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**Registered company name may infringe trademark**

Unfair use

**Slovenia - ITEM d.o.o**

July 13 2011

In *Elektro Ljubljana dd v Zelena Energija doo* (Case V Pg 13/2006, May 5 2011), the Circuit Court in Ljubljana has rejected **Elektro Ljubljana dd**'s action for a declaration of invalidity of the company name Zelena Energija. However, the court held that it is possible to obtain the removal of a company name from the register pursuant to a trademark infringement action under the Slovenian Industrial Property Act.

In April 2004 Elektro applied for the registration of a device mark including the verbal element '*Zelena Energija*' for goods in Classes 39 (distribution of electric power) and 40 (production of electric power) of the **Nice Classification**. The mark was registered in January 2005 (Registration 200470871). In December 2005 the company **Zelena Energija doo** was registered by the Court Registry of Companies. In January 2006 Elektro sought a declaration that the registration of the company name Zelena Energija was invalid based on its earlier trademark ZELENA ENERGIJA. Elektro based its action on provisions of the Slovenian Court Registry Act and Companies Act, but did not claim that the company name Zelena Energija infringed its trademark.

The court rejected the action based mainly on the following grounds:

- the action was not phrased in terms of trademark infringement; and
- the company name Zelena Energija did not infringe the earlier trademark ZELENA ENERGIJA because '*Zelena Energija*' (meaning 'green power') was descriptive.

In its reasoning, the court presented some interesting standpoints regarding conflicts between trademarks and company names. Company names are regulated by the Companies Act and the Court Registry Act, which do not clearly define whether the registration of a company name may infringe a registered trademark, and which legal remedies may be used in such a case. The Companies Act states only that a company name cannot contain well-known trademarks. Similarly, the Industrial Property Act does not explicitly provide for the removal of a company name from the register as a sanction in cases of infringement, even though it is obvious that use on the market of a company name that is identical, or similar to, an earlier trademark can cause confusion among consumers.

According to the Companies Act, use of a company name is obligatory in the course of trade, so it is important that trademark holders are able to obtain the removal of a conflicting company name from the register.

The judgment at issue is significant in that it is the first time that the court has held explicitly that:

- a company name may infringe a trademark; and
- one of the remedies provided by the Industrial Property Act in case of infringement is the removal of the company name from the register.

The court went further and stated that, even if Elektro had alleged trademark infringement, there was no infringement in this particular case. According to the court, Zelena Energija had successfully proved that '*Zelena Energija*' had been used as a generic term for green power before the registration of Elektro's trademark. The court explained that Elektro had obtained the registration of its mark only because it contained additional graphical elements; it would not have been able to register ZELENA ENERGIJA as a word mark.

Elektro may still appeal. However, if the judgment remains uncontested or is upheld by the Higher Court, it will establish an important precedent regarding the relationship between trademarks and company names.

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