

Court of Justice EU, 27 April 2023, Legea



## TRADE MARK LAW

**Competence of joint proprietors of a national or Union trade mark is determined by national law**

- [The applicable national law determines whether the grant or the termination of a licence to use a national trade mark or an EU trade mark held in joint proprietorship requires an unanimous decision by the joint proprietors or a decision by a majority of them](#)

Source: [ECLI:EU:C:2023:357](#)

**Court of Justice EU, 27 April 2023**

(D. Gratsias, M. Ilešič (Rapporteur) and I. Jarukaitis)  
JUDGMENT OF THE COURT (Tenth Chamber)

27 April 2023 (\*)

(Reference for a preliminary ruling – Trade mark law – Directive 89/104/EEC – Directive (EU) 2015/2436 – Regulation (EC) No 40/94 – Regulation (EU) 2017/1001 – Exclusive rights of the trade mark proprietor – Trade mark belonging to two or more persons – Conditions on majority required between joint proprietors for granting and terminating a licence of their trade mark)

In Case C-686/21,

REQUEST for a preliminary ruling under Article 267 TFEU from the Corte suprema di cassazione (Supreme Court of Cassation, Italy), made by decision of 29 October 2021, received at the Court on 15 November 2021, in the proceedings

VW

v

SW,

CQ,

ET,

Legea Srl,

and

Legea Srl

v

VW,

SW,

CQ,

ET,

THE COURT (Tenth Chamber),

composed of D. Gratsias, President of the Chamber, M. Ilešič (Rapporteur) and I. Jarukaitis, Judges,

Advocate General: M. Campos Sánchez-Bordona,

Registrar: A. Calot Escobar,

having regard to the written procedure,

after considering the observations submitted on behalf of:

– VW, by F. Rampone, avvocato,

– Legea Srl, by G. Biancamano, avvocato,

– SW, CQ, ET, by R. Bocchini, avvocato,

– the Polish Government, by B. Majczyna, acting as Agent,

– the European Commission, by P. Messina and P. Němečková, acting as Agents,

after hearing [the Opinion of the Advocate General](#) at the sitting on 8 December 2022,

gives the following

### Judgment

1 This request for a preliminary ruling concerns the interpretation of 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 trade marks (OJ 2015 L 336, p. 1) and of Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark (OJ 2017 L 154, p. 1).

2 The request has been made in the context of proceedings between, first, VW and SW, CQ, ET and Legea Srl and, second, Legea and VW, SW, CQ and ET, concerning the allegedly unlawful use of trade marks consisting of the sign ‘Legea’.

### Legal context

#### The regulations on the EU trade mark

3 Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended by Council Regulation (EC) No 422/2004 of 19 February 2004 (OJ 2004 L 70, p. 1) (*‘Regulation No 40/94’*), was repealed and replaced by Council Regulation (EC) No 207/2009 of 26 February 2009 on the European Union trade mark (OJ 2009 L 78, p. 1), which entered into force on 13 April 2009. The latter regulation was repealed and replaced, with effect from 1 October 2017, by Regulation 2017/1001.

4 Article 5 of Regulation No 40/94, entitled *‘Persons who can be proprietors of Community trade marks’*, provided:

*‘Any natural or legal person, including authorities established under public law, may be the proprietor of a Community trade mark.’*

5 Article 9 of that regulation, entitled *‘Rights conferred by a Community trade mark’*, provided, in paragraph 1 thereof:

*‘A Community trade mark shall confer on the proprietor exclusive rights therein. The proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade:*

*(a) any sign which is identical with the Community trade mark in relation to goods or services which are identical with those for which the Community trade mark is registered;*

*(b) any sign where, because of its identity with or similarity to the Community trade mark and the identity or similarity of the goods or services covered by the Community trade mark and the sign, there exists a likelihood of confusion on the part of the public; the likelihood of confusion includes the likelihood of association between the sign and the trade mark;*

*(c) any sign which is identical with or similar to the Community trade mark in relation to goods or services*

which are not similar to those for which the Community trade mark is registered, where the latter has a reputation in the [European] Community 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 Community trade mark.’

6 Article 16 of that regulation, entitled ‘Dealing with Community trade marks as national trade marks’, was worded as follows:

‘1. Unless Articles 17 to 24 provide otherwise, a Community trade mark as an object of property shall be dealt with in its entirety, and for the whole area of the Community, as a national trade mark registered in the Member State in which, according to the Register of Community trade marks,

(a) the proprietor has his seat or his domicile on the relevant date; or

(b) where subparagraph (a) does not apply, the proprietor has an establishment on the relevant date.

2. In cases which are not provided for by paragraph 1, the Member State referred to in that paragraph shall be the Member State in which the seat of the Office [for Harmonization in the Internal Market (trade marks and designs)] is situated.

3. If two or more persons are mentioned in the Register of Community trade marks as joint proprietors, paragraph 1 shall apply to the joint proprietor first mentioned; failing this, it shall apply to the subsequent joint proprietors in the order in which they are mentioned. Where paragraph 1 does not apply to any of the joint proprietors, paragraph 2 shall apply.’

7 Article 21 of the same regulation, entitled ‘Insolvency proceedings’, provided, in paragraphs 1 and 2 thereof:

‘1. The only insolvency proceedings in which a Community trade mark may be involved are those opened in the Member State in the territory of which the debtor has his centre of main interests.

...

2. In the case of joint proprietorship of a Community trade mark, paragraph 1 shall apply to the share of the joint proprietor.’

8 Article 22 of Regulation No 40/94, entitled ‘Licensing’, provided, in paragraphs 1 and 2 thereof:

‘1. A Community trade mark may be licensed for some or all of the goods or services for which it is registered and for the whole or part of the Community. A licence may be exclusive or non-exclusive.

2. The proprietor of a Community trade mark may invoke the rights conferred by that trade mark against a licensee who contravenes any provision in his licensing contract with regard to its duration, the form covered by the registration in which the trade mark may be used, the scope of the goods or services for which the licence is granted, the territory in which the trade mark may be affixed, or the quality of the goods manufactured or of the services provided by the licensee.’

9 Those provisions of Articles 5, 9, 16, 21 and 22 of Regulation No 40/94 are similar to the corresponding provisions of Articles 5, 9, 19, 24 and 25 of Regulation 2017/1001.

### **The directives to approximate the laws of the Member States relating to trade marks**

10 First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1) was repealed and replaced, with effect from 28 November 2008, by Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks (OJ 2008 L 299, p. 25 and corrigendum OJ 2009 L 11, p. 86). The latter directive was repealed and replaced by Directive 2015/2436, with effect, in accordance with Article 55 of the latter, from 15 January 2019.

11 The third and sixth recitals of First Directive 89/104 provided:

‘Whereas it does not appear to be necessary at present to undertake full-scale approximation of the trade mark laws of the Member States and it will be sufficient if approximation is limited to those national provisions of law which most directly affect the functioning of the internal market;

...

Whereas this Directive does not exclude the application to trade marks of provisions of law of the Member States other than trade mark law, such as the provisions relating to unfair competition, civil liability or consumer protection’.

12 Article 5 of that directive, entitled ‘Rights conferred by a trade mark’, provided, in paragraph 1 thereof:

‘The registered trade mark shall confer on the proprietor exclusive rights therein. The proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade:

(a) any sign which is identical with the trade mark in relation to goods or services which are identical with those for which the trade mark is registered;

(b) any sign where, because of its identity with, or similarity to, the trade mark and the identity or similarity of the goods or services covered by the trade mark and the sign, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association between the sign and the trade mark.’

13 Article 8 of that directive, entitled ‘Licensing’, provided:

‘1. A trade mark may be licensed for some or all of the goods or services for which it is registered and for the whole or part of the Member State concerned. A licence may be exclusive or non-exclusive.

2. The proprietor of a trade mark may invoke the rights conferred by that trade mark against a licensee who contravenes any provision in his licensing contract with regard to its duration, the form covered by the registration in which the trade mark may be used, the scope of the goods or services for which the licence is granted, the territory in which the trade mark may be affixed, or the quality of the goods manufactured or of the services provided by the licensee.’

14 Those provisions of Articles 5 and 8 of First Council Directive 89/104 are similar to the corresponding provisions of Articles 10 and 25 of Directive 2015/2436.

### The dispute in the main proceedings and the questions referred for a preliminary ruling

15 VW, SW, CQ and ET are joint proprietors in equal shares of the national and EU trade mark LEGEA, registered for sporting goods (together, ‘the marks at issue’).

16 In 1993, VW, SW, CQ and ET decided to grant Legea an exclusive licence, free of charge and for an indefinite period, to use the marks of which they are joint proprietors (‘the licence agreement’).

17 At the end of 2006, VW opposed the continuation of that licence agreement.

18 On 16 November 2009, Legea brought an action against VW before the Tribunale di Napoli (District Court, Naples, Italy) seeking a declaration of invalidity of marks containing the sign ‘Legea’ which VW had registered. By way of counterclaim, VW requested, first, a declaration of invalidity of marks registered by Legea and, second, a declaration of unlawful use of the marks at issue by that company.

19 By a judgment of 11 June 2014, the Tribunale di Napoli (District Court, Naples) found that Legea, acting with the consent of all of the joint proprietors, had made legitimate use of the marks at issue until 31 December 2006. However, that court held that, after that date, because of VW’s opposition to the continuation of the licence agreement, that use was unlawful.

20 By a judgment of 11 April 2016, the Corte d’appello di Napoli (Court of Appeal, Naples, Italy) varied that judgment in part. Taking the view that the unanimous consent of the joint proprietors was not required in order to grant a trade mark licence to a third party, that court held that the will of three of the four joint proprietors of the marks at issue was sufficient to continue the licence agreement after 31 December 2006, notwithstanding VW’s opposition.

21 The referring court, hearing appeals against the judgment of 11 April 2016, is uncertain as to the arrangements for the individual exercise of the exclusive right that is jointly held by the joint proprietors of a trade mark, in the light of the provisions of EU law, and refers, in that regard, to Article 10 of Directive 2015/2436 and to Articles 9 and 25 of Regulation 2017/1001.

22 In those circumstances, the Corte suprema di cassazione (Supreme Court of Cassation, Italy) decided to stay the proceedings and to refer the following questions to the Court of Justice for a preliminary ruling: ‘(1) Are the EU rules [provided for in Article 10 of Directive 2015/2436 and Articles 9 and 25 of Regulation 2017/1001], in so far as they provide for the exclusive rights of the proprietor of an EU trade mark and, at the same time, for the possibility of such a mark being owned by several individuals in shares, to be interpreted as meaning that the assignment to a third party of the exclusive right to use a shared trade mark, free of charge and for an indefinite period, can be decided upon by a majority of the joint proprietors, or as meaning that it requires their unanimous consent instead?’

(2) If it is the latter, in the case where an EU trade mark or a national trade mark is owned by several individuals, would it be consistent with the principles of EU law for

*it to be impossible for one of the joint proprietors of the mark, after the mark has been assigned to a third party by unanimous decision, free of charge and for an indefinite period, unilaterally to withdraw from that decision or, alternatively, would it, on the contrary, be consistent with the principles of EU law if the joint proprietor were not bound in perpetuity by the original intent, such that he or she could retract, with the resulting effect on the act of assignment?’*

### Admissibility of the request for a preliminary ruling

23 SW, CQ and ET dispute the admissibility of the first question referred on the ground that, since the licence agreement was concluded by the joint proprietors of the marks at issue unanimously, it is irrelevant whether a majority was sufficient to take such a decision. For its part, Legea submits that the request for a preliminary ruling is inadmissible, as the conditions for forming the consent of the joint proprietors of a trade mark, both for granting a licence for use by a third party and for terminating it, are not governed by EU law.

24 It should be recalled that, in proceedings under Article 267 TFEU, which are based on a clear separation of functions between the national courts and the Court of Justice, the national court alone has jurisdiction to determine and assess the facts of the main proceedings and to interpret and apply national law. It is likewise solely for the national court before which the dispute has been brought, and which must assume responsibility for the subsequent judicial decision, to determine in the light of the particular circumstances of the case both the need and the relevance of the questions which it submits to the Court (judgment of 6 October 2022, Contship Italia, C-433/21 and C-434/21, EU:C:2022:760, paragraph 23). 25 The Court may refuse to rule on a question referred by a national court only where it is quite obvious that the interpretation of EU law that is sought bears no relation to the actual facts of the main action or its purpose, where the problem is hypothetical, or where the Court does not have before it the factual or legal material necessary to give a useful answer to the questions submitted to it (judgment of 3 June 2021, BalevBio, C-76/20, EU:C:2021:441, paragraph 46 and the case-law cited).

26 In the case at hand, the referring court has set out, in a sufficiently clear manner, the legal and factual context and the reasons for its uncertainty regarding the interpretation of certain provisions of EU law it considers necessary in order to enable it to deliver judgment. It is not obvious that the interpretation that is sought is unrelated to the main proceedings or that the problem raised is hypothetical.

27 That conclusion is not called into question by the argument put forward by Legea, since the question of whether EU law governs the arrangements for adopting the decision to grant a licence to use a trade mark by the joint proprietors of that mark is part of the examination of the substance of the questions referred for a preliminary ruling. Moreover, contrary to what SW, CQ and ET submit, the first question referred is relevant to the outcome of the main proceedings since, if a majority of joint proprietors is sufficient to take the decision to

grant a licence to use a trade mark, the withdrawal, by a minority joint proprietor, of the consent he or she had initially expressed to the grant of such a licence could, in any event, remain without consequences.

28 The request for a preliminary ruling is, therefore, admissible.

### Consideration of the questions referred

#### The first question

29 As a preliminary point, it should be noted that, in view of the date of the facts in the main proceedings, those proceedings are governed, as regards EU trade marks, by Regulation No 40/94 and, as regards national trade marks, by First Council Directive 89/104. The provisions of Articles 9 and 25 of Regulation 2017/1001 and of Article 10 of Directive 2015/2436, to which the referring court refers, correspond to those set out, respectively, in Articles 9 and 22 of Regulation No 40/94 and in Article 5 of First Council Directive 89/104. Therefore, the questions submitted should be reformulated referring to those provisions.

30 By its first question, the referring court asks, in essence, whether First Council Directive 89/104 and Regulation No 40/94 must be interpreted as meaning that the grant or the termination of a licence to use a national trade mark or an EU trade mark held in joint proprietorship requires a unanimous decision by the joint proprietors or a decision by a majority of them.

31 It should be recalled that, according to Article 5 of First Council Directive 89/104 and Article 9 of Regulation No 40/94, the trade mark confers an exclusive right on its owner. Article 5 of that regulation states that any natural or legal person, including authorities established under public law, may be the proprietor of an EU trade mark.

32 Moreover, it is apparent from Article 8(1) of First Council Directive 89/104 and Article 22(1) of Regulation No 40/94 that both a national trade mark and an EU trade mark may be licensed, either exclusively or non-exclusively, for all or some of the goods or services for which they are registered.

33 It is apparent from Article 16(3) and Article 21(2) of Regulation No 40/94, which refer to the ‘*joint proprietors*’ of an EU trade mark, that such a mark may belong to two or more persons.

34 While it is true that First Council Directive 89/104 does not refer to the joint proprietorship of a national trade mark, as the Advocate General noted, in essence, [in points 47 and 48 of his Opinion](#), that omission does not mean that joint proprietorship of such a trade mark is excluded, but that it is governed by national law, under which fall the arrangements for the exercise, by joint proprietors, of the rights conferred by the trade mark, including the right to decide on the grant or the termination of a licence to use it.

35 Furthermore, as is apparent from the third and sixth recitals of First Council Directive 89/104, although the purpose of that directive is to approximate the laws of Member States on trade marks in order to abolish existing disparities which may impede the free movement of goods and freedom to provide services, the directive does not seek a full-scale approximation of

those laws (see, to that effect, [judgment of 21 November 2002, Robelco, C-23/01, EU:C:2002:706](#), paragraph 33).

36 Regarding Regulation No 40/94, while recognising joint proprietorship of an EU trade mark, it does not contain any provision governing the conditions for the exercise, by the joint proprietors of such a mark, of the rights conferred by it, including the right to decide on the grant or the termination of a licence to use it.

37 It is apparent from Article 16(1) of Regulation No 40/94, however, that an EU trade mark as an object of property is to be dealt with as a national trade mark registered in the particular Member State, according to the rules laid down in that article. It follows that, in the absence of a provision in that regulation governing the arrangements for the adoption, by the joint proprietors of an EU trade mark, of the decision to grant or to terminate a licence to use that mark, those arrangements are governed by the law of that Member State.

38 In the light of all of the foregoing considerations, the answer to the first question is that First Council Directive 89/104 and Regulation No 40/94 must be interpreted as meaning that the question of whether the grant or the termination of a licence to use a national trade mark or an EU trade mark held in joint proprietorship requires a unanimous decision by the joint proprietors or a decision by a majority of them comes within the scope of the applicable national law.

#### The second question

39 In view of the answer given to the first question, there is no need to answer the second question.

#### Costs

40 Since these proceedings are, for the parties to the main proceedings, a step in the action pending before the referring court, the decision on costs is a matter for that court. Costs incurred in submitting observations to the Court, other than the costs of those parties, are not recoverable.

On those grounds, the Court (Tenth Chamber) hereby rules:

**First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks and Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark must be interpreted as meaning that the question of whether the grant or the termination of a licence to use a national trade mark or an EU trade mark held in joint proprietorship requires a unanimous decision by the joint proprietors or a decision by a majority of them comes within the scope of the applicable national law.**

---

#### OPINION OF ADVOCATE GENERAL

CAMPOS SÁNCHEZ-BORDONA

delivered on 8 December 2022(1)

Case C-686/21

VW,

Legea Srl

v

SW,

CQ,  
ET,  
VW,  
Legea Srl

(Request for a preliminary ruling from the Corte suprema di cassazione (Supreme Court of Cassation, Italy))

(Reference for a preliminary ruling – Directive 89/104/EEC – Article 5 – Regulation (EC) No 40/94 – Article 9 – Exclusive right of trade mark proprietor – Exercise of exclusive rights in a jointly owned trade mark – Formation of collective consent to dispose of rights in the trade mark – Applicable law – National law)

1. The Corte suprema di cassazione (Supreme Court of Cassation, Italy) is required to adjudicate on a dispute concerning a trade mark which is jointly owned by a number of individuals belonging to the same family. The joint proprietors agreed at a particular time to assign the right to use that trade mark to a company but one of the proprietors is seeking subsequently to terminate that assignment, which is opposed by the other proprietors.

2. The referring court's uncertainties concern the rules governing the assignment, by the proprietor, of the right to use the trade mark in a situation of joint proprietorship. To resolve those uncertainties, the referring court has asked the Court of Justice to interpret Article 10 of Directive (EU) 2015/2436 (2) and Article 9 of Regulation (EU) 2017/1001. (3)

3. Specifically, the Corte suprema di cassazione (Supreme Court of Cassation) asks whether EU law (4) lays down rules on the formation of collective consent, both for granting a third party a licence to use a trade mark and for withdrawing that licence.

## I. Legal framework

### A. European Union law

#### 1. Directive 89/104/EEC

4. Article 5 ('Rights conferred by a trade mark') provides:

*'1. The registered trade mark shall confer on the proprietor exclusive rights therein. The proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade ...*

*...'*

5. Article 8 ('Licensing') stipulates:

*'1. A trade mark may be licensed for some or all of the goods or services for which it is registered and for the whole or part of the Member State concerned. A license may be exclusive or non-exclusive.*

*...'*

#### 2. Regulation (EC) No 40/94

6. Article 9 ('Rights conferred by a Community trade mark') is worded:

*'1. A Community trade mark shall confer on the proprietor exclusive rights therein ...*

*...'*

7. Under Article 16 ('Dealing with Community trade marks as national trade marks'):

*'1. Unless Articles 17 to 24 provide otherwise, a Community trade mark as an object of property shall be dealt with in its entirety, and for the whole area of the Community, as a national trade mark registered in the*

*Member State in which, according to the Register of Community trade marks,*

*(a) the proprietor has his seat or his domicile on the relevant date; or*

*(b) where subparagraph (a) does not apply, the proprietor has an establishment on the relevant date.*

*2. In cases which are not provided for by paragraph 1, the Member State referred to in that paragraph shall be the Member State in which the seat of the Office is situated.*

*3. If two or more persons are mentioned in the Register of Community trade marks as joint proprietors, paragraph 1 shall apply to the joint proprietor first mentioned; failing this, it shall apply to the subsequent joint proprietors in the order in which they are mentioned. Where paragraph 1 does not apply to any of the joint proprietors, paragraph 2 shall apply.'*

8. Pursuant to Article 19 ('Rights in rem'):

*'1. A Community trade mark may, independently of the undertaking, be given as security or be the subject of rights in rem.*

*...'*

9. In accordance with Article 21 ('Insolvency proceedings'):

*'1. The only insolvency proceedings in which a Community trade mark may be involved are those opened in the Member State in the territory of which the debtor has his centre of main interests.*

*...'*

*2. In the case of joint proprietorship of a Community trade mark, paragraph 1 shall apply to the share of the joint proprietor.*

*...'*

10. Article 22 ('Licensing') states:

*'1. A Community trade mark may be licensed for some or all of the goods or services for which it is registered and for the whole or part of the Community. A licence may be exclusive or non-exclusive.*

*...'*

11. Article 97 ('Applicable law') reads:

*'1. The Community trade mark courts shall apply the provisions of this Regulation.*

*2. On all matters not covered by this Regulation a Community trade mark court shall apply its national law, including its private international law.*

*...'*

### B. Italian law

**1. Decreto Legislativo 10 febbraio 2005, n. 30 – Codice della proprietà industriale, a norma dell'articolo 15 della legge 12 dicembre 2002, n.273 (5)**

12. Article 6 ('Joint ownership') provides:

*'1. Where an industrial property right belongs to several persons, the relevant rights shall be governed, except as otherwise established by conventions with rules to the contrary, by the provisions of the Civil Code relating to joint ownership, to the extent they are compatible.*

*...'*

13. Article 20(1) states that registration of a trade mark is to confer on the proprietor an exclusive right to use that trade mark, with the consequent right of the

proprietor to prevent third parties from using the mark in the course of trade without his or her consent.

14. Article 23 provides that the proprietor may transfer the trade mark in respect of all or part of the goods or services for which it was registered and also permits trade marks to be the subject of an exclusive licence.

**2. Regio Decreto 16 marzo 1942, n.262 – Approvazione del testo del Codice civile (6)**

15. Article 1108 (*‘Innovation and other actions beyond the scope of ordinary administration’*) provides:

*‘By majority resolution of the participants representing at least two-thirds of the total value of the common property, any innovation to improve the property or to render its enjoyment easier or more profitable may be carried out, provided that it does not impair the enjoyment of any participant and does not entail excessively onerous expenditure.*

*Similarly, other actions beyond the scope of ordinary administration may be carried out, provided that they do not harm the interest of any participant.*

*The consent of all participants is required for the alienation of, or the creation of rights in rem over the common property or for the lease thereof for a period exceeding nine years ...’*

**II. Facts, dispute and questions referred for a preliminary ruling**

16. In 1990, VW, SW, CQ and ET formed a general partnership which, on 29 July 1992, filed an application for national registration of the trade mark Legea for sports goods. Registration was granted on 11 May 1995 under the number 650850.

17. In 1993, the joint proprietors of the trade mark ‘Legea’ unanimously granted Legea Srl (*‘the company Legea’*) a licence to use that mark for an indefinite period and free of charge. (7)

18. In December 2006, VW expressed his dissent to the continuation of the licence. (8)

19. In 2009, the company Legea instituted proceedings before the Tribunale di Napoli (District Court, Naples, Italy) seeking to obtain, inter alia, a declaration of invalidity of certain marks registered by VW which contained the word ‘Legea’. For his part, VW lodged a counterclaim in the same proceedings.

20. In those proceedings, the dispute concerned:

- whether the assignment of the use of the mark in 1993 required the unanimous consent of the joint proprietors or, on the other hand, majority agreement was sufficient;
- whether that assignment could be revoked by the withdrawal of consent by one of the joint proprietors (VW).

21. On 11 June 2014, the Tribunale di Napoli (District Court, Naples) gave judgment, ruling that the use of the mark by the company Legea was: (a) lawful until 31 December 2006, since it occurred with the unanimous consent of all the joint proprietors; and (b) unlawful after 31 December 2006, in the light of the disagreement expressed by VW.

22. An appeal was lodged against that judgment before the Corte d’appello di Napoli (Court of Appeal, Naples, Italy), which set the judgment aside in part in its judgment of 11 April 2016.

23. The appeal court held that use of the mark by the company Legea was also lawful in the period after 31 December 2006, because the joint proprietors had legitimately decided by a three quarters majority to allow that company to continue using the mark after that date. In the case of joint proprietorship, there would be no need for the unanimous agreement of the joint proprietors in order to assign the exclusive use of the trade mark to a third party.

24. VW appealed against the appellate judgment before the Corte suprema di cassazione (Supreme Court of Cassation). In summary, that court has put forward the following arguments as the basis for its request for a preliminary ruling:

– The provisions of the Civil Code governing joint ownership of property, which are applicable to joint proprietorship of trade marks, along with the provisions governing withdrawal from a contract, must be interpreted in the light of EU trade mark legislation.

– EU trade mark law provides that trade marks may be the subject of a licence and acknowledges the possibility of joint proprietorship of a mark. However, it does not lay down any express rules governing whether the exercise of the rights relating to joint ownership of property requires unanimous or majority agreement in order to assign the right of exclusive use of a mark to a third party, for an indefinite period and free of charge.

– It is also necessary to clarify whether, where such an assignment occurs by unanimous agreement, one of the joint proprietors may subsequently dissent and terminate the assignment.

25. Against that background, the Corte suprema di cassazione (Supreme Court of Cassation) has referred the following questions to the Court of Justice for a preliminary ruling:

*‘(1) Are the EU rules in question [Article 10 of Directive 2015/2436 and Article 9 of Regulation 2017/1001], in so far as they provide for the exclusive rights of the proprietor of an EU trade mark and, at the same time, for the possibility of such a mark being owned by several individuals in shares, to be interpreted as meaning that the assignment to a third party of the exclusive right to use a shared trade mark, free of charge and for an indefinite period, can be decided upon by a majority of the joint proprietors, or as meaning that it requires their unanimous consent instead?’*

*‘(2) If it is the latter, in the case where an EU trade mark or a national trade mark is owned by several individuals, would it be consistent with the principles of EU law for it to be impossible for one of the joint proprietors of the mark, after the mark has been assigned to a third party by unanimous decision, free of charge and for an indefinite period, unilaterally to withdraw from that decision or, alternatively, would it, on the contrary, be consistent with the principles of EU law if the joint proprietor were not bound in perpetuity by the original intent, such that he or she could retract, with the resulting effect on the act of assignment?’*

**III. Procedure before the Court of Justice**

26. The request for a preliminary ruling was received at the Court Registry on 15 November 2021.

27. Written observations were lodged by the company Legea, SW, CQ, ET, VW, the Polish Government and the European Commission.

28. It was not considered necessary to hold a hearing.

#### **IV. Assessment**

##### **A. Introductory remark**

29. These preliminary-ruling proceedings concern the interpretation of EU trade mark law. It is necessary to determine in the proceedings how the exclusive rights associated with proprietorship of a mark may be exercised where that mark belongs to a number of joint owners (or joint proprietors). (9)

30. The referring court states that ‘*some of the marks at issue are EU trade marks*’, but it does not specify whether or not the trade mark Legea, to which the dispute relates, is an EU trade mark. (10)

31. It is apparent from the parties’ observations that a number of different (national, EU and international) registrations of the sign Legea have been disputed, (11) but, I repeat, it is not possible to ascertain with certainty from the order for reference whether the registration recorded at EUIPO is that to which these preliminary-ruling proceedings relate. (12)

32. In those circumstances, in order to cover all the possibilities, it is helpful to conduct an analysis of the rules governing EU trade marks and those governing national trade marks.

33. The referring court has framed its questions in relation to the interpretation of Regulation 2017/1001 and Directive 2015/2436. However, as I have already stated, I do not believe that the provisions of those two texts are applicable to the facts of the dispute, which occurred in 1993 and December 2006.

34. Indeed:

– The licence to use the mark was granted in 1993. It was, therefore, a new national mark governed by domestic law, which Directive 89/104 sought to harmonise. Directive 89/104, and not Directive 2015/2436, was applicable *ratione temporis* to that mark.

– VW withdrew consent to the grant of the licence in 2006, in other words before the entry into force of Regulation 2017/1001. In the event that the rules governing Community trade marks (later, EU trade marks) are applicable to that withdrawal of consent, the relevant rules would be those laid down in Regulation No 40/94 and not those laid down in Regulation 2017/1001. (13)

35. In any event, since the content of both legal frameworks (Directive 89/104 and Regulation No 40/94, on the one hand, and Directive 2015/2436 and Regulation 2017/1001, on the other) is similar in this regard, the arguments concerning the former may be extrapolated to the latter. To make clear the parallels, I shall point out the similarities that exist.

##### **B. Admissibility of the questions referred for a preliminary ruling**

36. SW, CQ and ET maintain that the first question is not necessary to adjudicate the main proceedings. (14) They argue that, since the joint proprietors agreed unanimously to grant the licence, (15) it is not important

to ascertain whether a majority was sufficient for the adoption of that decision.

37. In all likelihood, SW, CQ and ET have the correct approach but it cannot be ruled out that the referring court’s question may be relevant if that court is seeking to add any legal effects to the fact that, at the relevant time, the unanimous decision of the joint proprietors of the mark could have been a majority decision.

38. From that perspective, it is possible that the fact that a trade mark jointly owned by a number of proprietors could be assigned to third parties by majority, and not necessarily unanimous, agreement might have a bearing on subsequent events affecting the licence to use the mark (in particular, the revocation of that licence). (16)

39. The company Legea has put forward a plea of inadmissibility, arguing that EU law does not include any rules governing the conditions under which the intention of the joint proprietors of a trade mark is formed, both for granting a licence for use by a third party and for the withdrawal of that licence.

40. The decision to refer suggests that it is far from clear to the Corte suprema di cassazione (Supreme Court of Cassation) that EU legislation is capable of resolving the issue under discussion. It is because it harbours uncertainties in that regard that that court has referred its questions.

41. In those circumstances, the questions referred for a preliminary ruling not only benefit from the presumption of relevance (17) but are also appropriate for the purposes of an interpretation of provisions of EU law by the Court of Justice in order to determine whether or not those provisions are applicable to the main proceedings.

##### **C. First question referred**

42. The referring court asks whether, where a trade mark is owned by a number of joint proprietors, the provisions of EU trade mark law permit the assignment of use of that trade mark, free of charge and for an indefinite period, to be decided by a majority or whether, on the other hand, unanimity is required.

43. Underlying that question are issues which have concerned legal experts since Roman law. The joint ownership of property, whether ownership is joint or joint and several, the majorities required for the adoption of decisions based on their degree of importance to the jointly owned property or the length of time their effects will last, and the majorities for approving acts to administer or dispose of joint property are questions which have not always received the same answers. (18)

44. EU trade mark law has maintained a significant (and cautious) silence on the joint proprietorship of trade marks, which must comply with the relevant national legislation. That is what I shall attempt to explain in the considerations below, both with regard to EU trade marks and national trade marks that are the subject of harmonisation. I shall begin by examining the possibility of both types of trade mark being the joint property of several persons.

##### **1. Joint proprietorship of EU trade marks**

45. EU trade marks constitute a type of industrial property. In accordance with Article 5 of Regulation No 40/94, ‘*any natural or legal person, including*

*authorities established under public law, may be the proprietor of [an EU] trade mark.’ (19)*

46. Regulation No 40/94 provides that an EU trade mark may be owned by a number of joint proprietors. That provision is given explicit expression in a number of articles of the regulation:

– Article 16 (20) recognises the EU trade mark as an object of property and provides, in paragraph 3, for the situation where ‘*two or more persons are mentioned in the Register of Community trade marks as joint proprietors*’ (italics added).

– Article 21(2), (21) governing insolvency proceedings, provides for ‘*the case of joint proprietorship of [an EU] trade mark*’. In that case, the criterion for determining the insolvency proceedings in which that mark may be involved (22) ‘*shall apply to the share of the joint proprietor*’.

## **2. Joint proprietorship of national trade marks**

47. Unlike EU trade marks, Directive 89/104 contains no explicit references to the joint proprietorship of a [national] trade mark. However, that does not mean that this is excluded by the directive.

48. National legislatures are free to formulate the rights relating to proprietorship of a trade mark. Directive 89/104 does not place any conditions on the actions of national legislatures and, as a consequence, it neither prohibits nor requires national legislation to permit a national mark to be an object of joint property.

## **3. Is the unanimous or majority agreement of joint proprietors required to assign the use of a mark to a third party?**

49. Having accepted that it is possible for joint proprietors to hold a trade mark in joint ownership, the question arises of how they are to form common consent to assign the use of that mark to third parties by means of a licence (or, possibly, to revoke that licence).

50. Again, I shall deal separately with the rules governing EU trade marks and those governing national trade marks.

### **(a) EU trade marks**

51. In accordance with Article 22(1) of Regulation No 40/94, (23) ‘*[an EU] trade mark may be licensed for some or all of the goods or services for which it is registered and for the whole or part of the [European Union]. [Such] licence may be exclusive or non-exclusive.*’ (24)

52. Under Article 97(2), (25) ‘*on all matters not covered by [Regulation No 40/94] the [EU] trade mark court shall apply its national law*’.

53. Regulation No 40/94 does not stipulate the conditions applicable to the conclusion, or termination, of licence agreements. That silence implies that those conditions are to be governed by national law, both where the EU trade mark is owned by a sole proprietor and where it is shared by several persons. (26)

54. Indeed, as the Commission points out, (27) the relevant national law is applicable to anything that is not directly governed as an ‘*object of property*’ by the EU legislation on the European Union trade mark.

### **(b) National trade marks**

55. While the foregoing considerations are applicable as regards the legislation laying down the rules on EU trade marks, they will apply a fortiori to an area which is less closely regulated, like the harmonisation of national trade marks pursuant to Directive 89/104.

56. Other than stipulating that a trade mark confers exclusive rights therein on the proprietor (Article 5) and that a trade mark may be licensed (Article 8), Directive 89/104 does not lay down rules governing matters related to the joint proprietorship of trade marks or the decision to grant a licence. (28)

57. In that context, in order to determine how a collective intention should be formed to assign the use of a jointly owned trade mark, reference must be made, first of all, to national legislation. Those provisions may, in turn, refer to any agreements between the joint proprietors. In the alternative, the general civil law provisions of each Member State will apply. (29)

### **(c) The effectiveness of EU law**

58. The principles of sincere cooperation, primacy and effectiveness of EU law require that national law, including the rules governing the joint proprietorship of trade marks, must safeguard the full effects of EU law. (30)

59. In these proceedings, no factor mentioned in the request for a preliminary ruling or in the observations lodged with the Court of Justice reveals that the rules governing the joint proprietorship of marks in Italy preclude or make excessively difficult the exercise of the rights conferred by EU legislation.

### **D. Second question referred**

60. The Corte suprema di cassazione (Supreme Court of Cassation) wishes to know whether:

– EU law precludes ‘*one of the joint proprietors of the mark, after the mark has been assigned to a third party by unanimous decision, free of charge and for an indefinite period, [from] unilaterally [withdrawing] from that decision*’;

– or, on the other hand, it is compatible with EU law for ‘*the joint proprietor [not to be] bound in perpetuity by the original intent, such that he or she could retract, with the resulting effect on the act of assignment*’.

61. The question as worded does not identify which provision of EU law would be applicable, merely referring to ‘*the principles of EU law*’ (without specifying them). In so far as, where they exist, those principles have been reflected in the provisions of Regulation No 40/94 and Directive 89/104 (or, where applicable, Regulation 2017/1001 and Directive 2015/2436), the answer to that question must be based on those provisions.

62. In connection with Directive 89/104, the Court recognised that the proprietor of a mark who had granted a licence to use that mark to a third party could revoke that consent. (31) That declaration can be readily applied to a joint proprietor of a trade mark (that is, to the proprietors of a jointly owned trade mark).

63. However, as with the conditions for assigning the right to use a mark to a third party, EU law is silent on how the decision to revoke or withdraw the licence to use a mark is to be adopted in the case of trade marks



that are jointly owned. That decision is a legal act but, I stress, EU law does not lay down the conditions governing its adoption by joint proprietors.

64. It is, therefore, for national law to lay down rules governing the specific features of agreements to revoke or withdraw a licence to use a jointly owned trade mark. The arguments set out above regarding the formation of collective consent to grant a licence to use a national mark or an EU mark are applicable *mutatis mutandis* to such revocation or withdrawal.

#### V. Conclusion

65. In the light of the foregoing considerations, I suggest that the Court of Justice should reply to the Corte suprema di cassazione (Supreme Court of Cassation, Italy) as follows:

Article 5 of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks and Article 9(1) of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark, together with, where relevant, the corresponding provisions of 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 trade marks and of Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark

are to be interpreted as meaning that in the case of joint proprietorship of a trade mark, the formation of common consent on the part of the joint proprietors to grant a third party a licence to use a national or a European Union trade mark, or to terminate that licence, is governed by the applicable provisions of the Member State.

#### SOURCES

1 Original language: Spanish.

2 Directive of the European Parliament and of the Council of 16 December 2015 to approximate the laws of the Member States relating to trade marks (OJ 2015 L 336, p. 1).

3 Regulation of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark (OJ 2017 L 154, p. 1).

4 For the reasons I shall set out below, I believe that the following are applicable, *ratione temporis*, to this dispute: First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1), and Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), in the version resulting from Council Regulation (EC) No 422/2004 of 19 February 2004, amending Council Regulation (EC) No 40/94 on the Community Trade Mark (OJ 2004 L 70, p.1).

5 Legislative Decree No 30 of 10 February 2005 approving the Industrial Property Code, pursuant to Article 15 of Law No 273 of 12 December 2002.

6 Royal Decree No 262 of 16 March 1942 approving the text of the Civil Code.

7 According to the parties' written observations, the company Legea was formed in 1993, within the family,

by VW, CQ and another brother who was a minor at the time, as to equal shares. Joint ownership of the trade mark had already been agreed, also within the family circle, between the parents (SW and ET) and their children (CQ and VW).

8 According to VW, between 1993 and 2006, as a result of a series of capital increases, his shareholding in the company Legea fell to 2.5% of the total shareholdings. From that minority position, his claim against the company is to obtain payment for use of the mark.

9 As the Commission points out in reference to Regulation 2017/1001, the use of the terms 'cotitulares' in Article 19(3) and 'copropietario' in Article 24(2) is irrelevant because both can be regarded as equivalent (the same occurs in relation to Regulation No 40/94 and Articles 16 and 21 thereof). A number of language versions use different words in the two articles (for example, 'cotitulaires' and 'copropriétaire' in the French; 'contitolari' and 'comproprietario' in the Italian; 'cotitulares' and 'copropietario' in the Spanish; and 'gemeinsame Inhaber' and 'Mitinhabers' in the German), but others make no distinction ('joint proprietor(s)' in the English).

10 A search on the EUIPO website shows that figurative mark No 000788646, Legea, was registered on 14 November 2001.

11 Written observations of the company Legea, paragraph 8.

12 An examination of the first-instance and appellate judgments suggests that, in fact, the proceedings relate to that mark, which was initially registered as a national trade mark and, since 14 November 2001, has been registered as an EU trade mark. However, that perception is far from clear. The order for reference does not shed much light: paragraph IV refers to the assignment of the use of the trade mark Legea as a Community trade mark in 1993. However, that is not possible because until the entry into force of Regulation 40/94, the Community trade mark did not exist as such.

13 From now on, I shall use the term 'EU trade mark' even if the references in the legislation are to the 'Community trade mark'.

14 Paragraphs 74 and 75 of SW's written observations.

15 Paragraph IV of the order for reference states that it is not in dispute that the licence to use the mark Legea was granted to the company Legea in 1993 by unanimous agreement. The second question referred for a preliminary ruling is based on the same assumption: it refers to a 'mark ... assigned to a third party by unanimous decision'.

16 In this specific instance, the decision to assign the mark was taken by all the joint proprietors, but subsequent dissent may have an effect in situations where the licence could have been granted by majority consent.

17 Judgments of 6 October 2021, Consorzio Italian Management and Catania Multiservizi (C-561/19, EU:C:2021:799, paragraphs 34 and 35), and of 6 October 2022, Contship Italia (C-433/21 and C-434/21, EU:C:2022:760, paragraph 24).

18 Over the centuries, the joint ownership of property has been transformed significantly with the development of legal persons (or other, similar corporate structures which do not have legal personality) as items of property having the capacity to act. The rules, laid down in articles of association or in legislation, governing the different types of legal person usually make provision for the majorities required to adopt decisions like those at issue here.

19 Corresponds to Article 5 of Regulation 2017/1001.

20 Corresponds to Article 19 of Regulation 2017/1001.

21 Corresponds to Article 24 of Regulation 2017/1001.

22 Which will correspond to ‘those opened in the Member State in the territory of which the debtor has his centre of main interests.’

23 Corresponds to Article 25(1) of Regulation 2017/1001

24 For its part, it is apparent from Article 26(3)(e) of Regulation 2017/1001 that a licence may be granted for a fixed period or an indefinite period. Regulation No 40/94 was silent on that point.

25 Corresponds to Article 129(2) of Regulation 2017/1001.

26 In point of fact, the referring court shares that view. In its order for reference (paragraph VI), the referring court states that ‘there are no references in Regulation [2017/1001] with regard to the rules governing how joint ownership may be exercised’.

27 The Commission’s written observations, paragraph 27.

28 Articles 5 and 8 of Directive 89/104 correspond, respectively, to Articles 10 and 25 of Directive 2015/2436.

29 In accordance with the Italian legislation (Article 6(1) of the Industrial Property Code), the rights of joint proprietors of a trade mark are to be governed, except as otherwise established by conventions with rules to the contrary, by the provisions of the Civil Code relating to joint ownership, to the extent they are compatible.

30 Judgment of 19 October 2017, Raimund (C-425/16, EU:C:2017:776, paragraphs 40 and 41).

31 Judgment of 19 September 2013, Martin Y Paz Diffusion (C-661/11, EU:C:2013:577, paragraph 62) and operative part. However, that judgment permits a national court to ‘impose a penalty on the proprietor of a trade mark or order it to pay compensation for the damage suffered if it finds that that proprietor has unlawfully withdrawn the consent by which it allowed a third party to use signs which are identical to its marks’ (paragraph 61).

---