World Trademark Review™ Daily

General Court reviews criteria for determining bad faith

European Union - Nestor Nestor Diculescu Kingston Petersen

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June 18 2015

In *Urb Rulmenti Suceava SA v Office for Harmonisation in the Internal Market* (OHIM) (Case T-635/14), which involved Urb Rulmenti Suceava SA as applicant, OHIM as defendant and Harun Adiguzel as intervener, the General Court has upheld a decision of the Fourth Board of Appeal of OHIM rejecting an application for a declaration of invalidity of the combined Community trademark (CTM) URB, depicted below. The board's decision was based mainly on the grounds that the applicant was not the proprietor of the earlier URB trademarks invoked in support of its application (one of the invoked trademarks having been registered since 1961) and that no evidence of the bad faith of the intervener (the owner of the CTM) had been submitted.

According to the provisions of the Community Trademark Regulation (207/2009) (Article 52(1)(b)), a CTM may be declared invalid if the applicant was acting in bad faith when it filed the application for registration of the trademark. As bad faith is a subjective factor which has to be determined by reference to the objective circumstances of the particular case, all the relevant factors of the case have to be considered. The court thus referred to the factors cited in *Chocoladefabriken Lindt & Sprüngli* (C-529/07), namely:

- the fact that the applicant knows or should know that a third party is using, in at least one member state, an identical or similar sign for an identical or similar product liable to be confused with the sign for which registration is sought;
- the applicant's intention of preventing that third party from continuing to use such a sign; and
- the degree of legal protection enjoyed by the third party's sign and by the sign for which registration is sought.

However, the court noted that, in the context of the overall analysis, account may also be taken of the commercial logic underlying the filing of the application for registration of the sign as a CTM and the chronology of events relating to the filing (see *Internetportal und Marketing* (Case C-569/08)).

Thus, the fact that the intervener was the vice-president of the company SC Rulmenti Barlad SA, which was authorised to use the earlier collective marks URB, that the intervener knew that the applicant was also one of the companies authorised to use the earlier collective marks (apparently, from 2002 onwards the applicant was no longer entitled to use the earlier collective trademarks), and that during the period which preceded the filing of the application for registration, the intervener generated turnover from goods marketed under the trademark URB in several member states which was a plausible incentive for filling an application for the registration of the CTM, did not establish, in the court's opinion, that the intervener's intention was to exclude the applicant from the market and, implicitly, his bad faith.

In addition, the court held that the fact that a party knew or should have known that a third party had long been using in at least one member state an identical or similar sign for an identical or similar product capable of being confused with the sign for which registration was sought was not sufficient, in itself, to permit the conclusion that that party was acting in bad faith when it filed the application for registration of the trademark.

Therefore, the court dismissed the action.

Delia Belciu, Nestor Nestor Diculescu Kingston Petersen, Bucharest

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