The Swedish Cross-protection of Company Names and Trademarks Revisited

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1. INTRODUCTION

In my dissertation *Företagsnamnet som varukännetecken. En rättsvetenskaplig studie av det korsvisa skyddet*. (*Eng.* The company name as a trade sign. A study of the Swedish law of cross-protection), completed in 2022[1], I set out to offer the first, to my knowledge, comprehensive study of the Swedish legal concept of cross-protection between company names and trade marks, i.e. signs used in trade. One doctoral dissertation had been written on the subject of names and company names before mine, by Gösta Eberstein in 1909, long before the adoption in 1974 of the predecessor of today's Company Names Act, which was adopted in 2019.[2]

Under Sweden's first Trade Marks Act of 1884, company names were regarded as natural trade signs and were afforded protection as trade marks when used on goods. Subsequent developments in Swedish trade mark law and company name law – particularly following Sweden's membership of the European Union in 1995 and the continuing evolution of harmonised EU trade mark law – have resulted in a regulatory framework that grants company names automatic protection as trade signs, even in the absence of use in relation to goods or services.

There are differences in the requirements for protection between company names and trade marks, such as, lower requirements of distinctiveness when registering a company name, a broader description of the business than the equivalent description of goods and services for trade marks, and a different application of genuine use. These differences create the possibility of circumventing trade mark law, and allow company names to obtain broader protection than that afforded to equivalent trade marks.

I undertook to study these issues from the perspective of company names and analyse the legal concept of the cross-protection under Swedish law. The overall aims of the dissertation was to consider and analyse the legal coordination between company names and trade marks, and to examine the extent to which the concept of cross-protection complied with the EU harmonised trade mark law.

2. SIGNS USED IN TRADE AND THE SWEDISH CONCEPT OF CROSS-PROTECTION

The rationale behind intellectual property protection of signs is that they are used commercially. Signs used in trade can among other things be a company name or a trade mark. These signs differ in that a company name or trade name distinguish a *business*, whereas a trade mark or trade sign distinguish *goods and services*.

The use of company names and trade marks in the market often overlap, especially for well-known signs. For the consumer, the sign outside a McDonald's is equally comprehended as representing the burgers and services inside as it is the business.

Due to this overlapping use and that company names historically were so-called natural trade marks, the Swedish Trade Marks Act (2010:1877) grants company names

1 Merit Berlips Persson, *Företagsnamnet som varukännetecken. En rättsvetenskaplig studie av det korsvisa skyddet*. LLD thesis Stockholm University 2022.

2 Gösta Eberstein, Bidrag till läran om namn och firma enligt svensk rätt, Uppsala, Almqvist & Wiksell, 1909. Gösta Eberstein had a significant influence on the development of intellectual property rights in Sweden, the Nordic countries and internationally for a long time. Not least, he wrote a number of books and articles on trade mark law and company names law. He was chairman of both the trade mark report SOU 1958:10 and the inquiry for the 1974 Company Names Act SOU 1967:35. The closest jurisprudence that follows Eberstein's thesis on the trademark law aspects of company names, apart from his own continued work in the field, is Seve Ljungman's treatment of the subject in Namn-, firma-, och varumärkesrätt. Illojal konkurrens, in SvJT 1952 p. 824 f. (by the same author also, Några reflexioner kring den nya firmalagen och dess förhållande till varumärkesrätten, NIR 4/1974, p. 384–393 Firmaretten og forholdet mellom firma og varemerker, NIR 3/1981, p. 134–140), and Marianne Levin's article En ny nordisk känneteckensrätt inför 2000-talet, NIR 4/1994, p. 516 ff. – In terms of doctrine, the standard work was Firmarätt – företagsnamn i praktiken by Eric W. Essén, whose fourth edition in 2013 was co-authored by Peter Adamsson and Anders Kylhammar (Stockholm, Norstedts Juridik 2013). Adamson and Kylhammar have since authored Lagen om Företagsnamn – En kommentar, published in 2021 and updated the last time in January 2025 (JUNO version 1C, Norstedts Juridik 2025). The subject has also naturally been treated as a limited part in other intellectual property law text books (Marianne Levin et al., Lärobok i immaterialrätt. Upphovsrätt, patenträtt, formskydd, känneteckensrätt och internationell privaträtt i Sverige och EU, JUNO version 14, 2025; Ulf Bernitz et al., Immaterialrätt och Otillbörlig konkurrens, 16th ed., Stockholm, Jure 2023; Stojan Arnerstål et al., Immaterialrätten. Sverige och EU., Uppsala, Iustus, 2025.) and in articles, especially a number of articles in NIR 6/2008. In doctrine on company law, the subject is treated very sparse (see, for example, Torsten Sandström, Swedish Company Law, 7th ed., Norstedts Juridik, 2020, p. 79 f., half a page). – As noted the text books have had new editions after my dissertation and the same year as my dissertation a book was also published called *Kännetecknensrätt. Skydd för varumärken och företagsnamn*, (Stojan Arnerstål, Uppsala, Iustus, 2022) with a short section regarding cross-protection. I too have published a book based on my thesis (Merit Berlips Persson, *Företagsnamn och varumärken. Det korsvisa skyddet*. JUNO version 1, 2023).

the same protection as trade marks and *vice versa* in the Company Names Act (2018:1653). This cross-protection is explained by the legislator to be automatic.

Although the use of the two categories of signs clearly overlaps, it is essential to keep the terminology distinct so as not to introduce further misunderstanding into an already complex concept. The terminology used in the following is: company name (*Swe.* företagsnamn) for the registered company name; trade name[3] (*Swe.* näringskännetecken) for an unregistered name used for a business; trade mark (*Swe.* varumärke) for the registered trade mark; trade sign (*Swe.* varukännetecken) for marks protected through use and unregistered marks. When the term sign/s is used by itself it refers to all of the above, i.e. company names, trade names, trade marks and trade signs. – In the Swedish Company Names Act the term trade name is also used as an umbrella term for company names and trade names. Similarly in the Swedish Trademarks Act the term trade sign is used as an umbrella term for trademarks and other trade signs.

Cross-protection refers to the relationship between company names/trade names and trademarks/trade signs, and is provided for under the Swedish Trademarks Act and the Swedish Company Names Act. These two categories of signs are in Sweden protected both *against* and *as* the other. There are two aspects of the concept of cross-protection i) signs belonging to one category may constitute grounds for refusal of registration of signs in the other category[4] and ii) signs belonging to one category may exercise exclusive rights as being a sign of the other category[5].

While cross-protection encompasses these two aspects, the present article focuses mainly on the aspect relating to exclusive rights, since this is the one that may be most questionable in relation to the EU harmonised trademark law[6]. It is this aspect – which appears unique to Sweden – that, according to Section 8, Chapter 1, first paragraph of the Trade Marks Act and Section 3, Chapter 1, first paragraph of the Company Names Act, entitles the holder of one type of sign to exclusive rights also to the other type of sign, without any requirement of use as such.

This means that, under the Trademarks Act, the proprietor of a company name is entitled to exclusive rights in that name as a trade sign, i.e. the equivalent to a trademark, without the company name having been used for goods and services. In other words, a company name is protected as a trademark even in cases where its function is not the same as the trademark's function, which is as an indicator of the origin of goods and services. The function of a company name is not to indicate the origin of goods and services, but rather to identify and establish the legal entity according to company law and, when used as a trade name, to indicate the business according to the Company Names Act. Consequently, the use of a younger trademark/trade sign that is identical or confusingly similar to the company name may constitute an infringement of the exclusive right in the company name under trademark law, and *vice versa*. This relationship can be illustrated by the following table. The scope of cross-protection is marked in italics.

Infringing sign / Earlier right	**Company name/ Trade name**	**Trade mark/ Trade sign**
Company name	Company Names Act	*Trade Marks Act*
Trade mark	*Company Names Act*	Trade Marks Act

The table shows that when the earlier right is a company name and the infringing sign is a younger trademark/trade sign, the infringement will be tried under the Trademarks Act. That is to say, that the trademark/trade sign is infringing the company name's exclusive right as a trademark according to Section 8, Chapter 1, first paragraph the Trademarks Act. Thus, the catalogue of remedies in Chapter 8 of the Trademarks Act applies.

Equally, when the earlier right is a trademark and the infringing sign is a younger company name/trade name, the company name/trade name is infringing the trademark's exclusive right as a company name under the Company's Names Act.

Since company names are not subject to requirements as strict as those applicable to trademarks, e.g. regarding distinctiveness, my research examined the imbalance created by cross-protection between signs used in trade. It analysed how this imbalance has increased over time, particularly as a result of the EU harmonisation of trademark law[7], and considered whether cross-protection was, in fact, compatible with the harmonised trademark framework.

If Sweden, as a Member State, grants trade mark protection to one undertaking to a greater extent or under different requirements than those provided for in the Trade Marks Directive 2015/2436 (EUTMD), this could create obstacles to other undertakings selling goods or services across borders because they may be claimed to infringe trade mark rights in Sweden which are not based on EU law. Thus, affecting the free movement of goods and services.

3 Note that the term commercial designation has also been used for trade name in ECJ Case C-365/24 *Purefun Group [2025]*.

4 Section 9, Chapter 2, first paragraph and section 8, Chapter 2, first paragraph 1–3 the Trademarks Act, and section 4, Chapter 2 and section 3, Chapter 2 the Company Names Act. Cf. article 8.4 EUTMR (see also article 60.1 c) and 60.2 c) EUTMR).

5 Section 8, Chapter 1, first paragraph of the Trademarks Act and Section 3, Chapter 1, first paragraph of the Company Names Act. Cf. article 9.3 d) EUTMR and articles 138.1 and 138.3 EUTMR.

6 It should be noted that the former poses difficulties in registrations matters where company names are given wider protection than equivalent trademarks. Relative grounds for refusal under the cross-protection concept, without qualifying conditions, together with the broad business descriptions used in Sweden, results in the problem that a large number of relatively insignificant company names' rights – that is, comparatively descriptive company names with a limited scope of protection, which may not even be used as signs in trade – block legitimate trade mark applications.

7 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 trademarks.

In addition, taking also a *lege ferenda* approach, the dissertation contained a wish for a legislative solution.

3. SUMMARY OF KEY FINDINGS

The overall aim of the study was to consider and analyse the legal coordination between company names and trademarks, and to examine the extent to which this complied with EU harmonised trademark law. Two hypotheses were tested in relation to cross-protection: 1. there is an imbalance in how the legal concept of signs is applied to company names and trademarks; and 2. the automatic protection of company names as trademarks is not in compliance with EU harmonized trademark law. As mentioned above the study also aimed to present a legislative solution *de lege ferenda*.

The first hypothesis was substantiated by four explanatory models.

1. *Tradition*: the Swedish solution can be traced back in time to the emergence of company names and trademarks.

Company names were originally the primary commercial signs, and early legislation reflected this dominance. Although trademarks have since become the dominant sign in modern commerce, the law continues to reflect historical practices, particularly in accepting lower distinctiveness requirements for company names. The traditional structure of company names – often personal names combined with descriptive elements – persists in both law and practice, contributing to an imbalance between the Swedish Trademarks Act and the Swedish Company Names Act.

2. *Function*: company names and trademarks have different core functions but have been deemed to have corresponding functions in the Swedish Company Names Act and the Swedish Trade Marks Act.

Company names primarily identify and establish a business entity, particularly in relation to authorities and business partners, whereas trademarks primarily indicate commercial origin and may also carry goodwill and advertising functions. Legislative drafting and case-law on genuine use reflect these functional differences. The distinction between the primary functions of a company name and a trade name is an additional factor contributing to the imbalance between the Swedish Trademarks Act and the Swedish Company Names Act.

3. *Needs*: company name rightsholders have a primary need for the company name to identify and establish the legal entity in accordance with company law, and then varying degrees of need for its protection as a sign, while the trade mark proprietor only has the need to gain exclusive right for the mark.

Company names are mandatory and serve varying intellectual property needs, while trademarks are optional. Most company names contain descriptive elements, and relatively few businesses seek trademark protection for their company names. Registration data suggests that company names function effectively in the market with limited protection and little friction. In view of the large number of company names available, company names still seem to work in the market without much friction. There seems to be no need for trademarks to act as trade names based on the expanding scope of the concept of trademark use. Consequently, cross-protection does not appear to respond to a genuine market need and instead reinforces the imbalance between company name and trademark regulation.

4. *Application*: the corresponding rules in the Swedish Company Names Act and the Swedish Trademarks Act, such as the requirements for distinctiveness and genuine use, apply differently to company names and trademarks.

While trademark law is harmonised at EU level, trade name protection remains largely unharmonised, despite international obligations under the Paris Convention and TRIPS. Attempts to align the Swedish Trademarks Act and the Swedish Company Names Act have led to equivalent

rules on exclusive rights that are difficult to apply in practice, particularly given differing applications of distinctiveness and genuine use. Lower thresholds for company names create incentives to circumvent trademark law, thereby contributing to the between the Swedish Trademarks Act and the Swedish Company Names Act.

These four models explained the imbalance between signs used in trade, which in turnled to a more extensive scope of protection for company names than the equivalent for trademarks. It was particularly evident in a conflict between company names and trademarks, but it was also reflected in the partly different approaches to the functions of signs in the market, when these should, in principle, be fundamentally uniform.

The second hypothesis, that the automatic protection of a company name as a trademark did not conform with EU harmonised trademark law, was substantiated by a fifth explanatory model, which related to the fourth model above:

5. EU harmonised trademark law: the overarching framework for the development of trademark law and practice is set at EU level.

As mentioned above, while trade mark law is EU harmonised for the registered trade mark, there is no real harmonisation of the exclusive rights to a trade name. On the other hand, it is clear that trade names are protected throughout the EU by the Paris Convention and the TRIPS Agreement, although under which conditions is not as clear.

EU law has clear case-law relating to trade marks on grounds of refusal of registration and grounds of invalidity of a trade mark, the concepts of distinctiveness and genuine use, and the meanings of exclusive rights – double identity, likelihood of confusion and protection of reputation – and limitations.

The objective of coordinating the Swedish Company Names Act and the Swedish Trade Marks Act, which in turn is in compliance with the EUTMD has, *inter alia*, led to the adoption of fully equivalent rules in Sweden concerning the meaning of the exclusive right, which are difficult to apply in the case of cross-protection.

Furthermore, the coordination between the Swedish Company Names Act and the Swedish Trade Marks Act has meant that the corresponding provisions relating to distinctiveness and genuine use have been applied differently because of the difference in functions between company names and trade marks. The lower requirements on the distinctive character of company names mean that there are incentives for those who want an exclusive right to circumvent the stricter rules laid down for trade marks by registering a company name or a secondary company name.

My conclusion was that the Swedish legislation on cross-protection went beyond the external framework provided by EU law through the EUTMD, inasmuch as cross-protection gave a company name protection under trade mark law. The EUTMD only covers registered trade marks but allows the Member States to grant protection also to trade marks acquired through use (recital 11). Prior rights in the form of trade names may only be taken into account in the national legislation in registration or invalidity proceedings if there is a corresponding exclusive right or an industrial property right (article 5.4 EUTMD).

In addition, the application of the Swedish law originating from or equivalent to the EU harmonised trade mark law departed from the EU harmonised trade mark law, in particular with regard to distinctiveness and genuine use. The validity of company names has been assessed on grounds other than those of trade mark law, even though

due to cross-protection it is granted exclusive rights as a trade mark.

The explanatory model number 5 thus explains and states that cross-protection in general falls outside the framework set by EU law, although the part of the cross-protection that relates to grounds for refusal and invalidity does not appear to fall outside the EU framework. Nevertheless, the assessment of a Swedish sign according to trade mark law must be done in accordance with EU rules and practices, but this is not currently the case for company names, in all respects, when assessed in accordance with the Swedish Trade Marks Act. In particular, the Swedish legislation on cross-protection and practice regarding conditions of importance for cross-protection – and exclusive rights – such as distinctiveness and genuine use for the company name, is not in accordance with EU law.

Since the functions of a company name are not the same as the functions of a trade mark, it is not in compliance with EU harmonised trade mark law to give company names automatic protection as trade marks.

4. IMPORTANCE AND CONTRIBUTION TO THE FIELD AT THE TIME OF COMPLETION AND RELEVANCE OF THE TOPIC TODAY

As mentioned there had not been a thorough analysis made before of the cross-protection and the imbalance between signs that it imposed. I therefore found the work important and have seen it cited in some case law since.[8] See further below.

Since the completion of my dissertation there has been no legislative change to Section 8, first paragraph, Chapter 1 of the Swedish Trade Marks Act and Section 3, first paragraph, Chapter 1 of the Swedish Company Names Act or any precedents affecting the cross-protection. Hence, the results and topic remains as relevant as when the dissertation was published.

5. DEVELOPMENTS IN THE FIELD SINCE THE COMPLETION OF THE RESEARCH

Then it finally happened, in 2024 the Patent and Market Appeal Court referred two questions to the European Court of Justice (ECJ) regarding the cross-protection.[9] Would we finally get an answer to the question whether the Swedish legal concept of cross-protection complied with the Trade Marks Directive 2025/2436 and the principle of the free movement of goods?

The questions referred were:

1. In the light of the [FEU Treaty] and the fundamental principle of the free movement of goods and services under EU law, is it compatible with the provisions of [Directive 2015/2436], in particular Articles 1 and 5(4), to have a system under national law whereby an earlier right in a company name may constitute a basis for prohibiting the use of a subsequent trade sign in the entire field of activity in respect of which the company name is registered and without any requirement that the company name must have been used to distinguish goods or services?
2. If the answer to Question 1 is in the negative, is it compatible with [Directive 2015/2436] and EU law in general for a company name, which is used per se as a sign to distinguish certain kinds of goods or services in the field of activity in respect of which the company name is registered, to constitute grounds for prohibiting the use of a subsequent trade sign in connection with kinds of goods or services other than those in respect of which the company name is used as a sign?

The Patent and Market Appeal Court wanted to know whether the cross-protection offering the proprietor of a company name protection similar to that of a trade mark, illustrated in italics below, was in compliance with the EUTMD and the Treaty on the Functioning of the European Union (TFEU), even though company names are not subject to conditions as strict as those applicable to trade marks. In particular, the different application of genuine use and revocation, as well as the fact that the activities registered for a company name is broader than the specification of goods and services required when registering a trade mark.

Infringing sign / Earlier right	**Trade name**	**Trade sign**
Company name	Company Names Act	*Trade Marks Act*
Trade mark	Company Names Act	Trade Marks Act

The dispute in the main proceedings was an infringement action initiated by Doggy AB, a Swedish company, which produced, *inter alia*, dog food. Its object was the manufacturing and trading of foodstuffs and other animal products and related activities. It was the proprietor of the company name Doggy AB and *inter alia* the word mark DOGGY, registered in Sweden for foodstuffs for animals in Class 31. The action was directed at Purefun Group AB, another Swedish company, which activity included the retail sale of, *inter alia*, dog food and dog treats. Purefun Group AB sold its goods on its website under the domain

8 Patent and Market Appeal Court's judgement 2 October 2025 in Case PMÄ 4987-25 and 4988-25 Trav & Galopp (in the Patent and Market Court's reasoning); and the Patent and Market Court's judgement 20 May 2025 Case PMT 20633-24.

9 Judgement of the Court of 10 July 2025, *Purefun Group AB./. Doggy AB*, C-365/24, EU:C:2025:558.

name doggie.se and used the sign DOGGIE in the course of its activities.[10]

My hopes, which I must admit were not particularly high to start with, were further diminished when it was clear that the Court would proceed to judgement without an Opinion from the Advocate General, meaning it had been decided that the case raised no new questions of law.

From the ruling in the ECJ it is evident that ECJ did not consider the concept of cross-protection in this case. ECJ stated, for example, that "Here, in the case in the main proceedings, the conflict between the sign 'Doggy', used in an earlier company name, and the sign 'DOGGIE', used as a trade name or as a domain name, does not involve any trade mark."

Though it is true that DOGGIE was not a trade mark, it was used for online retail services and should therefore have been deemed a trade sign.[11] Due to this (mis) interpretation ECJ continued "Where a question arises of resolving a conflict between two trade names, Directive 2015/2436, in so far as it seeks only to approximate national trade mark laws, is not relevant. The compatibility of national measures governing such conflicts must then be assessed in the light of primary law and not of that directive." (para 36)

In the end the Court tried "whether Directive 2015/2436 and Articles 34 and 36 TFEU must be interpreted as precluding national rules under which the exclusive right conferred by a company name allows its proprietor to prohibit a third party from using an identical or similar sign, as a trade name or as a domain name, in respect of goods or services which are identical or similar to those falling within activities for which its company name is registered, even though those rules do not provide that failure to use that company name may lead to the revocation of that exclusive right or require, for the purposes of registering that company name, the goods or services which are part of the object of the proprietor to be specified." (para 30)

The answer received from the ECJ was that "Directive 2015/2436 and Articles 34 and 36 TFEU must be interpreted as not precluding a national system which provides, first, that the exclusive right conferred by a company name allows its proprietor to prohibit a third party from using an identical or similar sign, as a trade name or as a domain name, for goods or services which are identical or similar to those falling within the scope of activities for which its company name is registered, and, second, that failure to use that company name may, under certain conditions, lead to the revocation of that exclusive right and that the proprietor is required to describe and limit the nature of the activities falling within its object with sufficient precision to enable third parties to be effectively informed of them." (para 49)[12]

In other words, what ECJ examined – and found not to be in contradiction with the EUTMD and the TFEU – concerned solely a conflict between company names and trade names under the Swedish Company Names Act, in italics in the table below, and not the legal concepts of cross-protection, even though it was stated that the trade name[13] [or domain name] was *for goods or services*.

Earlier right \ Infringing sign	Trade name	Trade sign
Company name	*Company Names Act*	Trade Marks Act
Trade mark	Company Names Act	Trade Marks Act

Secondly, it was ruled that the EUTMD and TFEU do not stop a Member State from having national rules to revoke the exclusive right of a company name if it is not used and that the proprietor is required to describe and limit the nature of the activities falling within its object with sufficient precision.

Admittedly, it may not have been the best case to refer to the ECJ in relation to cross-protection, since the case could have been decided even without the use of cross-protection and the infringing sign was not a younger exclusive right.[14] However, in the end the ECJ did not try the question of cross-protection in relation to EUTMD and TFEU.

Hence, the question to ECJ remains: Is it in compliance with the EUTMD and TFEU that a company name may automatically acquire exclusive right as a trade mark under the Swedish Trade Marks Act?

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10 C-365/24 *Purefun (2025)*, paras 16 and 17.

11 Or was the ECJ trying to say that when the exclusive right is derived from a company name the conflict sign will inevitably have to be a trade name?

12 Note that ECJ uses the terminology "as a trade name or as a domain name, for goods or services".

13 Cf. Judgement of the Court of 11 September 2007, C-17/06, Céline SARL./. Céline SA, EU:C:2007:497, para 21.

14 If the younger sign was a trade mark, the ECJ would have had to consider the EUTMD.