

Switzerland

Contributing firm
Meisser & Partners

Authors
J David Meisser
Partner

Marco Bundi
Legal associate



1. Legal framework

National

The basic principles for trademark protection in Switzerland are laid down in the Federal Act on the Protection of Trademarks and Geographical Indications 1992 and the Trademarks Regulation 1992, which have been repeatedly revised. The legislation is largely in harmony with the EU First Trademarks Directive (89/104/EEC). However, Switzerland is not a member of the European Union and is thus not covered by the Community trademark regime.

A major amendment to the Trademarks Act came into force on July 1 2008. As of that date, a rights holder may prevent any party from importing, exporting or moving, for private use, goods bearing a trademark which is identical or similar to its own. Furthermore, the act now explicitly states that an exclusive licensee is entitled to initiate court actions as a plaintiff, unless otherwise agreed between the parties. On November 18 2009 the Federal Council presented the bulletin for the new legislative project named 'Swissness' (which includes the protection for 'Made in Switzerland' designations and the Swiss Cross in Switzerland and abroad).

In January 2010 the Federal Institute of Intellectual Property (IGE) published the latest version of its internal guidelines for trademark examination and its guidelines for opposition proceedings on its website at www.ige.ch. The IGE now accepts submissions by email, with the exception of submissions in opposition proceedings.

Since January 1 2007 the Federal Administration Court has been responsible for adjudicating appeals against decisions of the IGE. The court's decisions concerning absolute grounds for refusal may be further brought to the Swiss Supreme Court, while opposition decisions are final.

On January 1 2011 the new Criminal and Civil Federal Procedural Act came into force. The main aim of the act is to harmonise the 26 cantonal legislations on civil and criminal proceedings and merge them into a single act. While some implementations are still subject to cantonal rules, the procedure itself is now the same in every canton.

The trademark renewal fee amounts to Sfr550, regardless of the number of classes of goods and services claimed. As from January 1 2010 the reduction of fees for filing trademarks electronically no longer applies. From that date the fees for filing a trademark in up to three classes also amount to Sfr550.

International

Switzerland has signed most pertinent international agreements, in particular:

- the Paris Convention for the Protection of Industrial Property (Stockholm version, ratified in 1970);
- the Nice Agreement on the International Classification of Goods and Services (adopted in 1962);
- the Madrid Agreement on the International Registration of Marks (adopted in 1892);
- the Madrid Protocol (adopted in 1997);
- the General Agreement on Tariffs and Trade/Agreement on Trade-Related Aspects of Intellectual Property Rights (adopted in 1995);
- the Trademark Law Treaty (adopted in 1997); and
- various multilateral and bilateral treaties that include clauses on the protection of trademarks and/or geographical indications.

As Switzerland is a party to both the Madrid Agreement and the Madrid Protocol, the amendment of the safeguard clause of Article 9*sexies* of the protocol has been repealed. This provided that where contracting parties were bound by both documents, the provisions of the agreement prevailed. As of September 1 2008 the protocol applies in such cases.

2. Unregistered marks

Protection

Unregistered marks may be protected in Switzerland by the Federal Law against Unfair Competition 1986.

Well-known unregistered trademarks may enjoy the protection of Article 6*bis* of the Paris Convention. In a recent decision (B-1752/2009, August 26 2008 – *Swatch Group*), the

Administrative Court clarified that Swiss citizens and/or firms may invoke this protection only if they own a foreign trademark registration.

In a decision of March 22 2010 (HG090045 – *Tonwelt*), the Commercial Court of Zurich allowed, based on the Paris Convention, an action of a German company which held no trademark registration for Switzerland, but used its trademark there to proceed against a trademark identical to its name.

In addition, Article 4 of the Trademarks Act protects against the unauthorised registration of trademarks by agents or representatives, according to Article 6*septies* of the Paris Convention.

- are deceptive; or
- are contrary to public order, morality or the law.

Signs that are considered to belong in the public domain include:

- single characters of the Latin alphabet (however, a single character may gain secondary meaning if there is no indispensable need to keep it free – see Case BGE 134 III 314 – M) – but not necessarily foreign characters and combinations of at least two letters and/or numbers: the trademark ZERO was allowed as it was not descriptive for products in Classes 9, 18, 25 and 28. On the other hand, the authorities and courts do not allow the registration of UNO (Italian for ‘one’) or, generally, signs containing ‘UNO’ as this would be contrary to the laws protecting the names and signs of organisations of the United Nations and other intergovernmental organisations;
- simple geometrical signs (eg, circles and rectangles) – but not necessarily combinations of these; and
- descriptive signs – for example, words that may be understood, in a Swiss national language or in English, to describe the quality, quantity, purpose, value, geographical origin or other characteristics of the goods or services, or slogans without a distinctive element. New combinations of words that were not previously used in business may also be found descriptive. For example, the following trademarks were refused protection due to lack of distinctiveness: DISCOVERY TRAVEL + ADVENTURE CHANNEL, AVANTGARDE, ROYAL COMFORT, VUVUZELA for musical instruments, MASTERPIECE for Class 3, GIPFELTREFFEN (‘summit meeting’) for organisation of meetings and congresses (but allowed for other services in Class 41), SONGID for Classes 9 and 38, SNOWSPORT for Class 12, XPERTSELECT for Classes 9, 16, 35 and 42 or BONA for various goods in Classes 1, 2, 3 and 7. In addition, the slogan WE MAKE IDEAS WORK was not allowed for Classes 1, 17, 40 and 42. Even the sign IPHONE was initially refused as the letter ‘I’ was found not to add any distinctiveness to

3. Registered marks

Ownership

Any natural or legal person from any country is entitled to apply for trademark registration in Switzerland. Pursuant to Article 42(1) of the Trademarks Act, foreign applicants must appoint a representative domiciled in Switzerland. Normally, the applicant need not submit any evidence of its existence, such as a certificate of incorporation. There is no requirement of use or intent to use for filing a trademark application.

Scope of protection

The Trademarks Act allows for the registration of ordinary marks, certification marks and collective marks, which may consist of words, letters, numbers, designs, three-dimensional forms or combinations thereof. The act does not exclude the registration of colours, sounds, smells, moving images, holograms or position marks.

For all such symbols, whether registrable or not, the Trademarks Act uses the general term ‘sign’. Article 2 (in accordance with Articles 6*quinquies* (B)(ii) and (iii) of the Paris Convention) excludes from registration signs that:

- belong to the public domain or are merely descriptive, unless they have acquired secondary meaning;
- are shapes that make up the technical essence of the goods or their packaging;

the sign (B-6430/2008, November 24 2009). However, IPHONE was eventually registered as it had acquired distinctiveness through use. These examples demonstrate that Swiss practice is more restrictive than that of many other countries (eg, the United States), but is comparable to that of Germany.

On the other hand, suggestive words that raise no specific expectations or new combinations of descriptive signs that create a distinctive general impression may still be registered.

There are two types of non-distinctive sign:

- If a sign is indispensable to the public – for example, POST for postal services, the colour blue for beverages or MARCHÉ for restaurant and food services – it may in no circumstances be registered.
- Other non-distinctive signs may acquire secondary meaning and be registered upon evidence of long use in Switzerland (usually 10 years). This period can be shortened in extraordinary circumstances, in particular where the applicant can prove widespread use or popularity through extensive media coverage. In borderline cases, opinion polls may be required to prove that the sign has acquired secondary meaning.

Names of persons and fictional characters, whether well known or not, may in principle be registered as trademarks, unless they had an extraordinary influence in their field of activity and are frequently cited for describing certain goods or services. According to the IGE's guidelines, MICHAEL JACKSON would be registrable for CDs, but not MOZART. In a borderline case, STARS FOR FREE for musical entertainment was entered into the register. In light of this, the trademark NEW WAVE was allowed for clothes.

Shape marks can be three-dimensional signs that are additionally applied to goods, such as the star on Mercedes-Benz cars. These marks present no special problems.

More problematic are marks that represent the shape of the goods or their packaging – one example is the shape of the basic Lego toy brick, the distinctiveness of which has been

repeatedly disputed in court proceedings. In general, these marks cannot be registered if their features are merely of an aesthetic nature or determined by technical necessities. Furthermore, on December 1 2007 the IGE changed its practice in regard to three-dimensional trademarks with additional two-dimensional elements. Prompted by various decisions of the Superior Administrative Court, which allowed several three-dimensional trademarks, the IGE now allows non-distinctive packaging or shapes of goods if additional distinctive two-dimensional elements essentially affect the overall appearance.

A trademark is deceptive if it creates expectations that are not necessarily fulfilled by the goods or services that it represents. As an example, the IGE's guidelines refer to a Federal Court decision confirming the rejection of an application for registration of the mark GOLDEN RACE in relation to gold-plated jewellery, and explain that the mark would be acceptable for solid-gold watches or jewellery. Applications for marks that suggest a specific geographical origin (eg, SAN FRANCISCO FORTY NINERS in relation to clothing) may still be registered if the list of goods is restricted to goods of the origin suggested. Although the IGE denied the registration of the mark BELLAGIO for goods in Classes 29 and 31 (Bellagio is an Italian tourist destination near Lake Como), in contrast the Federal Administrative Court allowed the trademark on the ground that the Swiss public would know not the Italian town, but rather the BELLAGIO hotel in Las Vegas. The practice and jurisprudence relating to what is perceived as a geographical name seem inconsistent. The names Albino, Bellagio, Park Avenue, Trelleborg and Victoria have not been considered to be geographical indications, whereas Toscanella, Afri, Oerlikon, Arizona, GB, Sino, Como, Roma, Ticino, Madison, Virginia and Lancaster have.

A trademark may consist of distinctive and non-distinctive elements. It is sufficient that one element is distinctive as the overall impression is decisive. No disclaimers are required for non-distinctive elements.

Signs against public order, morality or Swiss law include religious symbols and the names of prominent individuals, without their consent, such as MOHAMMED for alcoholic

beverages, BUDDHA for tea or SIDDHARTA for vehicles. In a recent decision the Supreme Court refused to allow a registration for MADONNA as it found it offensive to religious feelings (Case 4A 302/2010, September 22 2010). The court did not consider registrations for the same mark in Italy, Spain or Portugal. It clearly stated that in cases of morality, foreign decisions could rarely be taken into consideration because every country needs to retain its discretion in order to consider local particularities.

As a result of such a restrictive practice, provisionally rejected word marks are often amended into design marks (except those against public order, morality or Swiss law). If a conflict arises some years later, the owner may then be able to submit evidence that the originally descriptive word has acquired secondary meaning in the meantime.

Finally, domain names may be registered as trademarks. Top-level domain names such as '.com' or '.ch' are not distinctive and may be registered as trademarks only in combination with a distinctive word. Following the IGE's practice, trademarks with the '.ch' element are considered to be geographical indications and therefore are restricted to goods emanating from Switzerland, unless otherwise proven by the applicant.

4. Procedures

Examination

The IGE will examine a trademark application for formalities and check whether there are absolute grounds for refusal of registration – in particular, those discussed in section 3 above. There are, however, no substantive examinations concerning relative grounds for exclusion. These may be raised by the relevant owner. The timeframe from application to registration is usually about three to six months, depending on the IGE's workload. If an express examination is requested (against an additional fee of Sfr400), the timeframe is about one month. If the IGE finds grounds for refusal, it will issue a provisional rejection and set a deadline of two months (which may be extended), within which the applicant may try to overcome the rejection.

This procedure also applies to the Swiss portions of international registrations.

Unlike many other countries, Swiss trademark applications may be amended in any way during the application process (particularly in order to overcome provisional rejections). There are no official fees for such amendments. However, in the case of significant amendments, such as the expansion of the list of goods and services for which registration is sought, or a substantial change to the mark, the application date will change to the date on which these amendments are made.

Opposition

Swiss trademarks are published following registration. Oppositions to a registration may then be filed by the owners of:

- prior Swiss trademark applications and registrations;
- respective international registrations covering Switzerland; and
- trademarks that are well known in Switzerland according to Article 6*bis* of the Paris Convention.

The deadline for filing an opposition is three months and cannot be extended. The official fee for filing an opposition is Sfr800. In relation to Swiss trademarks, the opposition period begins to run on the day of publication at www.swissreg.ch (ie, the opposition period of a trademark published on July 17 2008 ends at midnight on October 17 2008). In relation to the Swiss portions of international trademarks, the opposition period begins on the first day of the month following the month of publication by the World Intellectual Property Organisation (WIPO). If use is not challenged, such a case usually takes between one and two years to be decided.

Registration

At the end of the examination process and before publication, the accepted trademark is registered for a period of 10 years. Subsequently, the trademark is published. As of July 1 2008, only online publications are made. The initial application fee also covers registration and publication.

Removal from register

Revocation: There is no requirement to submit evidence of use to the IGE in order to maintain a trademark registration.

Trademarks that are not used, without legitimate reason, in the five years following their final registration (ie, the date on which the decision granting the registration became final) may be challenged and expunged before the civil courts on the grounds of non-use. Non-use may be invoked by the defendant in opposition proceedings, as well as before civil courts.

According to a decision of the Federal Court of February 20 2004, non-use of the Swiss portion of an international trademark registration may be justified by an opposition against the foreign basic registration.

Assuming use of an unused trademark before a third party claims non-use will re-establish the original priority.

As a general rule, the trademark has to be used as registered. However, under Article 11(2) of the Trademarks Act, minor variations are still permissible in order to prove genuine use. As such, in 2007 the Administration Court decided that the use of the trademarks ICEJEANS, ICEJ or ICEB did not establish genuine use of the registered mark ICE.

Invalidation: The IGE may rectify errors, but it is not entitled to cancel registered trademarks on its own initiative, unless the registration is not timely renewed.

According to Section 3 of the Trademarks Act, the IGE will delete a trademark registration from the register if it has been declared null and void by a final judgment. If a judgment to this effect has been issued by an arbitration court, confirmation that it is executable is also required (Article 193 of the Act on Private International Law).

5. Enforcement

Complexity

The owner of an infringed trademark may introduce an opposition, a civil action, a criminal action and/or an action before an arbitration court. Provisional injunctions and customs seizures may also be available.

No time limit is indicated in the

Trademarks Act for doing so. Normally, after four to eight years the courts may dismiss an action due to limitation. In case of bad faith, there is usually no limitation (Article 6*bis* of the Paris Convention).

In criminal proceedings it is often difficult to present sufficient evidence of intent. In civil actions, the calculation of damages can likewise prove complex. The damages may be calculated on the basis of:

- diminution of the rights holder's profits;
- dilution of the trademark and confusion of the public;
- costs of enforcement;
- the illegal profit made by the infringer; or
- sometimes, an adequate licence fee.

Punitive damages are not available. The sums awarded are usually low, frequently ranging from Sfr1,000 to Sfr10,000.

These points aside, the enforcement of registered rights is not overly complicated. The registered trademark owner enjoys a presumption that its rights are valid. The key questions are usually the risk of confusion between the marks at issue and the similarity of the goods and services claimed.

According to Swiss practice, there is some interaction between these two elements: if the marks in question are identical or very similar, there may still be a risk of confusion if the goods are not so closely related, and vice versa.

There is a risk of confusion if two trademarks create the same impression, whether phonetically, visually and/or conceptually, or if the consumer might be deceived into thinking that both products come from the same source or from related entities.

Diluted or weak trademarks (eg, marks with suggestive content) enjoy a narrower scope of protection than characteristic marks, well-known marks and trademarks that constitute part of a series of marks. The following decisions illustrate these principles:

- A risk of confusion was affirmed between, among other trademarks, LA CITY and T-City; SKY and SkySIM; WELEDA and LA WEDA and design; and FEEL'N LEARN and SEE'N LEARN.
- A risk of confusion was denied between, among other trademarks, iBond and HY-BOND RESIGLASS; NASACORT and

VASOCOR; MBR and MR; ABSOLUT and ABSOLUTE POKER (since online poker parties and nightclubs were not considered similar); and LA CÔTE (figurative) and COTE MAGAZINE (figurative).

In relation to famous trademarks, Article 15 of the Trademarks Act also allows a rights holder to take action against use in relation to any goods or services if the distinctiveness of its trademark is jeopardised or if its reputation is exploited or affected.

Specialised courts

There are no specialised trademark or IP courts in Switzerland, but the Trademarks Act provides that each canton must designate one sole court for civil actions in trademark cases. This is usually the cantonal court or the commercial court. At the federal level, the Federal Administration Court is competent to hear appeals against the IGE's decisions in both application and opposition proceedings.

Timeframe

Opposition proceedings are usually decided in one to two years, depending on the extensions of time requested by the parties. The prevailing party is usually awarded between Sfr1,000 and Sfr2,000 (plus the official fee of Sfr800 if it was the opposing party). Appeals made to the Federal Administration Court are also usually decided within one to two years. The court fees are generally between Sfr2,500 and Sfr5,000.

The opposition proceeding focuses on the risk of confusion between the marks as registered. Use of the challenged trademark, advertisements or coexistence agreements will not be considered. Therefore, even after confirmation by the Federal Administration Court, decisions in opposition proceedings are not final and the dispute may still be brought before the civil courts.

6. Ownership changes and rights transfers

Swiss trademark applications and registrations may be assigned with or without the goodwill of the business, for all goods and services claimed, or only for specific goods and

services. The legal basis for an assignment can be inheritance, a court judgment, a compulsory auction or a written agreement. In order to have an assignment recorded, a deed of assignment is usually submitted to the IGE, but other documentation, such as purchase agreements or evidence of a merger, may also be accepted. Signatures need no notarisation.

Assignments (and licences) of certification marks and collective marks must be recorded; other assignments are directly effective between the parties.

No specific form is required for concluding licence agreements, which may even be made orally (eg, between related enterprises). However, for the purpose of recording a licence agreement with the IGE (which is not compulsory), a written form is required. The main effect of recordation is that the trademark cannot be assigned to third parties without the obligations in the licence agreement. This protects the licensee. The licensee's use of the trademark is attributed to the owner.

7. Related rights

Trademark rights can overlap with other rights, particularly copyright, designs, rights in one's own name, special laws on the protection of geographical indications and unfair competition law.

The Trademarks Act protects against the use of confusingly similar marks in connection with related goods and services (including advertising). Other types of use, such as comparisons with a competitor's products, imitations of trade dress and denigration, are covered by the Unfair Competition Law. In practice, both acts are often simultaneously invoked.

8. Online issues

The Trademarks Act and the Unfair Competition Act deal with online issues arising in connection with trademarks.

The Unfair Competition Act may allow proceedings to be brought against unfair acts (including the use of a trademark in meta tags).

In addition, several municipalities (Montana, Lucerne, Frick and St Moritz) have successfully challenged domain names that included their geographical names before the civil courts, based on the Unfair Competition Law and their right of name. In a decision of May 4 2009, the Cantonal Court of Grisons confirmed that it had jurisdiction over a '.com' domain name containing a Swiss geographical indication (Decision ZFE 08 3, following the Supreme Court's decision of March 3 2007, 4C.341/2005).

The Umbrella Organisation of the Berner Oberland Tourist Offices succeeded in a cancellation action brought under the Unfair Competition Law against the 'berneroberland.ch' domain name. In addition, a special law on the protection of public arms enabled the Federal Court to take action against a domain name that incorporated its name ('bundesgericht.ch'). The courts also protected two well-known artists against the use of their respective pseudonyms in domain names ('djbobo.de' and 'hundertwasser.ch').

In several cases the courts also granted assignment of the disputed domain names to the plaintiffs ('brego.ch', 'luzern.ch', 'tonline.ch').

Disputes over domain names may also be decided and settled by a WIPO panel pursuant to the Rules of Procedure for Dispute Resolution Proceedings for '.ch' and '.li' domain names ('.li' being the top-level domain for Liechtenstein), which have been adopted by SWITCH (the '.ch' and '.li' registry). Pursuant to Paragraph 24(c) of the rules, the panellist shall grant the cancellation request if the registration or use of the domain name constitutes a clear infringement of a right in a distinctive sign that the claimant owns under the law of Switzerland or Liechtenstein. Therefore, not only rights to a trademark may be invoked, but also rights under the Law against Unfair Competition, rights to a name or business name.

Between 10 and 20 expert decisions are handed down every year. Three recent decisions concerned geographical indications – namely, the domain names 'wallis.ch', 'thurgau-travel.ch' and 'tessin.ch'. The latter was the only domain that was not transferred, mainly because the complainant was not the Canton of Tessin, but rather its tourism organisations.

Unregistered rights	
Protection for unregistered rights?	✓
Specific/increased protection for well-known marks?	✓
Examination/registration	
Representative requires a power of attorney when filing? Legalised/notarised?	X / X
Examination for relative grounds for refusal based on earlier rights?	X
Registrable unconventional marks	3-D, animations, colours, holograms, smells, positioning, sounds ✓
Opposition	
Opposition procedure available? Term from publication?	3 months ✓
Removal from register	
Can a registration be removed for non-use? Term and start date?	5 years' non-use (after lapsed opposition term or decision in opposition proceedings)
Are proceedings available to remove a mark that has become generic?	✓
Are proceedings available to remove a mark that was incorrectly registered?	✓
Enforcement	
Specialist IP/trademark court?	X
Punitive damages available?	X
Interim injunctions available? Time limit?	But delay lessens chances of success ✓ / X
Ownership changes	
Is registration mandatory for assignment/licensing documents?	X
Online issues	
National anti-cybersquatting provisions?	X
National alternative dispute resolution policy for local ccTLD available?	SWITCH.ch Policy ✓