

Newsalert

IP, TMT & Data Protection Department

Bill of Conversion of Legislative Decree No. 34/19 ("Growth Decree") – Developments in IP: "historical trademarks", "Italian sounding" and incentive to the filing of patents and trademarks

On June 27, 2019, the Italian Senate definitively approved the bill of conversion, with amendments, of Legislative Decree No. 34 of April 30, 2019, setting forth "*Urgent measures for the economic growth and resolution of specific crisis situations*" (the "**Bill of Conversion**").

The general goal of the Bill of Conversion is introducing measures aimed at revamping the Italian economy. From an IP perspective, several innovations, institutions and measures aimed at enhancing the national companies' IP assets have been introduced. Amongst the measures amending the Italian IP Code, we highlight the following:

- **Historical trademarks of national interest:** trademarks registered for at least fifty years or for which it is possible to demonstrate a continuous use for at least fifty years, used for the marketing of products or services by a national manufacturing company "of excellence" which has been historically linked to the national territory, are now qualified as historical trademarks. The Bill of Conversion Dossier specifies that the qualification at issue does not strengthen the protection granted to said trademarks against third parties (for example, infringers), rather it has effects in terms of public protection. Owners or exclusive licensees of historic trademarks may now request their inclusion in a specific register pursuant to Art. 185-bis Italian IP Code (hereinafter, the "**Register**") and thus be able to use the "*historic trademark of national interest*" logo. Furthermore, within the Ministry of Economic Development, the so-called Fund for the protection of historic trademarks of national interest has been established. The Fund has been granted with the power to intervene through investments in the risk capital of the companies registered in the Register or in any case eligible for registration, in order to safeguard employment levels and the continuation of manufacturing activity within the Italian territory. To this regard, the Bill of Conversion also envisages that the information relating to any closure or relocation projects of one of such companies – information to be detailed as required by the Bill of Conversion in suit - must be notified in advance to the Ministry of Economic Development, otherwise a monetary administrative sanction is granted.
- **Italian sounding:** the Bill of Conversion introduces measures to tackle the so called Italian sounding, defined as any conduct aimed at falsely evocating the Italian origin of a certain product. In order to encourage the fight against this illicit practice, the Bill of Conversion introduces a relief, amounting to 50% of the costs incurred for the legal protection of products affected by the phenomenon in suite as well as for the implementation of information and communication campaigns aimed at raising awareness on the matter, in favour of national consortia and collective organizations of companies

operating abroad. Moreover, activities against Italian sounding practices have been introduced amongst the competences of the National Anti-Counterfeiting Council.

- incentives for the filing of patents and trademarks: the Bill of Conversion sets forth several measures aimed at increasing the development of IP rights by, in particular, small and medium-sized enterprises and start-ups. As for patents, the legislation introduces a voucher (so-called "3.1 voucher") that can be used by innovative start-ups for consultancy services related to the assessment of the patentability of inventions, prior art searches, drafting of patent applications and filing with the Italian Patent and Trademark Office as well as to the extension of the national application abroad.

The law under the Bill of Conversion will enter into force the day after its publication in the Official Gazette – nevertheless, the definition of certain organizational and management aspects are referred to further Ministerial Decrees.

Contacts

Paolo Bertoni

Partner – Chiomenti
IP,TMT & Data Protection
T+39.02.72157.679
paolo.bertoni@chiomenti.net

Gilberto Nava

Partner – Chiomenti
IP,TMT & Data Protection
T. +39.06.46622.719
gilberto.nava@chiomenti.net