## SCHEDULE

Article 2

#### Amendments to the Trade Marks (Isle of Man) Order 2013

- 1. The Schedule to the Trade Marks (Isle of Man) Order 2013 is amended as follows.
- 2. After paragraph 1, insert—

"1A. In section 1 (trade marks), for subsection (1) substitute—

- "(1) In this Act "trade mark" means any sign which is capable—
  - (a) of being represented in the register in a manner which enables the registrar and other competent authorities and the public to determine the clear and precise subject matter of the protection afforded to the proprietor, and
  - (b) of distinguishing goods or services of one undertaking from those of other undertakings.

A trade mark may, in particular, consist of words (including personal names), designs, letters, numerals, colours, sounds or the shape of goods or their packaging.".".

3. For paragraph 2, substitute—

"2.—(1) Section 3 (absolute grounds for refusal of registration) is amended as follows.

- (2) In subsection (2), after "the shape" in each place insert ", or another characteristic,".
- (3) In subsection (4)—
  - (a) for "Community law" substitute "EU law"; and
  - (b) after "EU law" insert "other than law relating to trade marks".
- (4) After subsection (4), insert—
- "(4A) A trade mark is not to be registered if its registration is prohibited by or under-
  - (a) any enactment or rule of law,
  - (b) any provision of EU law, or
- (c) any international agreement to which the United Kingdom or the EU is a party, providing for the protection of designations of origin or geographical indications.

(4B) A trade mark is not to be registered if its registration is prohibited by or under—

- (a) any provision of EU law, or
- (b) any international agreement to which the EU is a party,

providing for the protection of traditional terms for wine or traditional specialities guaranteed.

(4C) A trade mark is not to be registered if it—

- (a) consists of, or reproduces in its essential elements, an earlier plant variety denomination registered as mentioned in subsection (4D), and
- (b) is in respect of plant varieties of the same or closely related species.
- (4D) Subsection (4C)(a) refers to registration in accordance with any—
  - (a) enactment or rule of law,
  - (b) provision of EU law, or
  - (c) international agreement to which the United Kingdom or the EU is a party,

providing for the protection of plant variety rights.".".

4. For paragraph 3, substitute—

"3.—(1) Section 5 (relative grounds for refusal of registration) is amended as follows.

(2) In subsection (3)—

- (a) omit paragraph (b) and the word "and" immediately before it;
- (b) for "Community trade mark" substitute "European Union trade mark"; and
- (c) for ", in the European Community" substitute "or international trade mark (EC), in the European Union".

(3) After subsection (3), insert—

"(3A) Subsection (3) applies irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected.".

(4) In subsection (4)(a), for "trade, or" substitute "trade, where the condition in subsection (4A) is met,".

- (5) In subsection (4), after paragraph (a) insert—
  - "(aa) by virtue of any provision of EU law, or any enactment or rule of law, providing for protection of designations of origin or geographical indications, where the condition in subsection (4B) is met, or".
- (6) In subsection (4)(b)—
  - (a) after "paragraph (a)" insert "or (aa)"; and
  - (b) omit ", design right or registered designs" and substitute "or the law relating to industrial property rights".
- (7) After subsection (4), insert—

"(4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.

(4B) The condition mentioned in subsection 4(aa) is that—

- (a) an application for a designation of origin or a geographical indication has been submitted prior to the date of application for registration of the trade mark or the date of the priority claimed for that application, and
- (b) the designation of origin or (as the case may be) geographical indication is subsequently registered.".
- (8) After subsection (5) insert—

"(6) Where an agent or representative ("R") of the proprietor of a trade mark applies, without the proprietor's consent, for the registration of the trade mark in R's own name, the application is to be refused unless R justifies that action.".

3A. After section 5 (relative grounds for refusal of registration), insert—

#### "5A Grounds for refusal relating to only some of the goods or services

Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only."."

5. For paragraph 4, substitute—

"4.—(1) Section 6 (meaning of "earlier trade mark") is amended as follows.

- (2) In subsection (1)—
  - (a) in paragraph (a), for "or Community trade mark" substitute ", European Union trade mark or international trade mark (EC)";
  - (b) for paragraph (b) substitute—
    - "(b) a European Union trade mark or international trade mark (EC) which has a valid claim to seniority from an earlier registered trade mark or international trade mark (UK) even where the earlier trade mark has been surrendered or its registration has expired,
    - (ba) a registered trade mark or international trade mark (UK) which-
      - (i) has been converted from a European Union trade mark or international trade mark (EC) which itself had a valid claim to seniority within paragraph (b) from an earlier trade mark, and
      - (ii) accordingly has the same claim to seniority, or;"; and
  - (c) in paragraph (c), after "Paris Convention" insert "or the WTO agreement".
- (3) Omit subsection (3).".

6.—(1) Paragraph 5 is amended as follows.

(2) In the inserted section 6A (raising of relative grounds in opposition proceedings in case of non-use)—

- (a) in subsection (1)(c), for the words from "period" to the end substitute "relevant period";
- (b) after subsection (1), insert—

"(1A) In this section "the relevant period" means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.";

- (c) in subsection (3)(a), for "period of five years ending with the date of publication of the application" substitute "relevant period";
- (d) in subsection (4)(a)—
  - (i) after "a form" insert "(the "variant form")";
  - (ii) after "registered" insert "(regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor)";
- (e) in subsection (5), for "Community trade mark" substitute "European Union trade mark";
- (f) after subsection (5), insert-

"(5A) In relation to an international trade mark (EC) the reference in subsection (1) (c) to the completion of the registration procedure is to be construed as a reference to the publication by the European Union Intellectual Property Office of the matters referred to in Article 190(2) of the European Union Trade Mark Regulation.".

7. After paragraph 5, insert—

"5A. In section 8(5) (power to require that relative grounds be raised in opposition proceedings), for "the Community Trade Mark Regulation" substitute "Council Regulation (EC) No 40/94 of 20th December 1993 on the Community trade mark.

**5B.**—(1) Section 9 (rights conferred by registered trade mark) is amended as follows.

(2) In subsection (1) before "section 10" insert "subsections (1) to (3) of".

(3) After subsection (1) insert—

"(1A) See subsection (3B) of section 10 for provision about certain other acts amounting to infringement of a registered trade mark.

(1B) Subsection (1) is without prejudice to the rights of proprietors acquired before the date of filing of the application for registration or (where applicable) the date of the priority claimed in respect of that application."

(4) In subsection (2)—

- (a) omit "such", and
- (b) at the end insert "such as is mentioned in subsection (1) or (1A)".".

8. For paragraph 6, substitute—

"6.—(1) Section 10 (infringement of registered trade mark) is amended as follows.

- (2) In subsection (3)—
  - (a) after "course of trade" insert ", in relation to goods or services,"; and
  - (b) omit paragraph (b) and the word "and" immediately before it.

(3) After subsection (3) insert—

"(3A) Subsection (3) applies irrespective of whether the goods and services in relation to which the sign is used are identical with, similar to or not similar to those for which the trade mark is registered.

(3B) Where the risk exists that the packaging, labels, tags, security or authenticity features or devices, or any other means to which the trade mark is affixed could be used in relation to goods or services and that use would constitute an infringement of the rights of the proprietor of the trade mark, a person infringes a registered trade mark if the person carries out in the course of trade any of the following acts—

- (a) affixing a sign identical with, or similar to, the trade mark on packaging, labels, tags, security or authenticity features or devices, or any other means to which the mark may be affixed; or
- (b) offering or placing on the market, or stocking for those purposes, or importing or exporting, packaging, labels, tags, security or authenticity features or devices, or any other means to which the mark is affixed.".
- (4) In subsection (4)(c), after "under the sign;" omit "or".
- (5) After subsection (4)(c), insert—
  - "(ca) uses the sign as a trade or company name or part of a trade or company name;".
- (6) In subsection (4)(d)—
  - (a) for "or" substitute "and"; and
  - (b) after "advertising" insert "; or".
- (7) Omit subsections (5) and (6).
- 6A. After section 10, insert—

# "10A Right to prevent goods entering the UK without being released for free circulation

(1) The proprietor of a registered trade mark is entitled to prevent third parties from bringing goods into the United Kingdom in the course of trade without being released for free circulation if they are goods for which the trade mark is registered which—

- (a) come from outside the customs territory of the EU; and
- (b) bear without authorisation a sign which is identical with the trade mark or cannot be distinguished in its essential aspects from the trade mark.

(2) In subsection (1) the reference to goods for which the trade mark is registered includes a reference to the packaging of goods for which the trade mark is registered.

(3) Subsection (1) is without prejudice to the rights of proprietors acquired before the date of application for registration of the trade mark, or (where applicable) the date of the priority claimed in respect of that application.

- (4) The entitlement of the proprietor under subsection (1) is to lapse if—
  - (a) proceedings are initiated in accordance with the European Customs Enforcement Regulation to determine whether the trade mark has been infringed; and
  - (b) during those proceedings evidence is provided by the declarant or the holder of the goods that the proprietor of the trade mark is not entitled to prohibit the placing of the goods on the market in the country of final destination.

(5) References in this Act to the "European Customs Enforcement Regulation" are references to Regulation (EU) No 608/2013 of the European Parliament and of the Council of 12 June 2013 concerning customs enforcement of intellectual property rights(1).

# 10B Prohibition on the use of a trade mark registered in the name of an agent or representative

(1) Subsection (2) applies where a trade mark is registered in the name of an agent or representative of a person ("P") who is the proprietor of the trade mark, without P's consent.

(2) Unless the agent or representative justifies the action mentioned in subsection (1), P may do either or both of the following—

- (a) prevent the use of the trade mark by the agent or representative (notwithstanding the rights conferred by this Act in relation to a registered trade mark);
- (b) apply for the rectification of the register so as to substitute P's name as the proprietor of the registered trade mark.".

**6B.**—(1) Section 11 (limits on effect of registered trade mark) is amended as follows.

(2) In subsection (1) omit "another registered trade mark in relation to goods and services for which the latter is registered (but see section 47(6) (effect of declaration of invalidity of registration))" and substitute "a later registered trade mark where that later registered trade mark would not be declared invalid pursuant to section 47(2A) or (2G) or section 48(1)".

(3) After subsection (1) insert—

"(1A) A registered trade mark is not infringed by the use of a later registered European Union trade mark where that later European Union trade mark would not be declared invalid as a result of Article 60(1), (3), (4), 61(1), (2) or 64(2) of the European Union Trade Mark Regulation.

<sup>(1)</sup> OJNo. L 181/15, 29.6.2013, p.1.

(1B) Where subsection (1) or (1A) applies, the later registered trade mark is not infringed by the use of the earlier trade mark even though the earlier trade mark may no longer be invoked against the later registered trade mark."

(4) In subsection (2)(a) for "a person" substitute "an individual".

(5) In subsection (2)(b) for "indications concerning" substitute "signs or indications which are not distinctive or which concern".

(6) In subsection (2)(c) for "where it" substitute "for the purpose of identifying or referring to goods or services as those of the proprietor of that trade mark, in particular where that use".

6C. After section 11, insert—

### "11A Non-use as defence in infringement proceedings

(1) The proprietor of a trade mark is entitled to prohibit the use of a sign only to the extent that the registration of the trade mark is not liable to be revoked pursuant to section 46(1)(a) or (b) (revocation on basis of non-use) at the date the action for infringement is brought.

(2) Subsection (3) applies in relation to an action for infringement of a registered trade mark where the registration procedure for the trade mark was completed before the start of the period of five years ending with the date the action is brought.

(3) If the defendant so requests, the proprietor of the trade mark must furnish proof—

- (a) that during the five-year period preceding the date the action for infringement is brought, the trade mark has been put to genuine use in the United Kingdom by or with the consent of the proprietor in relation to the goods and services for which it is registered and which are cited as justification for the action, or
- (b) that there are proper reasons for non-use.

(4) Nothing in subsections (2) and (3) overrides any provision of section 46, as applied by subsection (1) (including the words from "Provided that" to the end of subsection (3)).".".

9. After paragraph 10 insert—

"10A.—(1) Section 24 (assignment, &c of registered trade mark) is amended as follows.

(2) After subsection (1) insert—

"(1A) A contractual obligation to transfer a business is to be taken to include an obligation to transfer any registered trade mark, except where there is agreement to the contrary or it is clear in all the circumstances that this presumption should not apply."."

#### **10.** After paragraph 11 insert—

"11A.—(1) Section 27 (application for registration of trade mark as an object of property) is amended as follows.

(2) In subsection (1) after "sections 22 to 26 (which relate to a registered trade mark as an object of property)" insert "and sections 28 to 31 (which relate to licensing)".

**11B.**—(1) Section 28 (licensing of registered trade mark) is amended as follows.

(2) After subsection (4) insert—

"(5) The proprietor of a registered trade mark may invoke the rights conferred by that trade mark against a licensee who contravenes any provision in the licence with regard to—

- (a) its duration,
- (b) the form covered by the registration in which the trade mark may be used,
- (c) the scope of the goods or services for which the licence is granted,
- (d) the territory in which the trade mark may be affixed, or
- (e) the quality of the goods manufactured or of the services provided by the licensee.".

11C.—(1) Section 30 is amended as follows.

(2) After subsection (1) insert—

"(1A) Except so far as the licence provides otherwise a licensee may only bring proceedings for infringement of the registered trade mark with the consent of the proprietor (but see subsections (2) and (3))."

(3) In subsection (2), for "A licensee is entitled, unless his licence or any licence through which his interest is derived, provides otherwise, to" substitute "An exclusive licensee may".

(4) In subsection (3) after "If the proprietor" insert "mentioned in subsection (2)" and before "licensee" insert "exclusive".

(5) In subsection (4), after "by virtue of this section" insert "or with the consent of the proprietor or pursuant to the licence".

(6) After subsection (6), insert—

"(6A) Where the proprietor of a registered trade mark brings infringement proceedings, a licensee who has suffered loss is entitled to intervene in the proceedings for the purpose of obtaining compensation for that loss."

**11D.**—(1) Section 32 (application for registration) is amended as follows.

(2) In subsection (2)(d) after "mark" insert ", which is capable of being represented in the register in a manner which enables the registrar and other competent authorities and the public to determine the clear and precise subject matter of the protection afforded to the proprietor".

**11E.** Section 38 (publication, opposition proceedings and observations) is amended as follows.

(2) After subsection (2) insert—

"(2A) Where a notice of opposition is filed on the basis of one or more earlier trade marks or other earlier rights—

- (a) the rights (if plural) must all belong to the same proprietor;
- (b) the notice may be filed on the basis of part, or the totality, of the goods or services in respect of which the earlier right is protected or applied for.

(2B) A notice of opposition may be directed against part or the totality of the goods or services in respect of which the contested mark is applied for.".".

11. After paragraph 12 insert—

"12A.—(1) Section 41 (registration: supplementary provisions) is amended as follows.
(2) After subsection (1)(a) insert—

"(aa) the division of a registration of a trade mark into several registrations;".

(3) In subsection (3)(b), after each reference to "application" insert "or registration" and after "applications" insert "or registrations".

**12B.**—(1) Section 43 (renewal of registration) is amended as follows.

(2) After subsection (3) insert—

"(3A) If a request for renewal is made or the renewal fee is paid in respect of only some of the goods or services for which the trade mark is registered, the registration is to be renewed for those goods or services only.".

**12C.**—(1) Section 46 (revocation of registration) is amended as follows.

(2) In subsection (2)—

- (a) after "a form" insert "(the "variant form")"; and
- (b) after "in which it was registered" insert "(regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor)".".
- 12. For paragraph 13 substitute—

"13.—(1) Section 47 (grounds for invalidity of registration) is amended as follows.

(2) At the beginning of subsection (2) insert "Subject to subsections (2A) and (2G),".

(3) After subsection (2) insert—

"(2ZA) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 5(6).

(2A) The registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless—

- (a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration,
- (b) the registration procedure for the earlier trade mark was not completed before that date,
- (c) the use conditions are met.
- (2B) The use conditions are met if—
  - (a) the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with their consent in relation to the goods or services for which it is registered—
    - (i) within the period of 5 years ending with the date of application for the declaration, and
    - (ii) within the period of 5 years ending with the date of filing of the application for registration of the later trade mark or (where applicable) the date of the priority claimed in respect of that application where, at that date, the five year period within which the earlier trade mark should have been put to genuine use as provided in section 46(1)(a) has expired, or
  - (b) it has not been so used, but there are proper reasons for non-use.
- (2C) For these purposes—
  - (a) use of a trade mark includes use in a form (the "variant form") differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(2D) In relation to a European Union trade mark or international trade mark (EC), any reference in subsection (2B) or (2C) to the United Kingdom shall be construed as a reference to the European Union.

(2DA) In relation to an international trade mark (EC), the reference in subsection (2A) (a) to the completion of the registration procedure is to be construed as a reference to the publication by the European Union Intellectual Property Office of the matters referred to in Article 190(2) of the European Union Trade Mark Regulation.

(2E) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

(2F) Subsection (2A) does not apply where the earlier trade mark is a trade mark within section 6(1)(c).

(2G) An application for a declaration of invalidity on the basis of an earlier trade mark must be refused if it would have been refused, for any of the reasons set out in subsection (2H), had the application for the declaration been made on the date of filing of the application for registration of the later trade mark or (where applicable) the date of the priority claimed in respect of that application.

(2H) The reasons referred to in subsection (2G) are—

- (a) that on the date in question the earlier trade mark was liable to be declared invalid by virtue of section 3(1)(b), (c) or (d), (and had not yet acquired a distinctive character as mentioned in the words after paragraph (d) in section 3(1));
- (b) that the application for a declaration of invalidity is based on section 5(2) and the earlier trade mark had not yet become sufficiently distinctive to support a finding of likelihood of confusion within the meaning of section 5(2);
- (c) that the application for a declaration of invalidity is based on section 5(3)(a) and the earlier trade mark had not yet acquired a reputation within the meaning of section 5(3).".

(4) After subsection (5) insert—

"(5A) An application for a declaration of invalidity may be filed on the basis of one or more earlier trade marks or other earlier rights provided they all belong to the same proprietor.".

**13A.**—(1) Section 49 (collective marks) is amended as follows.

(2) For subsection (1) substitute—

"(1) A collective mark is a mark which is described as such when it is applied for and is capable of distinguishing the goods and services of members of the association which is the proprietor of the mark from those of other undertakings.

(1A) The following may be registered as the proprietor of a collective mark—

- (a) an association of manufacturers, producers, suppliers of services or traders which has the capacity in its own name to enter into contracts and to sue or be sued; and
- (b) a legal person governed by public law.".

**13B.**—(1) Section 50 (certification marks) is amended as follows.

(2) In subsection (1) for "indicating" substitute "which is described as such when the mark is applied for and indicates".

**13C.** In the heading of Part II and in the italic heading before section 51, for "Community" substitute "European Union".

13D. For section 51 (meaning of "Community trade mark") substitute—

# "51 Meaning of "European Union trade mark"

In this Act—

"European Union trade mark" has the meaning given by Article 1(1) of the European Union Trade Mark Regulation; and

"the European Union Trade Mark Regulation" means Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union Trade Mark(**2**)."."

13. After paragraph 18 insert—

"18A. Omit section 60 (acts of agent or representative: Article 6septies).

18B. At the end of Part 2 insert—

"Nice Classification

## 60A Similarity of goods and services

- (1) For the purposes of this Act goods and services—
  - (a) are not to be regarded as being similar to each other on the ground that they appear in the same class under the Nice Classification;
  - (b) are not to be regarded as being dissimilar from each other on the ground that they appear in different classes under the Nice Classification.

(2) In subsection (1), the "Nice Classification" means the system of classification under the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, which was last amended on 28 September 1979(3)."."

14. For paragraph 22 substitute—

"22.—(1) Section 77 (persons appointed to hear appeals) is amended as follows.

(2) In subsection (2)—

- (a) for paragraph (a) substitute—
  - "(a) he satisfies the judicial-appointment eligibility condition on a 5-year basis;";
- (b) after paragraph (b) insert—

"(ba) he is an advocate in the Isle of Man of at least 5 years' standing;"; and (c) in paragraphs (b) and (c), for "7" substitute "5".

- (3) In subsection (4) for "Lord Advocate" substitute "Secretary of State".".
- 15. After paragraph 25, insert—

<sup>(2)</sup> OJ No. L 154/1, 16.6.2017, p.1.

<sup>(3)</sup> Cmnd 6898.

"25A.—(1) Section 88 (power of registrar to refuse to deal with certain agents) is amended as follows.

(2) In subsection (1)(b) for "an individual" substitute "a person".

- (3) In subsection (1)(c) for—
  - (a) "an individual" substitute "a person";
  - (b) "him" substitute "the person"; and
  - (c) "his" substitute "the person's".".

16. In paragraph 26(2), for "Article 5(1), of Council Regulation (EC) No 1383/2003 concerning customs action against goods suspected of infringing certain intellectual property rights and the measures to be taken against goods found to have infringed such rights" substitute "Article 3 of the European Customs Enforcement Regulation".

**17.** After paragraph 33 insert—

"33A. After section 99 (unauthorised use of Royal arms, &c.), insert-

### "99A Reproduction of trade marks in dictionaries, encyclopaedias etc.

(1) Subsection (2) applies if the reproduction of a trade mark in a dictionary, encyclopaedia or similar reference work, in print or electronic form, gives the impression that it constitutes the generic name of the goods or services for which the trade mark is registered.

(2) The publisher of the work must, at the request in writing of the proprietor of the trade mark, ensure that the reproduction of the trade mark is accompanied by an indication that it is a registered trade mark.

- (3) The action required by subsection (2) must be taken—
  - (a) without delay, and
  - (b) in the case of works in printed form, at the latest in the next edition of the publication.

(4) If the publisher fails to take any action required by subsection (2) the court may, on an application by the proprietor—

- (a) order the publisher to take the action concerned;
- (b) if the work is in printed form, order the publisher to erase or amend the reproduction of the trade mark or secure the destruction of copies of the work in the publisher's possession, custody or control; or
- (c) grant such other order as the court in the circumstances considers appropriate.".".

18. For paragraph 36 substitute—

"36.—(1) Section 104 (index of defined expressions) is amended at follows.

(2) Omit the entries in the table for "Community trade mark" and "Community Trade Mark Regulation".

(3) After the entry in the table for "earlier trade mark" insert—

"European Customs Enforcement Regulation	section 10A
European Union trade mark	section 51

European Union Trade Mark Regulation

**19.** For paragraph 38 substitute—

"38.—(1) Schedule 1 (collective marks) is amended as follows.

(2) In paragraph 5—

- (a) in sub-paragraph (2) omit ", where they exist,";
- (b) the second sentence of sub-paragraph (2) is renumbered as sub-paragraph (4), and
- (c) before sub-paragraph (4) insert—

"(3) Where the regulations govern use of a mark referred to in paragraph 3(1), they must authorise any person whose goods or services originate in the geographical area concerned to become a member of the association which is the proprietor of the mark, provided that the person fulfils all the other conditions of the regulations."

(3) In paragraph 6(1)(a) after "paragraph 5(2)" insert "and (3)".

(4) In paragraph 11(c) for "Commissioners of Customs and Excise" substitute "the Treasury".

(5) In paragraph 12—

(a) for sub-paragraph (2), substitute—

"(2) Subject to any agreement to the contrary between the authorised user and the proprietor, an authorised user may only bring proceedings for infringement of a registered collective mark with the consent of the proprietor.";

- (b) omit sub-paragraph (3);
- (c) in sub-paragraph (4), omit "Where infringement proceedings are brought by virtue of this paragraph" and substitute "Where proceedings are brought by an authorised user for infringement of a registered collective mark (with the consent of the proprietor or pursuant to any agreement referred to in sub-paragraph (2))";
- (d) after sub-paragraph (6), insert—

"(7) Where the proprietor of a registered collective mark brings infringement proceedings, an authorised user who has suffered loss is entitled to intervene in the proceedings for the purpose of obtaining compensation for that loss."

- (6) In paragraph 13—
  - (a) in sub-paragraph (a), for "proprietor" substitute "persons authorised to use it";
  - (b) in sub-paragraph (b)—
    - (i) for "has failed to observe, or to secure the observance of," substitute "has not taken reasonable steps to prevent the mark being used in a manner that is incompatible with the conditions of use laid down in"; and
    - (ii) after "mark" insert "(as amended from time to time)";
  - (c) in sub-paragraph (c)(i), after "paragraph 5(2)" insert "and (3)".

(7) In paragraph 14—

- (a) for "may" substitute "shall";
- (b) after "the provisions of" insert "section 49(1A) (definition of who may be registered as the proprietor of a certification mark) or";

(c) after "6(1)" insert "unless the breach was only of paragraph 6(1) and the proprietor of the mark, by amending the regulations governing use, complies with the requirements of paragraph 6(1)."