

Bad Faith Trademark Applications at EUIPO

Martin Schlotelburg
15/02/2023

What is bad faith?

An EU trade mark shall be declared invalid (...) where the applicant was acting in bad faith when he filed the application for the trade mark (Article 59(1)(b)EUTMR)

- Concept not defined in EUTMR, definition **based on case law** of the General Court / Court of Justice of the European Union

What is bad faith filing?

“Not with the aim of engaging fairly in competition, but with the **intention of undermining the interests** of third parties in a manner **inconsistent with honest practices**,

Or with the intention of **obtaining**, without even targeting a specific third party, an **exclusive right for purposes other than those** falling within the functions of a trade mark, in particular the essential function of indicating origin (para. 46).”

C-104/18 P, Stylo & Koton (fig)

Art. 59(1)(b) EUTMR Bad faith filings

Two categories of cases:

- **Misappropriation of the rights of others:** previous relationships giving rise to duty of fair play, moral or commercial obligations, undue exploitation of reputation
- **Misuse of the EUTM System:** repetitive applications, hoarding of marks to obtain a blocking position without intention to use

Misappropriation of the rights of others

Misappropriation of the rights of others

- T-3/18-T4/18: ‘Ann Taylor’ earlier USA mark word mark for **clothing**



filed for **watches** in EU

- Circumstantial evidence support the conclusion that the EUTM applicant **deliberately sought to create an association with an earlier mark enjoying market recognition in the United States in respect of clothing**

Misappropriation of the rights of others (T-327/12, Simca)

- Cars with SIMCA mark sold between 1930s and 1980
- General Court: the existence of the ‘SIMCA’ mark, as a ‘historical’ mark, was a well-known fact and the EUTM proprietor was aware of the mark’s surviving reputation especially that he had worked in the past for the invalidity applicant.
- EUTM owner was found to deliberately seek to use a known mark and to free ride on its existing reputation or even to compete with the original mark in case the latter is re-entered on the market.

Misuse of the EUTM system

Misuse of the system – ever-greening or repetitive filings

e-filing every 5 years to avoid the
proof of use obligation

MAY constitute bad faith

but Not if commercial logic
behind it



Misuse of the system – repetitive filings

13/02/2012, T-136/11, ‘Pelikan’

Pelikan 

EUTM registered 01/04/1996
21/05/2008

Inter alia, Class 35, 39 (among others)
39

General Court: repeated application MAY be taken into account for the assessment of bad faith

BUT: No Bad faith here

Evolution over time of a logo is normal business practice.

Pelikan 

EUTM filed 22/08/2003, registered

Large list of G&S, inter alia, Class 35,

Misuse of the system – repetitive filings (Case T-663/19, MONOPOLY)

- Several MONOPOLY word marks filed over the years, applicant's **own admission: for not having to prove use** of the contested mark
- The filing strategy practised by the applicant, which seeks to circumvent the rule relating to proof of use “calls to mind a case of an abuse of law” (para 72.)

Misuse of the system – no intention to use the trade mark (C-371/18, SkyKick, para. 77-78)

- Registration without any intention to use MAY constitute bad faith, where “there is no rationale for the application”
- No economic activity at filing is not enough to presume bad faith
- It is difficult to establish that a party did not have intention to use a mark

EUIPN CP13: Trade mark applications made in bad faith

In progress...



COMMON PRACTICE

**TRADE MARK APPLICATIONS
MADE IN BAD FAITH**

1st draft – 1st publication on www.tmdn.org
(October 2022)



https://www.tmdn.org/network/documents/10181/2275452/ECP4_CP_13_1st+draft_CP_1st+publication_tmdn_October+2022.docx/4ddea4bd-9bec-46d3-a338-091d1364e2b0



www.euipo.europa.eu



@EU_IPO



EUIPO

Thank you