisbon Agreement, the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall publish in its official journal the data pertaining to the international application under the Lisbon Agreement (publication of data). The data published shall, in particular, contain the following information:
  - a) name of the geographical indication;
- b) the international registration number of the application under the international application under the Lisbon Agreement;
  - c) date of international registration; and
- d) date of publication in the official journal of the International Bureau, and the volume of the journal in which it was published.
- (2) The Szellemi Tulajdon Nemzeti Hivatala shall publish in its official journal the information referred to in Subsection (1) if it does not refuse the extension of protection for Hungary under Article 5(3) of the Lisbon Agreement for the designation of origin to which the said information pertains or if it withdraws its previous refusal.

### Section 116/K

- (1) Following publication, an objection may be filed with the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) on the grounds that the indication notified for international registration or the international application under the Lisbon Agreement fails to satisfy any of the criteria specified in this Act for protection.
- (2) The Szellemi Tulajdon Nemzeti Hivatala shall prepare, for the international applications under the Lisbon Agreement registered by the International Bureau, the search report under Section 60

and shall conduct the examination under Subsection (5) of Section 113.

- (3) If an international application under the Lisbon Agreement fails to comply with the requirements set out in Subsection (5) of Section 113, the International Bureau shall be notified thereof in the manner and within the time limit specified in the Lisbon Agreement (hereinafter referred to as "temporary rejection").
- (4) If an international application under the Lisbon Agreement for registration might be refused [Subsection (4) of Section 61] or deemed withdrawn [Subsection (5) of Section 61], the Szellemi Tulajdon Nemzeti Hivatala shall notify the International Bureau of its refusal to grant protection for the mark in the territory of Hungary.
- (5) If the Szellemi Tulajdon Nemzeti Hivatala does not issue a temporary refusal, the first day following the time limit for temporary refusal shall be construed as the date of registration.
- (6) The Szellemi Tulajdon Nemzeti Hivatala, if it considers before the expiry of the time limit for temporary refusal that temporary refusal may not be issued, shall notify the International Bureau on the recognition of the grant of protection. The date of notice concerning the recognition of the grant of protection shall be construed as the date of registration.
- (7) If the Szellemi Tulajdon Nemzeti Hivatala cancels the temporary refusal in part or in whole following substantive examination, the International Bureau shall be notified after the decision of withdrawal becomes final concerning the recognition of the grant of protection. The date of the decision of withdrawal shall be construed as the date of registration.

# Provisions Concerning the International Registration of Designations of Origin Under the Geneva Act

### Section 116/L

- (1) As regards the international registration under the Geneva Act of designations of origin or geographical indications for products protected under Union law and covered by the regulations mentioned in Subsection (1) of Section 116/E the provisions of Regulation 2019/1753/EU shall apply.
- (2) Matters falling within the competence of Member States under Regulation 2019/1753/EU shall be handled by the minister in charge of the agricultural sector.
- (3) The proprietor of the designation of origin or geographical indication for products protected under Union law and covered by the regulations mentioned in Subsection (1) of Section 116/E, or the natural or legal person referred to in Paragraph (ii) of Article 5(2) of the Geneva Act may file an international application under the Geneva Act with the European Commission.
- (4) An international application under the Geneva Act shall be submitted to the minister in charge of the agricultural sector.
- (5) The international application under the Geneva Act shall be prepared in an official language (English, French or Spanish) of the World Intellectual Property Organization (WIPO), indicating the data specified in Article 5(2) of the Common Regulations.

(6)-(8)

- (9) The minister in charge of the agricultural sector shall bring a decision within three months from the time of submission of the international application under the Geneva Act as to whether the application meets the requirements set out in this Act and in Regulation 2019/1753/EU. If the decision granting the request becomes final, the minister in charge of the agricultural sector shall send the international application under the Geneva Act to the European Commission.
- (10) The international fee specified by the Geneva Act shall be paid in connection with the international application under the Geneva Act by the applicant directly to the International Bureau within the time limit prescribed by the Geneva Act, in the manner specified therein.
  - (11) International protection of a designation of origin or geographical indication under the

Geneva Act shall cease if the underlying designation of origin or geographical indication is no longer protected.

(12) As regards the cancellation procedures under Article 3 and the oppositions referred to in Article 6 of Regulation 2019/1753/EU, Subsections (1)-(5), (9) and (10) shall apply.

### PART NINE

### **CLOSING PROVISIONS**

# Chapter XVIII

## ENTRY INTO FORCE; TRANSITIONAL PROVISIONS AND AMENDMENTS

## **Regulations on Entry into Force and Transitional Provisions**

## Section 117

- (1) This Act shall enter into force on 1 July 1997; the provisions of this Act, with the exception provided for in Subsection (2), shall only apply to proceedings opened subsequent to its entering into effect.
- (2) The regulations contained in Section 42 shall be applied as appropriate in cases which are in process at the time of this Act entering into force.
- (3) In respect of the effect of trademark protection, the concept of trademark use, and infringement of trademark, the provisions being previously in effect shall be applied to the use and protection of trademarks which were established prior to this Act entering into effect.
- (4) The time limits specified in this Act in respect of the legal consequences related to acquiescence or failure to use the trademark shall commence no earlier than the date of this Act entering into effect. Trademark protection may be declared terminated on the basis of previous provisions if, following this Act entering into force, the period of five years lapses subsequent to this Act entering into force, during which the trademark was not used in the country.
- (5) Subsections (5)-(5e) of Section 76/P of this Act, as established by Act CXLVIII of 2010 on the Amendment of Regulations Concerning Act XLII of 2010 on the Ministries of the Republic of Hungary and on the Amendment of Regulations Relating to Industrial Property Rights, shall also apply to cases in progress on 1 January 2011.

- (1) In derogation of Subsection (3) of Section 103, certain geographical names traditionally used in connection with foodstuffs may be considered indications of origin, even if the area where the livestock, meat or milk used as a raw material in the preparation of the foodstuffs is produced is larger or different than the geographical area, provided that:
  - a) the livestock breeding area can be defined,
  - b) the raw materials are prepared according to special conditions, and
  - c) compliance with such conditions is monitored.
- (2) Protection for traditional geographical indications under Subsection (1) may be claimed within a period of two years following this Act entering into effect.
  - (3) On the basis of this Act, those indications of origin which were registered prior to this Act

entering into effect in the separate national register maintained based on the Lisbon Convention on the protection of indication of origin and international registration shall also be subject to protection. These indications of origin shall be entered into the register of geographical indications and published in the official journal of the Szellemi Tulajdon Nemzeti Hivatala.

#### Section 119

- (1) As regards:
- a) use of a trademark started before 1 May 2004, with respect to rights conferred by the trademark, the concept of trademark use, and except for issues relating to exhaustion of the rights conferred by a trademark to infringement of trademarks to the extent of use existing on 1 May 2004,
- b) genuine use of the trademark, with respect to exhaustion of the rights conferred by a trademark, the provisions of this Act in force on 30 April 2004 shall apply.
- (2) EU trademark may be taken into account as relative grounds for refusal if an application for the registration of a trademark has been submitted to the Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) or the application indicating Hungary has been submitted after 1 May 2004, or the trademark was registered on such date.
- (3) Registration of a trademark in effect on 1 May 2004, and the registration of any rights where the application for registration has been submitted before and that was registered after that date may be renewed in accordance with the provisions of this Act.
- (4) The provisions of Subsection (1) of Section 91 in force after 1 January 2008 shall also apply to cases in progress on 1 January 2008.
- (5) The provisions of Subsection (2) of Section 3 in force after 1 August 2009 shall also apply to cases in progress on 1 August 2009.

## Section 120

### Section 120/A

The provisions of this Act established by Act L of 2017 on Amendments Relating to the Implementation of the Act on General Public Administration Procedures and the Act on the Code of Administrative Procedure (hereinafter referred to as "Administrative Amendments Act") shall apply to proceedings opened after the date of entry into force of the Administrative Amendments Act and to reopened cases.

## Section 120/B

- (1) The provisions of this Act established by Act LXVII of 2018 shall apply subject to the derogations and additional provisions set out in Subsections (2)-(5) to proceedings opened on or after 1 January 2019.
- (2) The conditions for declaring a trademark registered with a filing date preceding 1 January 2019 invalid and for the revocation of such trademark shall be governed by the provisions of this Act in effect on 31 December 2018, with the proviso that the provisions in effect from 1 January 2019 shall apply if the trademark registered with a filing date preceding the date of entry into force of these provisions renewed after said date of entry into force. If a trademark thus renewed is declared invalid, trademark protection shall be revoked with retroactive effect to the date of expiry of the previous protection. Such derogations shall not apply if the conditions for declaring the trademark invalid existed according to the provisions of this Act in effect on 31 December 2018.
- (3) Subsection (6) of Section 52 of this Act, as established by Act LXVII of 2018, shall apply to trademark applications with a filing date on or after 1 January 2019 and to trademarks registered as

a result thereof.

- (4) Where use of a trademark started before 1 January 2019, as regards the rights conferred by, and limitations of, a trademark, the concept of trademark use, and trademarks infringements, to the extent of use existing on 1 January 2019, the provisions of this Act in effect on 31 December 2018 shall apply.
- (5) Subsections (3)-(5) of Section 65 of this Act, as established by Act LXVII of 2018, shall apply to trademarks set to expire after 30 June 2019. Where trademark protection is set to expire earlier, the provisions of Subsections (3)-(4) of Section 65 in effect on 31 December 2018 shall apply.

## Section 120/C

### Section 120/D

- (1) In respect of each international designation of origin originating in Hungary and registered under the Lisbon Agreement, for a product that is protected in the Union under Regulation 1151/2012/EU in the case of agricultural products and foodstuffs, Regulation 1308/2013/EU in the case of wine-sector products, Regulation 251/2014/EU in the case of aromatized wine products, Regulation 2019/787/EU in the case of spirit drinks, the minister in charge of the agricultural sector shall, on the basis of a request by a natural person or legal entity referred to in point (ii) of Article 5(2) of the Geneva Act or a proprietor of a designation of origin, or on its own initiative, choose to request by 14 November 2022 either:
  - a) the registration of that designation of origin under the Geneva Act; or
  - b) the cancellation of the registration of that designation of origin in the International Register.
- (2) In the situations referred to in Paragraph *a*) of Subsection (1), the minister in charge of the agricultural sector shall verify whether there are any modifications to be made under Rule 7(4) of the Common Regulations and shall notify the International Bureau thereof.
- (3) In respect of each international designation of origin originating in Hungary and registered under the Lisbon Agreement, for a product falling within the scope of one of the Regulations referred to in Subsection (1), but not protected under any of those Regulations, the minister in charge of the agricultural sector shall, on the basis of a request by a natural person or legal entity referred to in point (ii) of Article 5(2) of the Geneva Act or a proprietor of a designation of origin, or on its own initiative, choose to request by 14 November 2022 either:
  - a) the registration of that designation of origin under the Regulation concerned; or
  - b) the cancellation of the registration of that designation of origin in the International Register.
- (4) In the case under Paragraph *a*) of Subsection (3), the minister in charge of the agricultural sector shall lodge a request for the international registration of the designation of origin under the Geneva Act within one year from the date of registration of the designation of origin under the applicable Regulation.

#### Section 120/E

- (1) Each designation of origin registered by the International Bureau under the Lisbon Agreement before 26 February 2020 shall continue to be protected within the meaning of this Act until the time specified in Article 12(2)(a) or (b) of Regulation 2019/1753/EU.
- (2) The Szellemi Tulajdon Nemzeti Hivatala (*Hungarian Intellectual Property Office*) shall declare to the International Bureau in accordance with Article 12(6) of Regulation 2019/1753/EU that it cannot ensure protection of a designation of origin under Article 5(3) of the Lisbon Agreement from the date referred to in Subsection (1), including the reasons.

## **Authorizations**

## Section 121

(1)

(2) The minister in charge of the judicial system is hereby authorized to decree - following consultation with the President of the Szellemi Tulajdon Nemzeti Hivatala and in agreement with the minister vested with competence to supervise the Szellemi Tulajdon Nemzeti Hivatala - the formal requirements for trademark applications and for applications relating geographical indications.

# **Conformity with the Laws of the European Union**

## Section 122

- (1) This Act serves the purpose of compliance with:
- a) Directive 2004/48/EC of the European Parliament and of the Council of 29 April 2004 on the enforcement of intellectual property rights; and
- b) Directive (EU) 2015/2436 of the European Parliament and of the Council of 16 December 2015 to approximate the laws of the Member States relating to trademarks.
  - (2) This Act contains provisions for the implementation of:
- *a)* Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trademark;

b)-f)

g) Regulation (EU) 2019/1753 of the European Parliament and of the Council of 23 October 2019 on the action of the Union following its accession to the Geneva Act of the Lisbon Agreement on Appellations of Origin and Geographical Indications;

h)

i)

# **TARTALOMJEGYZÉK**

A tartalomjegyzék megjelenítéséhez kattintson a szürke hátterű szövegrészen jobb egér gombbal és válassza ki a Mező frissítése menüpontot.