



Good, bad & beyond, from *Banksy* to *Neymar*: trademark applications in bad faith

Alexander Tsoutsanis



Trade mark information



Name	MARADONA	Filing date	25/11/2020
Filing number	018344628	Registration date	
Basis	EUTM	Expiry date	
Date of receipt	25/11/2020	Designation date	
Type	Word	Filing language	Spanish
Nature	Individual	Second language	English
Nice classes	3, 9, 14, 18, 24, 25, 28, 35, 41, 43 (Nice Classification)	Application reference	maradona
Vienna Classification		Trade mark status	Application filed
		Acquired distinctiveness	No



Goods and services

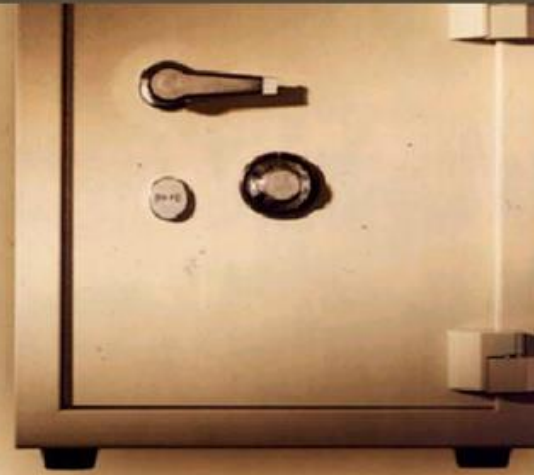


español (es)



3 Jabones; perfumes; agua de colonia; aceites esenciales; cosméticos; Preparados cosméticos para el bronceado de la piel [productos antisolares]; bastoncillos de algodón (para uso cosmético); productos depilatorios; tintes cosméticos; productos de tocador; uñas y pestañas

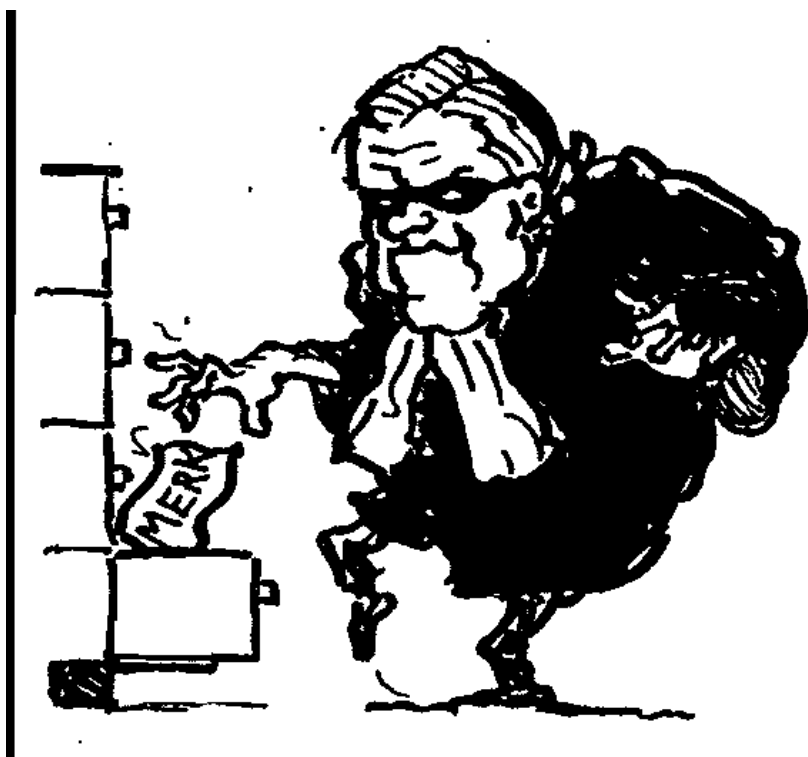
Wie zijn merk registreert, wapent zich tegen concurrenten.



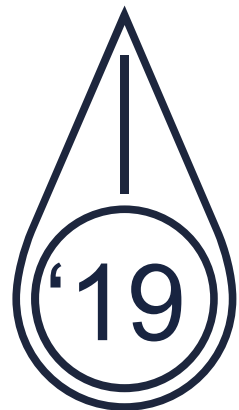
Het creëren van een sterk merk is voor elke ondernemer van essentieel belang. Een belang dat veelal grote investeringen met zich meebrengt in marketing en reclame, en dus vraagt om een goede bescherming. U kunt zich ongetwijfeld de dramatische gevolgen voor uw bedrijf voorstellen, als een concurrent uw merk ongestraft imiteert. Bescherm uw merken door meteen te bellen of te schrijven naar onderstaand adres. U ontvangt dan de brochure van het Benelux-Merkenbureau over de bescherming van merken. Daarin vindt u alle informatie om uw merk veilig te stellen. **BENELUX-MERKENBUREAU**



Bel of schrijf: Benelux-Merkenbureau, Bordewijklaan 15, 2591 XR Den Haag. Tel. 070 - 349 11 49



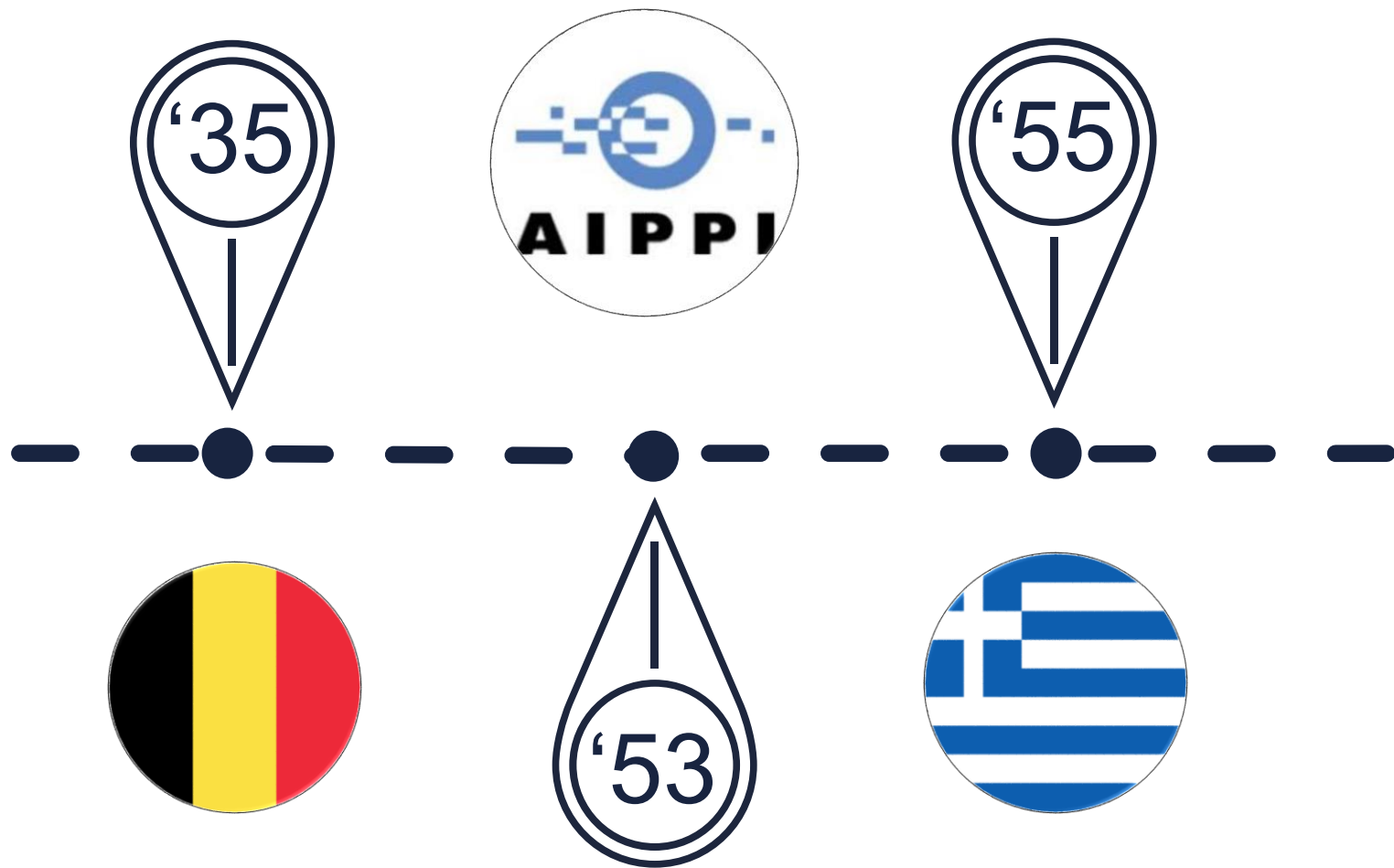
KOTON

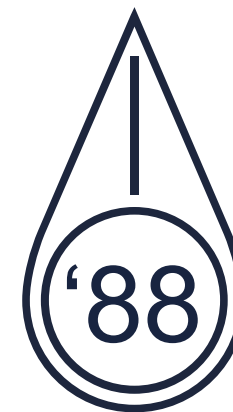
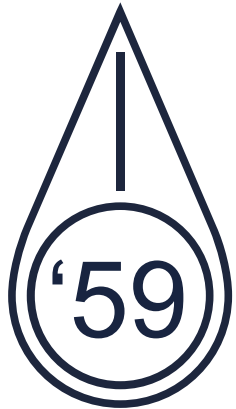


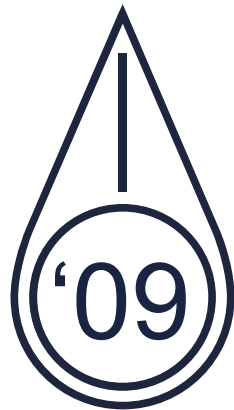
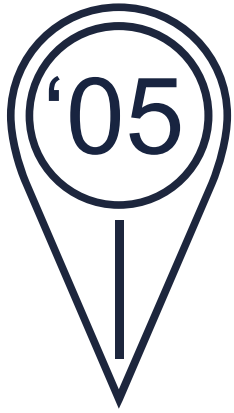
sky





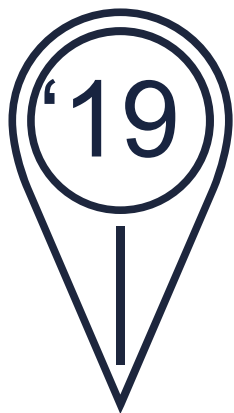






MALAYSIA DAIRY
INDUSTRIES PTE LTD

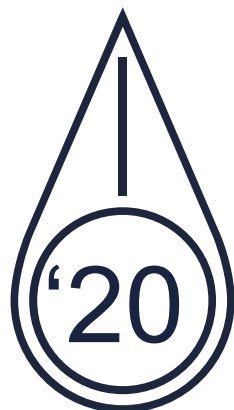




sky



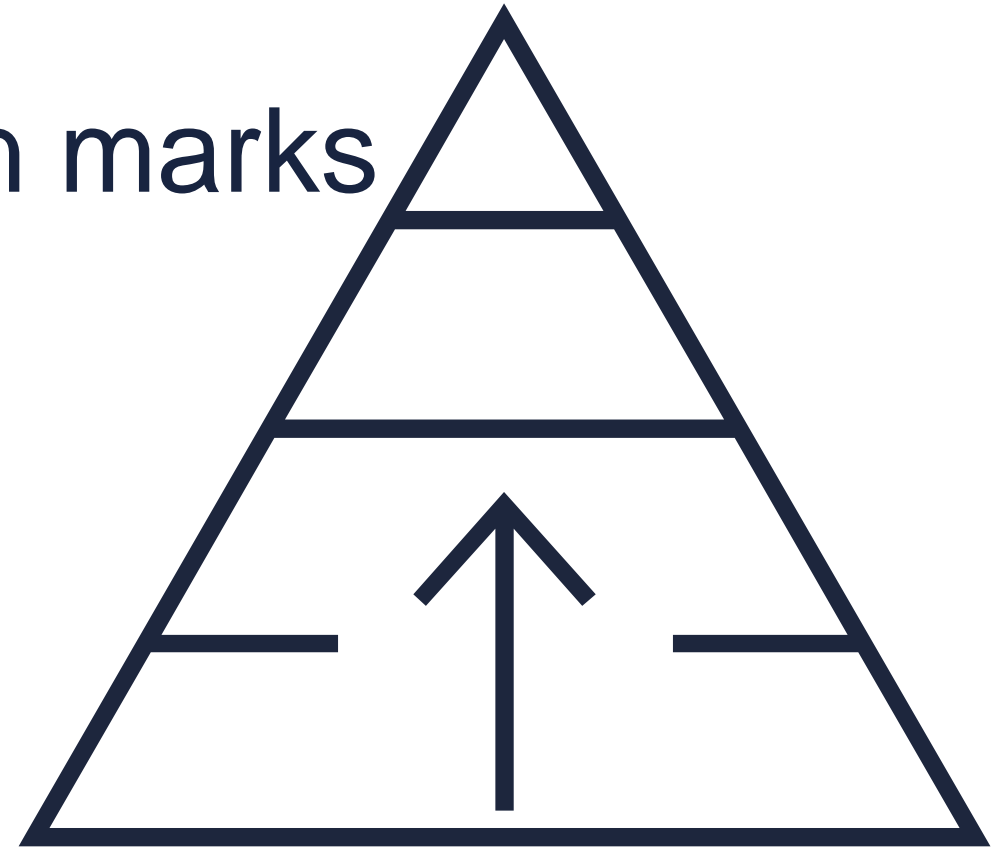
KOTON



‘25’ — well-known marks

‘58’ — agent marks

‘88’ — ‘other’ bad faith



Benelux Trade Mark Law

- Now: § 2.2bis BCIP
- Previously: § 2.4(f) BCIP, § 4-6 BMW
- Former legislative examples of bad faith deleted in Protocol 2017 as considered 'controversial' in literature since 2005 and subsequent CJEU case-law.

2017: BX acknowledged concerns by dropping § 2.4(f)(1) and (2)

“...De Benelux moet § 4.6A en B BMW vervangen door een letterlijke implementatie van § 3-2D en § 4-4G MRL...”

—Tsoutsanis 2005 (diss. Leiden), stelling 4

“... However, the fact that the applicant knows or must know that a third party has long been using, .. , an identical or similar sign for an identical or similar product .. is not sufficient, in itself, to permit the conclusion that the applicant was acting in bad faith.”

— European Court of Justice, Lindt 2009, para . 40

“...De typische Benelux opvatting ... om alleen 'normaal voorgebruik te goeder trouw' in aanmerking te nemen ... is onjuist, is onnodig beperkend en past niet bij het .. beoordelingskader van kwade trouw...”

—Tsoutsanis 2005 (diss. Leiden), stelling 5

“However, the fact that the applicant knows or should know that a third party is using such a sign is not sufficient, in itself, to permit the conclusion that that applicant is acting in bad faith.”

—European Court of Justice, Malaysia Dairy, 2013, para 36

“...Twenty years from Maastricht, it is about time the Benelux put things straight, by straightening out Article 2.4(F) and ensuring full compliance by opting for a verbatim implementation of the relevant directive provisions. The time is now.”

- Tsoutsanis JIPLP 2014/2, p. 124

“... aangenomen moet worden dat kwade trouw ... , zich óók zou kunnen voordoen buiten het in de BMW en het BVIE nog genoemde geval van een ‘rechtstreekse betrekking’ tussen de merkdeposant en de gebruiker in het buitenland”

—A-G Verkade, Wendy's 2013, para 4.5.2

EU Trademark Law

➤ Directive 2015/2436:

- mandatory ground for invalidity: § 4-2
- optional ground for refusal: § 4-2
- optional ground for 'cross-border' bad faith: § 5-4(c)

➤ Regulation 2017/1001:

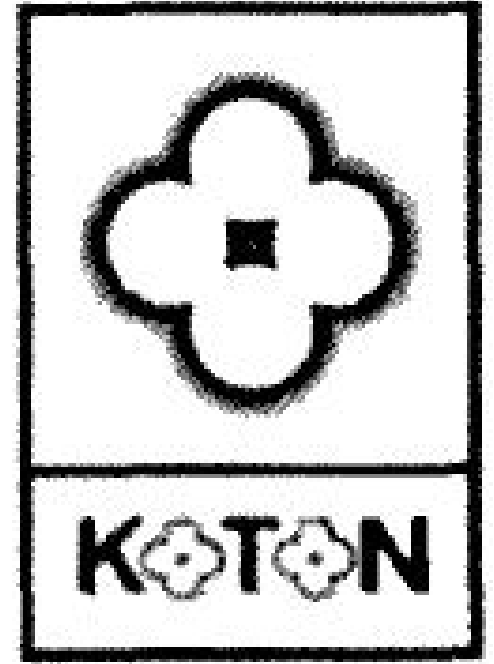
- ground for invalidity: § 59(1)(b)

Koton

①9 ➤ *Koton*

‘bad faith’ if not filing with aim to engage fairly in competition, but with intention:

- (a) unfairly undermining interests third parties (*Lindt*); or
- (b) obtainingTM not in step with functionsTM (*new*).



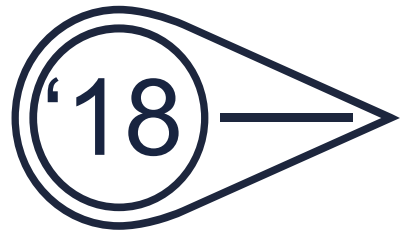
①9 *Koton*

How to assess if 'disfunctional' ? All circumstances^{case}, such as:

- relationship parties;
- 'commercial logic' behind filing;

Bad faith can also be envisaged if no 'knowledge' or 'similarity'

Sky



UK High Court

“Counsel for Sky made two points in relation to this issue which I shall comment on. (..)

Secondly he submitted that (..) *travaux* (..) showed EU (..) had considered (..) requirement of bona fide intent to use (..), and had instead decided to adopt bad faith (..): see **Tsoutsanis**, *Trade Mark Registrations in Bad Faith* (OUP, 2010), in particular at §§3.09, 3.27 and 3.31. I agree that this is what happened as a matter of historical record, but I consider that it remains arguable that the bad faith objection encompasses lack of intention to use the trade mark (as well as other things).”

disclaimer

noun [C]

UK  /dɪ'skleɪ.məʳ/ US  /dɪ'skleɪ.mə-/



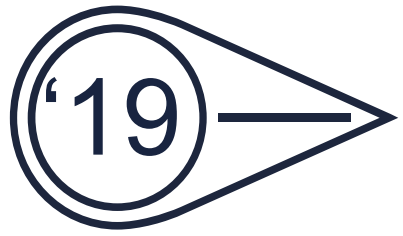
formal

a formal statement saying that you are not legally responsible for something, such as the information given in a book or on the internet, or that you have no direct involvement in it



LAW • specialized

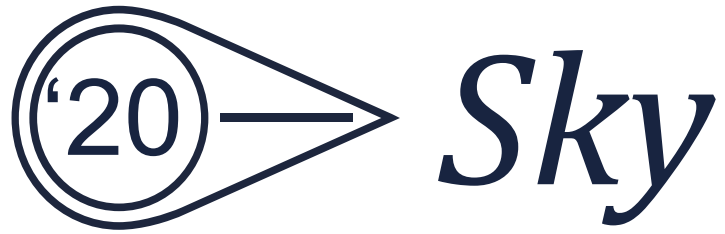
a formal statement giving up your legal claim to something or ending your connection with it



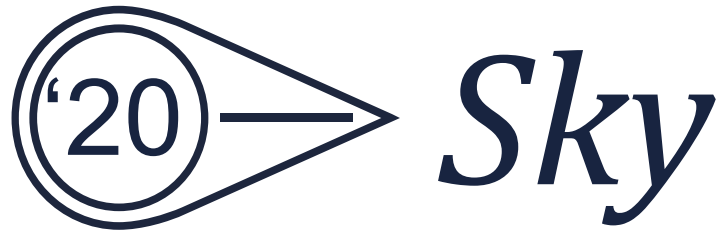
AG Tanchev...

116. Some (..) commentators ([52](#)) took the view that the replacement of an explicit requirement to have a bona fide intention to use a mark with simply 'bad faith' was done to exclude the requirement (..) from the regulation (and directive). I consider that view to be incorrect.

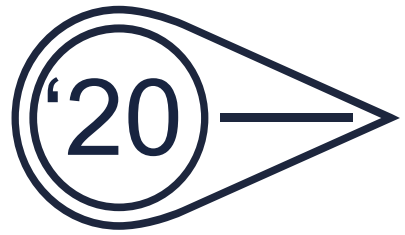
117. I do not see anything in the *travaux* (..) that is the case and I find (..) more convincing the view (..) that the replacement of the explicit requirement with the more general 'bad faith' was done to broaden the scope of the provision, in that it was believed it encompassed a bona fide intention to use and other types of bad faith.



- confirms *Koton*: bad faith if
 - (a) undermining third parties or
 - (b) ‘disfunctional’ TM filing
- mere fact that applicant does not yet use sign or know ‘**precisely**’ how to put applied sign to use \neq necessarily bad faith



- but....“the registration (..) **without any intention** to use (..) may constitute bad faith, where there is **no rationale** (..) in the light of the aims (..). Such bad faith may, however, be established only if there is **objective, relevant and consistent** indicia (..).”



Sky – other aspects

- partial invalidity
- EU countries can require applicants to file ‘intent-to-use’ declaration for G&S, but not an independent ground for invalidity;
- Lack of clarity and precision in G&S not an independent ground for invalidity;

②0 *Sky* – aftermath^{UK}

Partial invalidity for Selected G&S, because:

- ‘no foreseeable prospect’ to ‘ever intend to use’ for some of those G&S.
- overbroad filing strategy to use as ‘legal weapon’ not in step with functionsTM.

Software cl. 9 limited to specific uses.

Bottomline

The lower half of the slide features several thin, light blue wavy lines that flow horizontally across the frame, creating a sense of movement and depth against the dark blue background.

Relative inadmissibility

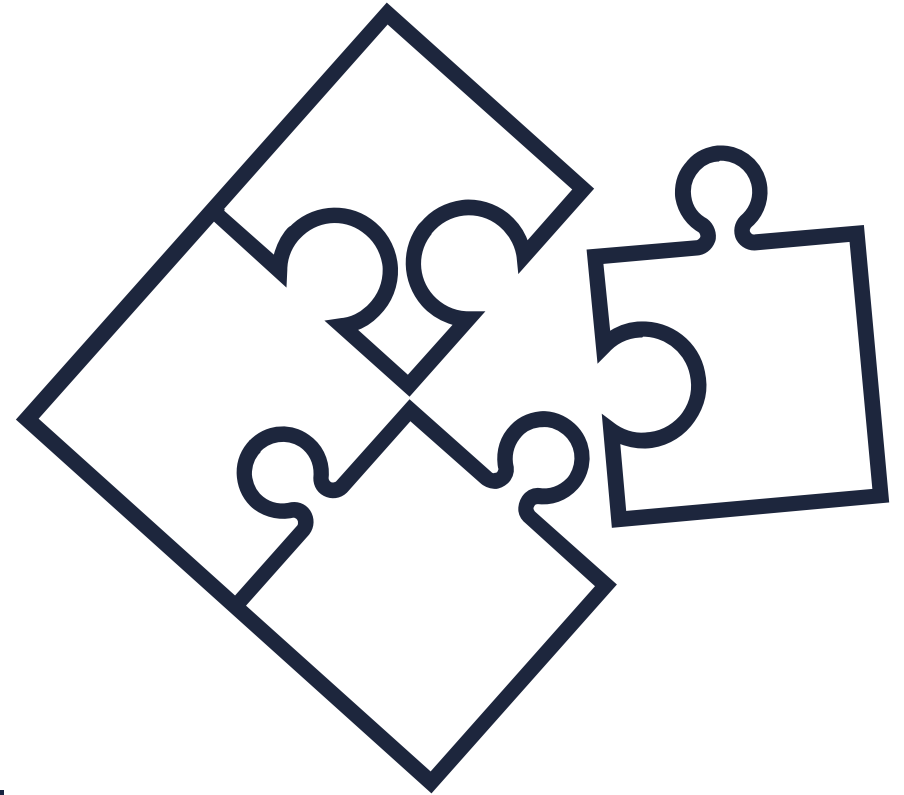
- unfairly undermining third party interests
- E.g. ‘filing with intention to prevent others continuing prior use’ [*Lindt*]

Absolute inadmissibility

- Filing not in step with functionsTM
- E.g. ‘filing without any intention to use and no rationale’ [*Sky*]

Concept of bad faith

- 'Dual' meaning: absolute & relative
- Common basis to:
 - foster fair competition;
 - in step with functionsTM.
- Uniform framework for:
time, evidence, legal effect.



Recent cases

General Court | EUIPO | BOIP

‘19 *Neymar*



Context:

- rendered prior to *Koton*
- matter of relative inadmissibility.
- EUTM-A ‘*Neymar*’ filed in 2012 for clothing.
- In 2012 Neymar was (‘merely’) a ‘rising star’, prior to super star status at FCB.

- GC adopts multi-factor assessment, incl. origin of sign, commercial logic, chronology event and intention TM applicant.
- Adopts ‘constructive knowledge’ approach: knew or ‘could not have been unaware’ (similar to old BX approach).
- Deducing subjective intention from ‘portfolio’ of objective evidence.

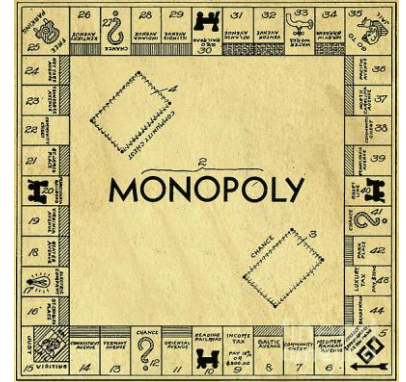
‘19 *Monopoly*

Context:

- rendered prior to *Koton*
- matter of absolute inadmissibility

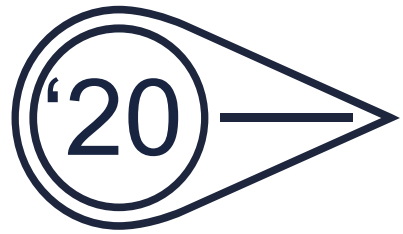
Question:

Does Hasbro's repeat TM filing²⁰¹⁰ constitute bad faith as sign and G&S are identical to earlier TM¹⁹⁹⁶ and TM²⁰⁰⁸ ?



- BoA orders oral witness hearings
- refers to, and dissents from, *Lindt* (§ 44):
“general interest objective .. compromised if bad faith .. only in circumstances exhaustively set out in *Lindt*.”
- confirms *Ann Taylor* and *Pelikan* decisions
- refiling or repeat filings can be considered ‘procedural abuse’ or ‘fraudulent’.

- in ‘general’, filing for large variety of G&S not ‘unethical’ or ‘dishonest’ (*Pelikan*) but
- “filing strategy .. to circumvent .. genuine use .., is not a legitimate business activity or follows commercial logic but .. is incompatible .. and .. ‘abuse of law’ (*Luceo*).
- Appealed to CJEU (pending).



GPC - 'Banksy'

Lanre Bakare Arts and
culture correspondent

Twitter: @lanre_bakare

Thu 17 Sep 2020 10.21 BST



729

Banksy trademark 'at risk' after street artist loses legal battle

**Anonymous artist loses case against greeting card firm over use of
Flower Thrower mural**



▲ A reproduction of the Flower Thrower stencil mural at a Banksy exhibition in Budapest this year. Photograph: Zsolt Szigetváry/EPA

Banksy's trademark may be at risk after the street artist lost a case that an EU panel said was brought in bad faith and was undermined by a gift shop he set up in London last year.

②0 *GPC - 'Banksy'*



Context:

- 2005: Banksy creates work of street art in Bethlehem: 'Flower Thrower', allowing non-commercial use.
- Banksy reluctant to enforce copyright in order to not reveal identity.

- FCB sell ‘street art merchandising’ depicting art work from Banksy, without any remuneration to artist.
- 2014: Banksy filed TM-A
- FCB applies for invalidity.

Cancellation Division:

- absent intent-to-use, TM is in 'bad faith'.
- mere reason to file for TM absent clear copyright title is not in step with functionsTM
- questionable decision on interplay between copyright and TM.

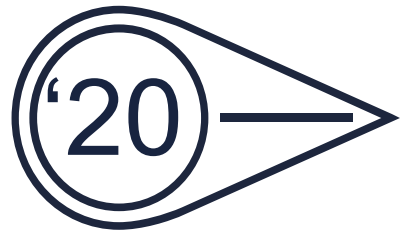
Oneworld

Context:

- dispute about BX mark 'Oneworld' filed by 'Gleissner' controlled company CKL.
- Oneworld: leverages questionable filing strategy of 'trolling' of Gleissner c.s.
- CKL: argues 'knowledge' is key element for finding bad faith, which is not shown.

BOIP:

- confirms *Koton* and *Sky*.
- decides case on procedure, finding that CKL failed to sufficiently rebut Oneworld's arguments on 'trolling' strategy.
- does not shed any light on admissibility of filing practices of 'trademarks brokers'.



Target Ventures

Context:

- TM dispute in VC sector
- C&D letter 'greeted' by invalidity action.
- dispute entailed matter of relative inadmissibility, but
- 'solved' by GC via 'absolute' inadmissibility.

Question: is filing for 'TARGET VENTURES' bad faith if you already own TM 'TARGET PARTNERS' ?

BoA: examined *relative* inadmissibility, rejecting bad faith, absent knowledge of prior use.

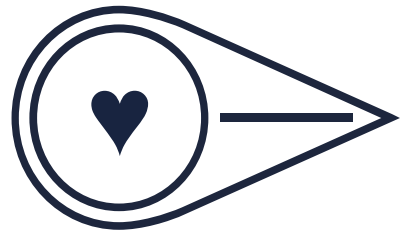
GC: addressed *absolute* inadmissibility, finding bad faith, as not in sync with functionsTM

Questionable decision:

1. Fails to address possible legitimate interests of TM owners for serial marks (TARGET + ...),
2. Is mere fact that corresponding domain TARGET VENTURES merely resolves to TARGET PARTNERS domain, sufficient for filing to be not in step with functionsTM ?

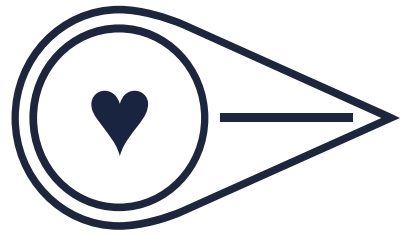
Tops & tips

policy makers | brand owners | attorneys



Policy makers

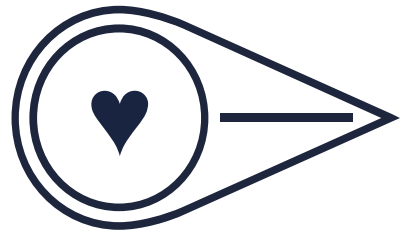
- ✓ allow invalidity on basis of © and personal names (§ 5-4(b)) (♥ Banksy, ♥ Maradona);
- ✓ allow invalidity on basis of signs of high symbolic value (§ 4-3(b)) (♥ Mona Lisa);
- ✓ allow refusal on grounds of ‘obvious’ cases of bad faith (§ 4-2) (♥ Germany);
- ✓ require intent-to-use declaration (♥ UK);



Brand owners

- ☐ check existing portfolio:
- ✓ **keep** G&S in 'comfort zone';
- ✓ **keep** G&S in 'stretch zone' and
- ✓ **identify** commercial logic
- ✓ **kill** G&S which are in killing fields anyway
- ☐ future filings: be specific.





Trademark attorneys

- ❑ change ‘filing culture’
- ✓ be specific: filing ‘overbroad’ is so ‘90’s.
- ✓ talk first, file later: challenge, identify and document ‘commercial logic’ behind G&S.
- ❑ use specialized counsel for BoA upwards.
- ❑ strategize repeat filings: ‘updating’ is OK, evergreening is not.

Q & A

The background of the slide features several thin, light blue wavy lines that flow horizontally across the lower half of the image, creating a sense of movement and depth.

