

Some Considerations About Trade Marks

Lecturer **Ioan TOMESCU**¹

Abstract

The paper deals with the emergence, concept and role of trademarks as signs that can constitute a trademark (words, names, persons, designs, letters, numbers, etc.) and special marks (well-known, well-known, defensive, reserve, position and certification marks). Trademark is defined as an expressive object, the main purpose of the registration of which is to distinguish identical or similar goods and services, as a sign of the origin and affiliation of goods. For the legal protection of a trademark, certain provisions must be fulfilled by complying with the conditions of validity for registration (Law no. 84/1998), thus the representation of a trademark must be clear, precise, intelligible, easily accessible, durable and objective. The acquisition of the exclusive right of exploitation is set out in the trademark registration procedure at OSIM in several stages. An important aspect of this article refers to the counterfeiting of trademarks in commercial activity, where there is a risk of confusion, including the risk of association in the perception of consumers. In this respect, rules have been structured on the basis of which the courts assess the existence of counterfeiting through an analytical evaluation of similar elements. In the last part, they are classified as European Union and international trademarks. From this perspective, the basic conditions and formalities necessary to obtain them are also presented.

Keywords: trademark, legal protection, trademark infringement, trademarks, trademarks, special trademark, international trademark.

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1. Introduction

Trademarks are essential in the modern business environment because they provide recognition and protection for a company's products or services. They play a key role in building an identity and ensuring a competitive advantage in the marketplace. In this article, we explore what trademarks are, their types, registration processes and their importance for companies and consumers.

As an object of intellectual property law (industrial property), the trademark belongs to the category of distinctive signs, and has become an important element in the assets of a business due to the pressure it exerts on the market, which is nowadays amplified by the improved possibilities of advertising.

It's useful because it allows consumers to steer their preferences towards a particular product or service.

It can, by altering its traditional and dangerous functions, become an instrument of monopoly, by artificially and excessively consolidating the market position of a particular producer who ends up dictating the market price for its products through aggressive and obsessive advertising.

Law no. 84/96 on trademarks and geographical indications, which repealed Law no. 28/1967 on trademarks and service marks, which remains a landmark in the

¹ Ioan Tomescu - Department of Legal Sciences, Faculty of Psychology, Behavioural and Legal Sciences, 'Andrei Saguna' University of Constanta, Romania, tomescu_ioan@yahoo.com.

legislation in the field because it established the unique system of acquiring trademark rights through priority registration.

In addition to the international conventions mentioned under inventions, in the case of trademarks, we can add the Madrid Agreement concluded on April 14, 1891, ratified by Romania by Decree No. 1176/1968.

2. What is a trademark?

2.1. Brand definition and its characters

A trademark is defined as a sign capable of being represented graphically which serves to distinguish the goods or services of a natural or legal person from those of other persons.²

From the legal definition of a trade mark, one can see the general characteristics of a trade mark, namely:

Optional character – the trademark is in principle optional, the owner having the right, but not the obligation, to mark his goods or services offered to the public, without restricting the possibility to use his goods or services without any trademark. However, the legislature, concerned to guarantee the quality of products and the interests of consumers, has laid down in specially applicable legislation that certain products must be marked, for example, jewellery, precious stones and metals, by the National Bank. The right to a trademark is in principle individuals in nature. It belongs, as is clear from the very definition of a trade mark, to a single natural or legal person, which does not preclude co-ownership.

It thus provides that the registration of a trademark may be applied for individually or jointly by natural or legal persons, thus establishing the possibility of co-ownership of the trademark in the form of joint ownership under common law.

Independence of the mark from the marked product or service. If the unlawfulness of the product renders the patent invalid in the case of inventions, the solution is not identical in the case of trade marks. Article 7 of the Paris Convention provides that ‘the nature of the product to which the trademark is to be affixed shall in no circumstances be such as to constitute an obstacle to the registration of the trademark’. Moreover, Article 8 of the Law, transposing the provision of the Paris Convention into national law, provides that the nature of the goods or services for which trademark registration is sought shall not constitute an obstacle to the registration of the trademark.

So a prohibition on the manufacture of a particular product or its marketing at a particular time and in a particular country does not affect the validity of the trade mark.

A trademark is defined as an expressive object, the registration of which is primarily intended to distinguish identical or similar goods and services, as a sign of the origin and affiliation of goods, also known as a ‘*brand*’.³

A trademark is a symbol, word, expression or design that distinguishes an entity’s goods or services from those of competitors. It is essentially a form of intellectual

² Law no. 84/1998 on Trademarks and Geographical Indications (republished in the Official Gazette, Part I no. 856 of September 18, 2020, with subsequent amendments), art. 4 paragraph 2.

³ Sasu Vlad Dinu, „Diferențieri și similitudini între marcă și brand”, *Analele Universității din Oradea - Științe economice*, Tom XIII, 2004, p. 332-335.

property, protected by national and international laws. Trademarks can include logos, product names, slogans, slogans, colours and even sounds.

Researchers have defined the brand in different ways. However, most definitions are quite similar and deliver more or less the same message. The word ‘brand’ dates back to ancient times. A brand is two products what a name is to individuals. Compared to individuals, the advantage of products is that, through the process of branding, additional characteristics and elements can be attributed to them.⁴

The mark appeared as early as 2700 BC, used by the ancient Egyptians. They used to brand their cattle, so that the rightful owner could be known, by hot iron stamping them to avoid theft or being put together with another owner’s cattle.

The trademark or distinctive signs not only have the role of individualising the product, but in a broader sense, it also plays a role of particular importance in the marketing of goods and products, either by the value gained by the producer over time, or by associating lesser-known brands with those that have a higher importance in the field of reference.

Law no. 84/1998 republished, establishes rights over trademarks and geographical indications. In order to obtain the right to a trademark, it must be registered with OSIM, and on the territory of Romania, European Union trademarks are protected by virtue of Article 4 paragraph (2) of Law no. 84/1998 republished – ‘*European Union trademarks are protected on the territory of Romania, according to the provisions of the European Union Trademark Regulation*’.⁵

2.2. Types of trademarks

The trademarks encountered are:

- **Word Marks** – these are represented by words, letters or numbers. Examples include well-known company names such as Coca-Cola or Nike.
- **Figurative Trademarks** – consist of symbols or graphic elements, such as acronyms, designs, logos or images (e.g. *Apple’s* bitten apple).
- **Three-Dimensional Marks** – refers to the distinctive shape or packaging of products, such as the Chanel perfume bottle or Coca-Cola container.
- **Sound Marks** – these marks are rarer and consist of specific sounds associated with a company or product (e.g. the opening sound of an Intel application).

2.3. Importance of trademarks

The importance of trademarks consists of:

- **Identity and recognition.** Trademarks help to quickly identify a product, giving consumers confidence in quality and consistency. By recognising a brand, consumers can more easily move towards products they know and trust.
- **Intellectual property protection.** Registering a trademark provides legal protection against counterfeiting and unfair competition. Without this protection, a company could lose customers to products that imitate its work.
- **Consumer loyalty.** Brands help build a loyal customer base. Once a brand

⁴ Law no. 84/1998 on Trademarks and Geographical Indications, art 4 paragraph 2.

⁵ Law no. 84/1998 on Trademarks and Geographical Indications, art. 4 paragraph 3.

gains consumer trust and appreciation, consumers will be more likely to remain loyal to that company's products.

- **Competitive advantage.** Protected trademarks provide an advantage in the marketplace because they are unique and cannot be legally used by competitors. They thus help to differentiate products and increase market share.

To benefit from legal protection of intellectual property rights in relation to a trademark, it is necessary to go through a process that conditions the applicant in obtaining it. A first condition would be that the mark must be original, authentic and have no elements of '*design*' (shape, colour), a message that could mislead the person to whom it is addressed by suggesting that it is an already established trademark or that it has any other connection with it.

This condition is imposed in order to prevent and combat counterfeiting and piracy in order to protect both the consumer and reputable trademarks that could be damaged as a result. A second condition is that the trademark must not be contrary to morals and social values. A trademark may consist of traditional or non-traditional signs. Traditional signs include words, letters, numbers, names of natural or legal persons, designs, slogans, colours.

Non-traditional signs are sound signs, moving images, holograms, olfactory, gustatory or tactile signs.

According to the law: 'Trademark registration confers to the owner an exclusive right over the trademark' and according to art. 35 paragraph 2 'the trademark owner may ask the competent court to prohibit third parties to use, in their commercial activity, without the owner's consent: a sign identical with the trademark, for services identical with those for which the trademark was registered...'.⁶

The registration of a trademark may be applied for individually or jointly by natural or legal persons, directly or through a representative, domiciled or headquartered in Romania. Trademark rights belong to the natural or legal person who filed the first application for trademark registration, according to the law.

In the process of registering and obtaining the rights of use of a trademark, the law stipulates that several steps must be completed:

Apply for registration. It can be filed by a natural or legal person in several ways: in situ, by proxy, by post, by electronic registration. Please note all the mandatory elements that the application must contain.⁷

Formal examination of the application. During this procedure, it is verified whether it contains the elements required by law, and within 7 days, OSIM determines its legality.

Publication of the application and comments. The publication is made in the BOPI (Official Bulletin of Industrial Publication). Applications must comply with the codes specified in art. 9 paragraph (3) and art. 10 paragraphs (1) and (2) of Law no.

⁶ Law no. 84/1998 on Trademarks and Geographical Indications, art 35 paragraph 2.

⁷ Viorel Roș, Octavia Spineanu-Matei, Dragos Bogdan, *Dreptul proprietății intelectuale. Mărcile și indicațiile geografice*, ALL Beck Publishing House, Bucharest, 2003, p. 152; Teodor Bodoașcă, Lucian Ioan Taranu, *Dreptul proprietății intelectuale*, 3rd edn. revised and added, Universul Juridic Publishing House, Bucharest, 2021, p. 78; Irina Albușel, Cristina Budileanu, *Proprietate intelectuală. Drepturi de autor. Mărci. Brevete*. Vol. I, Hamangiu Publishing House, Bucharest, 2016, p. 57; Vladimir Diaconiță, *Dreptul proprietății intelectuale. Curs universitar*, Hamangiu Publishing House, Bucharest, 2023, p. 76.

84/1998 republished. The person will be notified within 30 days.⁸

Substantive examination of the application for registration. OSIM verifies the application within 6 months from the date of publication of the application and decides whether to admit or reject it.

Publication of the admission decision and oppositions. If the application has been approved, it is published in the BOPI for objections, and if the application has been rejected, it is published after the decision becomes final.

Challenge. A committee of OSIM is convened for the appeal, according to art. 97 para. (3) of Law no. 84/1998 republished: 'The appeals formulated according to the provisions of para. (1) and (2) shall be settled by an Appeals Committee of the Legal Department of OSIM, in accordance with the procedure laid down in the Implementing Regulation of this Law'.

Entry in the Register of Trademarks and issue of the certificate of registration. Pursuant to art. 32 para. (1) of the Law no. 84/1998 republished: '(1) OSIM shall enter in the Register of Trademarks those trademarks admitted for registration for which the registration procedure has been completed and shall issue the trademark registration certificate, upon payment of the statutory fee, within 30 days from the date of notification to the owner of the completion of the trademark registration procedure. The date of completion of the trade mark registration proceedings shall be entered in the Register'.⁹

Duration of legal protection and renewal of trademark registration. The term of renewal of a trademark registration is 10 years, and the application for renewal of trademark protection must be filed 6 months before the expiry of the term. If it is filed after the deadline, a fee will be charged.

Trademark rights can be transferred in several ways, assignments or license being the main ones.

The assignment is voluntary and is realised through a contract, governed by the Civil Code, and through it the exclusive right is transferred to a natural or legal person, becoming a third party in relation to the registered trademark, according to the legal provisions: '*(1) Trademark rights may be transferred by **assignment**, independently of the transfer of the goodwill in which it is incorporated. The assignment must be made in writing and signed by the contracting parties, under the penalty of nullity, unless it results from a court judgment or following the performance of contractual obligations. (2)*'.¹⁰

Transfer by assignment of trademark rights may be made in respect of all or only some of the goods or services for which the mark is registered; the assignment, even partial, may not territorially restrict the use of the mark for the goods or services to which it relates.

A trademark license conveys the right to use a trademark to a natural or legal person in exchange for a fee.

The right of use is transferred by contract. The contract can take 3 forms: exploitation license, use license and advertising license, all governed by the Civil Code.

⁸ Law no. 84/1998 on Trademarks and Geographical Indications, Article 9 paragraph (3) and Article 10 paragraphs (1) and (2).

⁹ Law no. 84/1998 on Trademarks and Geographical, art 32 paragraph 1.

¹⁰ Law no. 84/1998 on Trademarks and Geographical Indications, art. 47 paragraph 1 and paragraph 2.

The licensee has the following obligations according to art. 49 para. (3) of the Law no. 84/1998 republished: *‘(3) During the term of the trademark license contract, the licensee is obliged: a) to use, in relation to the goods to which the trade mark is affixed, only the trade mark which is the subject of the license contract, but is free to affix to those good signs indicating that he is the manufacturer of those goods; b) to affix the wording under license together with the trademark applied to the products covered by the license, in accordance with the contract.’*

The trademark right is extinguished in the following situations:

Expiry of legal protection. If, after the expiration of the 10-year term, the trademark holder does not file a renewal application with OSIM, the exclusive exploitation right is extinguished.

Surrender by the proprietor. The trademark owner may renounce the exclusive right to exploit the trademark at any time. He must submit a written request to OSIM.

Loss of trademark rights. Pursuant to art. 55 para. (1) of Law no. 84/1998 republished, the following causes of forfeiture of rights are stipulated:¹¹ ‘Any interested person may at any time during the term of protection of the trademark request for the revocation of the rights conferred by the trademark if: a) during an uninterrupted period of 5 years counted from the date of the completion of the registration procedure, the trademark has not been put to genuine use in the territory of Romania in relation to the goods or services for which it was registered and if there are no valid reasons for non-use; b) after the date of registration, the trade mark has become, through the action or inaction of the proprietor, the common name in the trade for the product or service in respect of which it is registered; c) after the date of registration and following use of the trade mark by the proprietor or with his consent, the trade mark has become liable to mislead the public, particularly as to the nature, quality or geographical origin of the goods or services for which it is registered; d) the trademark was registered in the name of a person not having the capacity provided for in art. 3 letters h) and i).

Cancel the registered trade mark. Annulment may be requested by any interested person, who must prove that it causes him or her certain, real and legitimate damage. Otherwise, the application will be annulled.

3. Risks and challenges

There are several risks and challenges associated with trademarks:

1. Counterfeiting – counterfeit products affect not only the brand image, but also company revenues and consumer safety through **unfair trade competition**.

2. Legal battles – disputes over intellectual property rights can lead to costly and lengthy litigation.

3. Maintaining relevance – a trademark must constantly evolve and respond to changing consumer needs and preferences to remain competitive.

4. Independence of the mark from the marked product or service. If the unlawfulness of the product entails the invalidity of the patent in the case of inventions, the solution is not identical in the case of trademarks. Article 7 of the Paris Convention provides that ‘the nature of the product to which the trademark is to be affixed shall in

¹¹ Law no. 84/1998 on Trademarks and Geographical Indications, art 55 paragraph (1).

no circumstances be such as to constitute an obstacle to the registration of the trademark'.¹²

Moreover, Article 8 of the Law, transposing the provision of the Paris Convention into national law provides that the nature of the goods or services for which trademark registration is sought does not constitute an obstacle to its registration.

Therefore, a prohibition on the manufacture of a particular product or its marketing at a particular time and in a particular country does not affect the validity of the trade mark.

3.1. Distinguishing the trade mark from other distinctive signs

The definition of a trade mark in Article 3 allows us to distinguish the trade mark from other distinctive signs which have similar identifying and distinguishing functions.

We point out at the outset the equivalence between '*firm*' and the expressions '*trade name*' and '*company name*' accepted by the vast majority of authors.

Thus, the trade name within the meaning of the Paris Convention means nothing other than the name of the trader, i.e. the name of the company, and has the same meaning as that of the firm as defined in Article 30 of the republished Law No. 26/1990 on the Commercial Register, according to which '*firm*' is the name or, as the case may be, the name under which a trader carries on trade and under which he signs.

Emblem is defined in Article 30 paragraph 2 of the Trade Register Law as '*the sign or name that distinguishes one trader from another of the same kind*'.¹³

Both the company name and the emblem serve to identify the trader, while the trademark distinguishes the goods or services of a natural or legal person from those of other persons.

The firm, the logo and the trademark have the same conditions of validity, i.e. they must be distinctive, available and lawful. If the firm cannot be alienated separately from the goodwill, the transfer of the trade mark and emblem can in principle be done separately from the goodwill. The firm is obligatory whereas the trade mark is optional; the firm can consist only of a name or a denomination; a trader can have only one firm, but may have several trade marks; the firm is protected against unlawful use by another trader by means of an action for unfair competition, whereas the trade mark is protected by means of an action for unfair competition, but especially by means of an action for infringement.

3.2. Brand functions

The importance of the brand in a market economy is conferred both by the information on the origin of the goods made available to the consumer and by the complexity of the functions it performs.

Without being expressly enshrined in the law, the functions of a trademark have been widely analysed in doctrine:

¹² Paris Convention of 1883 for the Protection of Industrial Property, art 7.

¹³ Law No. 265/2022 on the trade register and for amending and supplementing other normative acts affecting registration in the trade register (published in the Official Gazette, Part I no. 750 of July 26, 2022, with subsequent amendments), art 30 paragraph 2.

- *the function of differentiating products and services* is historically the first of these functions, which has, however, undergone a change with its integration into the market economy, referred to in the literature as ‘objectification’, as the focus shifts from indicating the origin of the marked products to differentiating the products of the traders;¹⁴

- *competitive function*. By individualising the products of a particular manufacturer, the brand is an important means of attracting customers to choose products that have earned a good reputation. The competition function is closely related to other functions of the brand, such as advertising, market organisation and quality assurance;

- *quality guarantee function*. It is not enshrined in law and is not legally sanctioned. The trade mark becomes for the consumer a guarantee of qualities which recommend the product and, as emphasised in the literature, establishes a moral link between the producer and the consumer. If it is found that the manufacturer has not fulfilled his moral obligation to maintain the quality of the marked product, the purchaser penalises him by preferring the products of another manufacturer. The doctrine has also deduced a consumer protection function from the quality guarantee function;

- *the advertising function* most obviously reveals the brand’s independence from the product, since a well-managed advertisement transforms the brand into a symbol directly linked to a product’s reputation, so that the buyer is attracted by the brand and not by the product’s origin and quality. By becoming an autonomous element of commercial success, the brand is an ideal means of helping consumers to identify the products they prefer. Adequate advertising is a mechanism for increasing sales potential, which has led the legal doctrine to remark succinctly that ‘the trademark sells itself’;

- *the market-organising function* is provided by the trade mark, by regulating the relationship on the market between supply and demand for a given product, which makes the trade mark a marketing tool, thus helping to forecast the demand for goods and services for certain categories of consumers. This organisational action, as has been pointed out in the literature, has particularly affected distribution by reducing the role of distributors, who have reacted promptly by creating their own brands or by claiming exclusive distribution rights for the product marketed under a particular brand. This is a negative side effect of the trade mark on the market economy, since the monopoly thus established allows the artificial proliferation of trade marks for the same product without the existence of any real differentiation which can be objectively established.

3.3. Brand categories

The law defines several categories of trade marks, with the doctrine identifying additional categories that stand out as regards the legal regime or the assessment of possible infringements of the trade mark right.

Thus we differentiate: individual mark, well-known brand, collective mark, certification mark, simple marks and combined marks

Substantive conditions for trademark protection. The registration of a trade mark is subject to certain conditions which must be met by the sign that can be protected as a trade mark: distinctiveness, availability, legality.

¹⁴ *Intellectual property reading material*, World Intellectual Property Organization, General Collection, Geneva, 1998, p. 212, <https://tind.wipo.int/record/22184>.

4. Conclusions

Trademarks are more than just symbols – they represent a company’s promise to deliver quality and authenticity.

Protecting and promoting brands is not only a strategic business investment but also a necessity in today’s globalised economy.

In this way, trademarks become an important pillar of long-term success, providing a stable framework for consumer loyalty and sustainable business growth.

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