

UK NATIONAL REPORT: WHAT MECHANISMS EXIST TO AVOID OVER-BROAD TRADEMARKS AND ADDRESS CONCERNS THAT THE TRADEMARK REGISTERS ARE CLOGGED (E.G. BAD FAITH IN SKY V SKYKICK; REQUIREMENTS FOR EVIDENCE OF USE), AND ARE THESE MECHANISMS EFFECTIVE? *

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1. Setting and Definitions

What would be considered an overly broad trademark in your jurisdiction? Does such a concept exist, and where is it defined, if at all (for instance, is there relevant case law)?

In the United Kingdom, the primary legislation governing trade mark law is the Trade Marks Act 1994 ('TMA 1994'). The TMA 1994 does not define the notions of 'overbroad trade marks' or 'trade mark cluttering'. Instead, research by the United Kingdom Intellectual Property Office ('UKIPO') defines 'overbroad trade marks' as 'applications and registrations for marks not used nor likely to be used for some or all of their claimed goods/services'.¹ On the other hand, the notions of 'trade mark cluttering' or 'trade mark clogging' are used to refer to either 'volume-clutter' or 'non-use clutter'. Specifically, volume-cluttering has been described as 'the increasing volume of the effective UK register, argued to create volume-clutter in terms both of numbers of registrations and of goods/services scope'.² In contrast, non-use-clutter is generally understood to refer to situations '[...]

¹ Georg von Graevenitz, Richard Ashmead and Christine Greenhalgh, 'Cluttering and Non-Use of Trade Marks in Europe' (UKIPO, August 2015) 5
<https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/568675/TM_cluttering_report.pdf> accessed 2 April 2023.

² *ibid* 70.

where the trade mark registry contains trade marks that are overly broad or unused, which can raise search costs for later applicants’.³

Are such applications or registrations considered to have a significant effect on the effective functioning of the trademark registration system in your jurisdiction?

In the last decade, academics, practitioners and the UKIPO have raised concerns with respect to the impact of overbroad trade marks and clogged trade mark registers on the integrity of the UK trade mark system.⁴ Past research by the UKIPO among UK based trade mark attorneys suggests that overbroad trade marks may engender uncertainty in terms of scope of protection and hence increased costs for third parties wishing to register new trade marks as additional steps are required for the purposes of trade mark clearance.⁵ Similarly, it has been hypothesised that that trade mark clogging potentially blocks market entry for new products.⁶

Would you say that, in your jurisdiction, the trademark register could be described as clogged? Why or why not? If it is, which types of applications or registrations are considered to be at fault?

The 2015 Cluttering and Non-Use of Trade Marks Report (the ‘2015 Cluttering Report’) commissioned by the UKIPO to investigate the incidence of trade mark clutter based on UKIPO registration records up to 2013 concluded that there was strong evidence to suggest that the phenomenon of trade mark cluttering existed in the UK.⁷ One of the reasons for observing signs of potential clogging in the UKIPO register, in comparison to its US counterpart, can be attributed to a key distinction in the Trade Marks Act 1994. Unlike the US, the UK legislation does not require proof of use for trade mark registration.⁸ This significant variance has led to the phenomenon of overbroad trade marks, as highlighted by the 2015 Cluttering Report. The report concluded that it has become common practice for experienced UK attorneys to file applications with broader goods/services claims than strictly necessary, deviating from a strictly true use/intent declaration.⁹ This practice allows for the inclusion of excessively wide specifications, either due to ambiguous language in the

³ *ibid.*

⁴ Georg von Graevenitz, Christine Greenhalgh, Christian Helmers and Philipp Schautschick, ‘Trade Mark Cluttering: An Exploratory Report’ (UKIPO, April 2012) <https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/312092/ipresearch-tmcluttering.pdf> accessed 2 April 2023; von Graevenitz, ‘Cluttering and Non-Use of Trade Marks in Europe’ (n 1); Phillip Johnson, ‘“So Precisely What Will You Use Your Trade Mark for?” Bad Faith and Clarity in Trade Mark Specifications’ (2018) 49 IIC 940; Darren Meale, ‘SkyKick: a disappointing end to an exciting series of events’ (2020) JIPLP 15(4) 232; Barton Beebe and Jeanne C Fromer, ‘The Future of Trademarks in a Global Multilingual Economy: Evidence and Lessons from the European Union’ (2022) 112 Trademark Reporter 902; Lynne Chave and Robin Jacob, Robin, ‘Registered Trade Marks - A System in Crisis and What’s to be Done?’ (2022) IPQ 4 169.

⁵ von Graevenitz, ‘Cluttering and Non-Use of Trade Marks in Europe’ (n 1) 68; See also Johnson (n 4) 943.

⁶ von Graevenitz, ‘Trade Mark Cluttering: An Exploratory Report’ (n 1) 11; Furthermore, the *Cluttering and Non-Use of Trade Marks in Europe* UKIPO Report compared applications and registrations made with the European Intellectual Property Office (ex OHIM) and the UKIPO with those made at the level of the United States Patent and Trademark Office. The Report concludes that there ‘is arguably much stronger evidence for the extent of probable non-use of marks that are registered in Europe’. See von Graevenitz, ‘Cluttering and Non-Use of Trade Marks in Europe’ (n 1).

⁷ *ibid.* 70.

⁸ *ibid.*

⁹ *ibid.* 17.

specification drafting or applications being made for goods or services without genuine intention for their use, as explained by Johnson.¹⁰

Are bad-faith or overly broad trademark cases becoming more or less frequent in your jurisdiction? Have there been any recent legislative or administrative responses thereto?

There is no direct evidence indicating an increase or decrease in frequency of bad faith or overly broad trade mark cases in the UK. However, certain observations and factors merit consideration. Data reflecting a rise in trade mark registrations and the growth of multi-class filings in the UK associated with the findings of the 2015 Cluttering Report, which highlighted the practice of filing applications with broader goods/services claims than strictly necessary, suggests the possibility of more instances of bad faith and/or overly broad trade marks being registered in the UK. As shown in Figure 1 below, the number of trade mark applications and registrations at the UK level has been continuously increasing over the past ten years.¹¹ Compared to 2020, the number of applications filed with the UKIPO in 2021 increased by 43.5%, while the number of registrations granted by the UKIPO increased by 75.7%.¹²

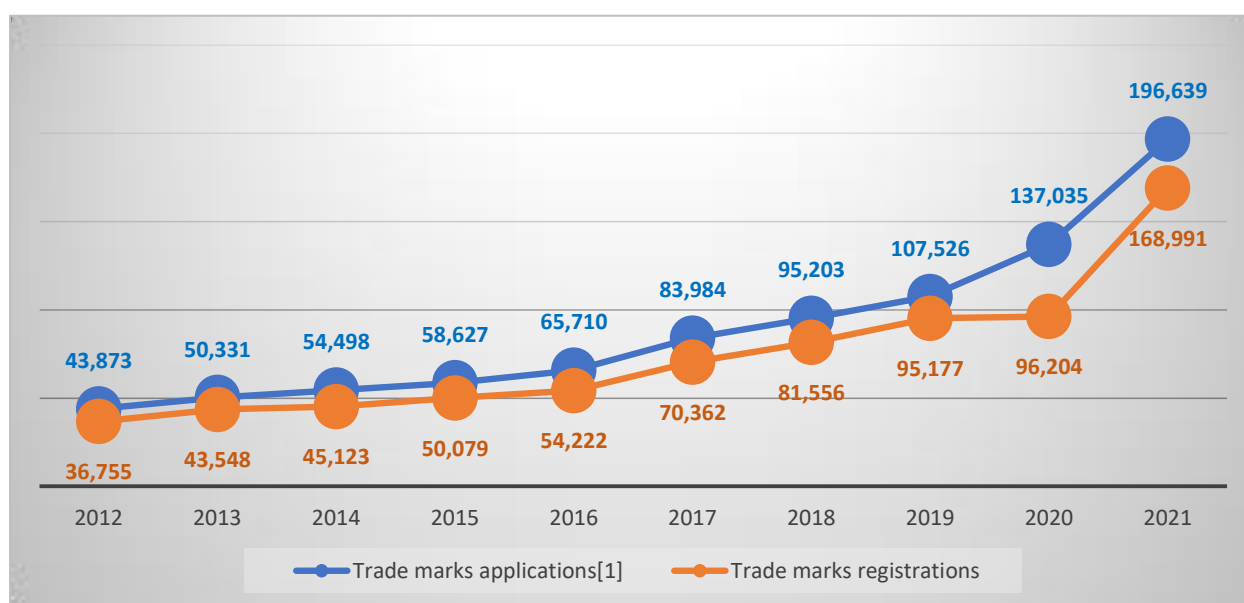


Figure 1: Overview of The Trade Marks Applied for and Registered by the UKIPO Between 2012 and 2021

¹⁰ Johnson (n 4) 943.

¹¹ UKIPO, 'Facts and figures: patents, trade marks, designs and hearings – Table 1' (20 July 2022)

<<https://www.gov.uk/government/statistics/facts-and-figures-patents-trade-marks-designs-and-hearings-2021/facts-and-figures-patents-trade-marks-designs-and-hearings-2021>> accessed 18 April 2023. According to the Report, 'A snapshot of the IPO administration database was taken in May 2022 to compile these statistics. Minor variations in the statistics may occur between IPO monthly and IPO annual statistics due to late entries into the IPO databases. Late entries will mostly occur with paper-filed applications as they are dated on the post mark date received to the office, delays might occur while processing'.

¹² *ibid.*

Additionally, the statistical data provided by the UKIPO shows an increase not only in the number of trade mark applications and registrations, but also in the total number of classes of goods and services for which applications are submitted and accepted by the UKIPO. More precisely, as shown in the table in Figure 2 below, in 2021, compared to 2020, the total classes applied for increased by 54.8% while the total classes registered increased by 87.9%.¹³

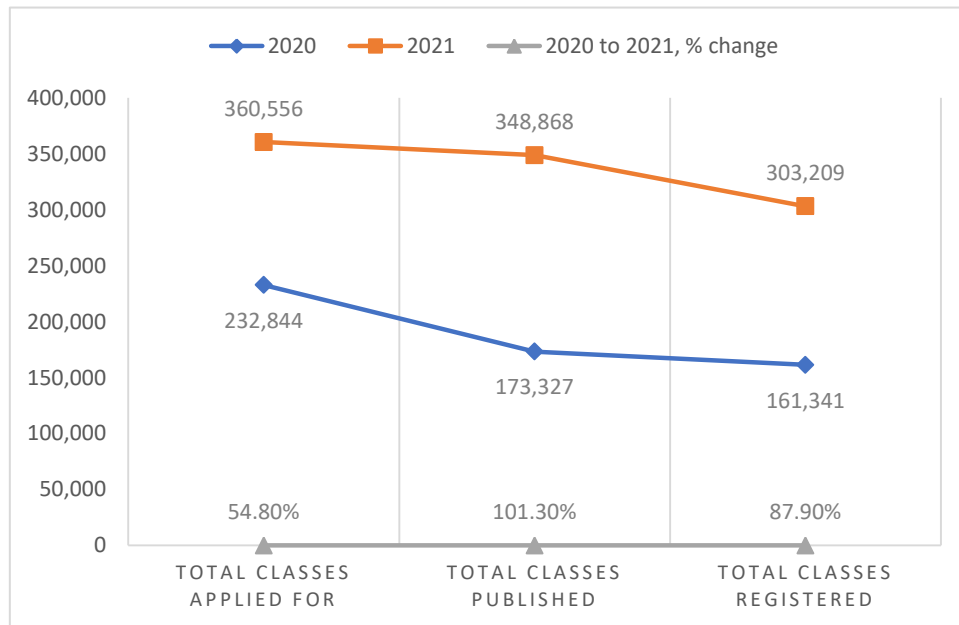


Figure 2: Overview of the Total Number of Classes Applied for and Registered by the UKIPO Between 2020 and 2021

Courtesy of the UKIPO team, a dataset of 350,816 trade marks registered by the UKIPO between 1 January 2020 and 31 December 2022 was made available for the analysis in this Report (the ‘Dataset’).¹⁴ The table in Appendix 1 presents a condensed overview of the distribution of the number of classes associated with the granted registrations, allowing for a clearer understanding of the patterns and trends within the timeframe of 2020 to 2022. Figure 3 visually illustrates a noteworthy observation, whereby the weighted average number of classes per trade mark registration has exhibited a discernible increase of 0.2% in 2022 compared to 2020. The upward trend in the average number of classes could suggest a diversification and broadening of the scope of goods and services associated with trade mark registrations, thereby implying potential shifts in market dynamics and strategic considerations among applicants.

¹³ *ibid* Table 3.3.

¹⁴ The Dataset 1 may be made available upon request.

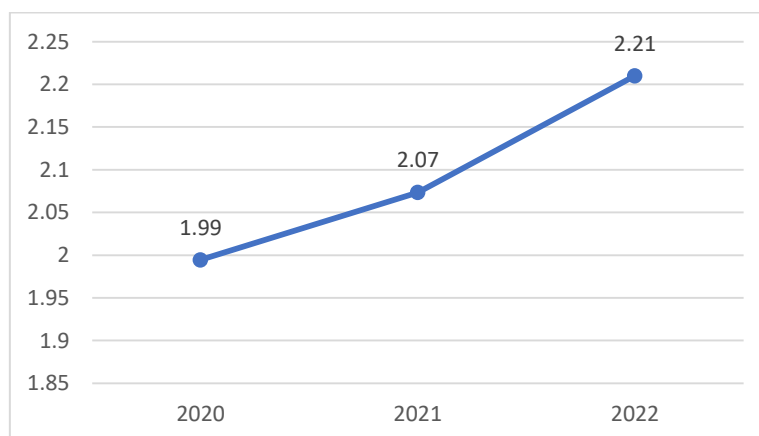


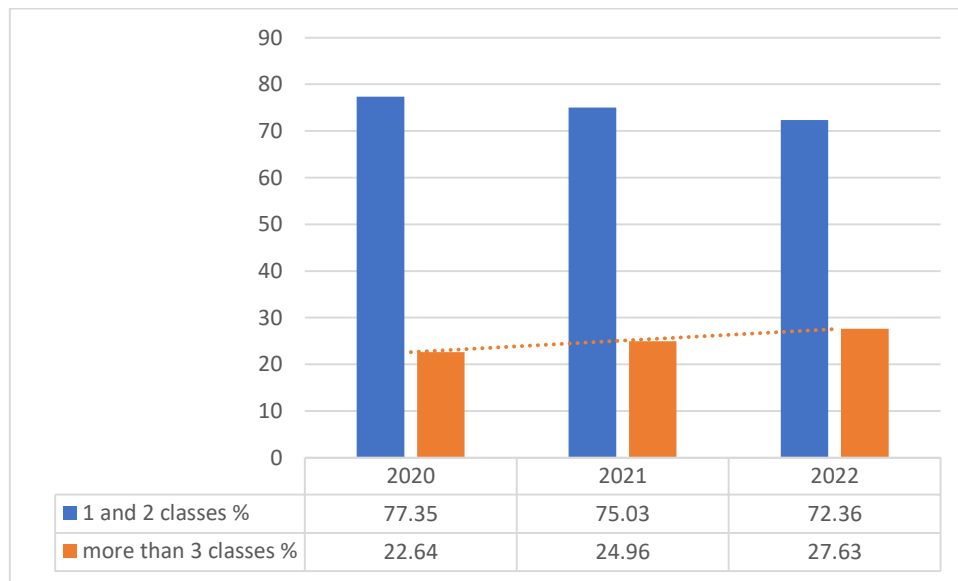
Figure 3: Yearly Distribution of the Average Number of Classes Per Trade Mark Registration

This rise occurs against the backdrop of the fact that a substantial proportion, exceeding 70%, of the registered trade mark applications, pertain to a relatively limited range of one or two classes as shown in Figure 4 below. The cost structure for trade mark registration, as outlined by the UKIPO schedule of fees, provides a possible explanation for the prevalence of applications targeting one or two classes rather than three or more, considering that it costs GBP 200 to apply for a trade mark in a single class and GBP 50.00 for each additional class.¹⁵ It should be noted that the UKIPO fees are relatively lower compared to the EUIPO who charges EUR 50 for the second class and EUR 150 for each class beyond three.¹⁶ The relatively lower fees charged by the UKIPO compared to the EUIPO could potentially be perceived by applicants as an incentive to file broader trade mark applications. However, it is important to consider the profile of companies that tend to register trade marks for more than 30 classes of goods and services. Major companies like Tesco, Lidl, ASDA, Sony, FIFA, UEFA, and Skoda,¹⁷ for instance, are unlikely to be deterred by increased fees and will likely continue to register overbroad trade marks in multiple classes of goods and services.

¹⁵ UKIPO, 'Our application services and fees' <<https://www.ipo.gov.uk/tm3-servicesfees>> accessed 1 July 2023.

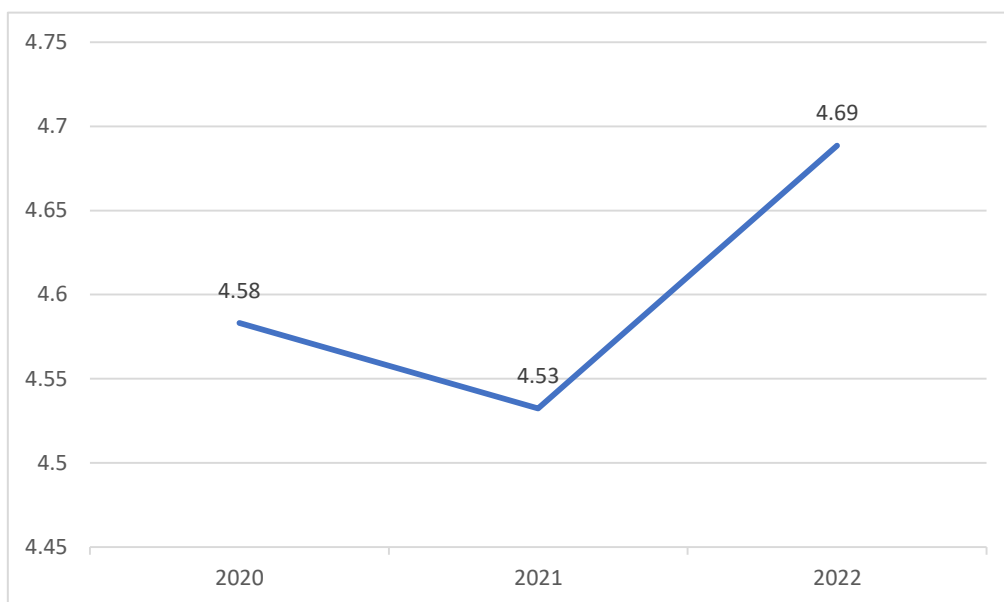
¹⁶ EUIPO, 'Fees and payments' <<https://www.euipo.europa.eu/en/trade-marks/before-applying/fees-payments>> accessed 1 July 2023.

¹⁷ All these companies have UK trade marks which are registered for more than 30 classes of goods and services. See UEFA TM registration number UK00003475007, TESCO TM registration number UK00003677880, Lidl TM registration number UK00003575349, ASDA TM registration number UK00003461014, SONY TM registration number UK00003452620, FIFA TM registration number UK00003461014 UK00003425884, Skoda TM registration number UK00003683859.



**Figure 4: Percentage of Trade Marks Registered in More Than 3 Classes: 2020 - 2022
Breakdown**

An intriguing observation arises when considering the yearly weighted average of the number of classes per registration, specifically when registrations for 1 and 2 classes are excluded from the calculation. This adjusted average figure illustrated in Figure 5 below is double that of the overall average illustrated in Figure 3 above.



**Figure 5: Yearly Distribution of the Average Number of Classes Per Trade Mark Registration
Excluding Registrations for 1 and 2 Classes**

This finding suggests that there is a significant proportion of trade mark registrations that extend across multiple classes, beyond the more common registrations limited to just one or two classes.

Nevertheless, the information in Figures 1 and 2 above and the table in Appendix 1 does not reflect the number of trade marks that are actually used by trade mark proprietors for the entire specification of goods and services included in the registration. This is because, as mentioned in response to the previous question, UK trade mark law, as opposed to US trade mark law, does not require proof of use as a pre-requisite for registration.¹⁸

Nonetheless, the significant increase in the number of trade marks registered in 2021, compared to 2012, may serve as an indication of a potential rise in overbroad trade marks in the UK. This hypothesis can be supported by the findings of the 2015 Clutter Report, which analysed the level of clutter at the UKIPO level compared to the United States Patent and Trademarks Office ('USPTO') and the European Union Intellectual Property Office ('EUIPO') based on trade mark registrations granted between 2004 and 2012. The report identified strong evidence of clutter resulting from the relatively more lenient requirements regarding use in UK trade mark legislation as opposed to the US during that period.¹⁹ Additionally, the survey conducted among UK-based trade mark lawyers for the purposes of drafting the 2015 Clutter Report confirmed the practice of seeking registrations with broader specifications than strictly necessary.²⁰ As no specific legislative changes addressing overbroad specifications or clutter occurred within UK trade mark legislation since 2015, it is reasonable to assume that the pattern of filing overbroad trade marks, encompassing more goods and services than the actual intention to use the mark, persisted. Consequently, if evidence suggested cluttered registrations at the UKIPO in 2013, it is plausible to infer that cluttering likely increased with the subsequent rise in the number of registrations, as seen in the present-day scenario.

2. Substantive Analysis

2.1. Trademark registration proceedings

Please describe the framework for trademark registration in your jurisdiction. Is there an affirmative requirement that trademark registrations be filed in good faith?

Under UK law, bad faith is an absolute ground for refusal of registration having its origins in the European Union ('EU') trade mark directives harmonising Member States' national trade mark laws.²¹ Section 3(6) TMA 1994 provides that a trade mark should be refused registration 'if or to the extent that the application is made in bad faith'.

What type of use is required to file and/or register a trademark? What are the evidentiary requirements in respect of use at the time of filing or registration of the mark?

¹⁸ von Graevenitz, 'Cluttering and Non-Use of Trade Marks in Europe' (n 1) 18.

¹⁹ *ibid* 70.

²⁰ *ibid* 17.

²¹ James Mellor and others, *Kerly's Law of Trade Marks and Trade Names* (16th ed, Sweet & Maxwell 2017) [10-254].

UK trade mark law does not require proof of use to file and/or register a trade mark. Nonetheless, bad faith claims are assessed in conjunction with Section 32(3) TMA 1994. Section 32(3) TMA 1994 provides that: '[T]he application shall state that the trade mark is being used, by the applicant or with his consent, in relation to those goods or services, or that he has a *bona fide* intention that it should be so used'. Although Section 32(3) does not have an equivalent in the EU trade mark legislation, this provision has been deemed compatible with EU trade mark law to the extent that 'the infringement of such an obligation does not constitute, in itself, a ground for invalidity of a trade mark already registered'.²²

Does the requirement of use, if applicable, apply to each of the goods or services listed, or only to the class headings?

N/A

May trademarks be filed in respect of all the goods in one of the Nice classes (in other words, for class headings)?

UK trade mark law does not prohibit trade mark filings encompassing all the goods within a particular Nice Class. According to Rule 8(2B) Trade Marks Rules 2008, '[W]here the specification contained in the application describes the goods or services using general terms, including the general indications included in the class headings of the Nice Classification, the application shall be treated as including only the goods or services clearly covered by the literal meaning of the term or indication'.²³ The UKIPO Manual of trade marks practice (the 'UKIPO Manual') explicitly states that when a class heading is used as a specification, its function as a class heading is nullified, and it becomes a part of the application or registration as a statement of goods or services.²⁴ Consequently, the specific goods or services included in the trade mark filing become the primary focus for interpretation, rendering the question of what the class heading includes or excludes irrelevant.²⁵ In essence, the scope and coverage of a trade mark application or registration should be determined solely by referencing the goods or services explicitly stated in the application or registration, rather than relying on the class heading alone.

2.2. Trademark refusal and opposition proceedings

²² C-371/18 - *Sky Plc v SkyKick UK Ltd* [2020] ECLI:EU:C:2020:45, [87].

²³ The Trade Marks Rules 2008 as amended by The Trade Marks Regulations 2018 set out the detailed procedures under the TMA 1994.

²⁴ UKIPO, 'Manual of Trade Marks Practice. Examination Guide' (3 May 2023) <<https://www.gov.uk/guidance/trade-marks-manual/the-examination-guide>> accessed 19 June 2023.

²⁵ *ibid.*

2.2.1 Refusal *ex officio*

On what bases may a trademark application be refused by the trademark office? What would the absolute or relative grounds be?

Under UK trade mark law, there are various absolute grounds of refusal for trade mark registration. These include signs that are not capable of being represented in the register in a manner which would enable the registrar to determine the clear and precise subject matter of the protection afforded to the proprietor, signs lacking distinctive character or descriptive signs.²⁶ Additionally, a sign consisting exclusively of shapes or characteristics that result from the nature of the goods themselves, are necessary to obtain a technical result, or give substantial value to the goods cannot be registered as a trade mark.²⁷ Furthermore, a trade mark will not be registered if it goes against public policy or accepted principles of morality, or if it is likely to deceive the public regarding the nature, quality, or geographical origin of the goods or services.²⁸ Moreover, any prohibition on the use of a trade mark under UK law, apart from trade mark legislation, will also prevent its registration.²⁹ Certain specially protected emblems specified in Section 4 TMA 1994 are also ineligible for trade mark registration.³⁰ Lastly, a trade mark application made in bad faith will be refused registration.³¹

The relative grounds of refusal of trade mark registration are outlined in Section 5 of the TMA 1994. Specifically, a trade mark cannot be registered if it is identical to an earlier trade mark and is intended to be registered for identical goods or services as the earlier trade mark.³² Furthermore, a trade mark cannot be registered if it is either identical or similar to an earlier trade mark, and is intended to be registered for goods or services that are similar or identical to those protected by the earlier trade mark, if there is a likelihood of confusion among the public.³³ Additionally, a trade mark that is identical or similar to an earlier trade mark, and where the earlier trade mark has a reputation in the UK, cannot be registered if the use of the later mark would take unfair advantage of, or be detrimental to, the distinctive character or reputation of the earlier trade mark. This applies regardless of whether the goods and services are identical, similar, or dissimilar to those protected by the earlier trade mark.³⁴

Lastly, a trade mark cannot be registered if its use in the UK would infringe an earlier right, such as an unregistered trade mark or other sign protected under passing off laws, or if it would be prevented

²⁶ Section 3(1) TMA 1994.

²⁷ Section 3(2) TMA 1994.

²⁸ Section 3(3) TMA 1994.

²⁹ Section 3(4)-(4C) TMA 1994.

³⁰ Section 3(5) TMA 1994.

³¹ Section 3(6) TMA 1994.

³² Section 5(1) TMA 1994.

³³ Section 5(2) TMA 1994.

³⁴ Section 5(3) TMA 1994.

by any enactment or rule of law providing protection for designations of origin or geographical indications. This also applies to other earlier rights, including those related to copyright or industrial property rights.³⁵

May a trademark be refused based on bad faith? How would bad faith be defined and what are the evidentiary requirements to challenge such a refusal?

Section 3(6) TMA 1994 provides that a trade mark should be refused registration ‘if or to the extent that the application is made in bad faith’. If bad faith is successfully claimed, the application for registering the trade mark will be rejected for the entire or partial specification of goods and services.³⁶ Bad faith is not defined by the TMA 1994. Scholarly commentary suggests that ‘bad faith’ encompasses various scenarios, including the situation where a proprietor acquires numerous trade mark registrations, potentially with the intention of monopolizing a specific word or feature, despite having utilized only a limited number of them.³⁷ The meaning of this concept has been developed by both UK courts and the Court of Justice of the European Union (‘CJEU’). Notably, Lindsay J in *Gromax Plasticulture Ltd v Don & Low Nonwoven Ltd*³⁸ explained that:

‘[...] it includes dishonesty and, as I would hold, includes also some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined’.³⁹

In *Lindt*,⁴⁰ the CJEU provided three criteria to be considered when assessing whether a trade mark has been registered in bad faith. These are:

- i. the applicant’s knowledge that a third party is using an identical or similar sign for identical or similar goods capable of being confused with the sign for which registration is sought;
- ii. its intention to enjoin that third party from continuing to use that sign; and
- iii. the degree of legal protection enjoyed by the third party’s sign and by the sign for which registration is sought.⁴¹

³⁵ Section 5(4) TMA 1994.

³⁶ If bad faith has been successfully claimed in invalidity proceeding, then the trade mark will be cancelled as discussed below.

³⁷ Christopher Morcom, Thomas St. Quintin and Ashley Roughton, *Morcom on Trade Marks* (6th edn, LexisNexis 2021) 89.

³⁸ [1999] R.P.C. 367.

³⁹ *Gromax Plasticulture Ltd v Don & Low Nonwoven Ltd* [1998] 6 WLUK 228, [379].

⁴⁰ C-529/07 - *Chocoladefabriken Lindt & Sprüngli AG v Franx Hauswirth GmbH* [2009] EU:C:2009:361.

⁴¹ *ibid* [54].

The test in *Lindt*, as subsequently applied by the UK courts,⁴² confirmed that when seeking to determine whether an application for trade mark registration was made in bad faith, the focus should be on the mental element (i.e. the intention of the applicant).⁴³

The extent to which bad faith included situations where the applicant simply lacked the intention to use the trade mark at the time of registration and had not admitted this in the statement submitted under Section 32(3) has been a contentious issue.⁴⁴ The CJEU in *Sky* confined the scope of bad faith in the form of lack of intention to use, explaining that a lack of intention to use the trade mark must pursue a certain illegitimate purpose such as undermining the interests of third parties or obtaining a right incompatible with the functions of the trade mark before any claim will be successful.⁴⁵ Considering these additional limitations imposed by the CJEU in defining the purpose of bad faith, this author agrees with previously expressed opinions that the decision in *Sky* raised the threshold for bad faith and failed to provide a disincentive against practices that allow overbroad trade marks.⁴⁶

When the *Sky* case returned to the EWHC, Arnold J found that part of the applicant's trade marks had been registered in bad faith because the specifications included goods and services for which the applicant 'had no reasonable commercial rationale for seeking registration'.⁴⁷ Furthermore, based on the evidence adduced in that case, the court concluded that 'the reason for including such goods and services was that Sky had a strategy of seeking very broad protection for its trade marks regardless of whether it was commercially justified'.⁴⁸

The decision of the EWCA in *Sky* was appealed to the England and Wales Court of Appeal ('EWCA'), which did not agree with the interpretation of the notion of bad faith. Floyd LJ considered that although the applicant did not intend to use the mark for all types of computer software for which it had applied, this should not be considered bad faith.⁴⁹ In addition, the Court of Appeal held that strategic applications 'of sufficient width to cover some further, as yet unformulated, goods within the same category'⁵⁰ is a concession that must be made to applicants because otherwise it would 'create

⁴² See *Red Bull GMBH v Sun Mark Ltd, Sea Air & Land Forwarding Ltd* [2013] E.T.M.R. 53; The TMA 1994 was amended in 2019 by The Trade Marks Regulations 2018 to give effect to 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 trade marks ('Recast Directive'). The Recast Directive, like its two predecessors, contains bad faith as an absolute ground for refusal of registration.

⁴³ Mellor (n 21) [10-269].

⁴⁴ *ibid* [10-264].

⁴⁵ *Sky Plc v SkyKick (CJEU)* (n 22) [47]. At the time when *Sky Plc v SkyKick UK Ltd* was being litigated before the England and Wales High Court, UK courts, under the EU (Withdrawal) Act 2018 (EUWA) were still permitted to make preliminary references to the CJEU under Article 267 of the Consolidated version of the Treaty on the Functioning of the European Union.

⁴⁶ Meale (n 4) 234.

⁴⁷ [2020] EWHC 990 (Ch) [250].

⁴⁸ *ibid*.

⁴⁹ *Sky Plc v SkyKick UK Ltd* [2021] EWCA Civ 1121, [113].

⁵⁰ [116]

an increasingly impossible burden on applicants depending on how finely one sliced up the category of goods or services for which the application is made'.⁵¹

This statement by the EWCA can be understood as favouring already established trade mark owners to the detriment of new entrants. In addition, as one practitioner rightly pointed out, one of the downsides of the EWCA decision in *Sky* is that 'the clearance process for any new brand is far more difficult if the register is cluttered by trade marks with long specifications and broad categories of goods'.⁵² On 25 July 2022, the United Kingdom Supreme Court ('UKSC') granted Skykick permission to appeal and the case was heard on 28 June 2023.⁵³

The UKIPO Manual specifies that the type of information that may serve to rebut the presumption that the trade mark application was submitted in good faith must be sufficient to demonstrate, *inter alia*:

- i. the applicant's involvement in trade mark squatting, acquiring trade marks not to use themselves but to sell back, or licence, to the legitimate brand owners;
- ii. that the applicant is registering trade marks not for its own use but 'merely for the purpose of creating conflict/dispute with others';
- iii. that 'an applicant is intentionally seeking to mislead the public or obtaining the trade mark as an instrument of fraud'.⁵⁴

In any event, according to the UKIPO Manual, during the examination phase, it is improbable that the examiner will find, via Internet searches, 'facts and information sufficient to rebut the presumption of good faith'.⁵⁵ This is why this absolute ground for refusal of registration is not expected to be successfully raised frequently at the examination stage. Instead, bad faith is more frequently raised by interested parties during the opposition period or in invalidity proceedings.

Are there refusal cases based on deficiencies in the specifications of goods and services? Would this be the case for indefiniteness or overly broad specifications? In such a case, how would this deficiency be treated—as a form of bad faith or as another type of deficiency?

Deficiencies in the specifications of goods and services may lead to refusal of registration. Under Rule 8(2)(b) of the Trade Marks Rules, the goods or services included in a trade mark application

⁵¹ [42].

⁵² Sean Ibbetson, 'SkyKick loses as Court of Appeal finds Sky did not act in bad faith' (2022) Ent. L.R. 33(1) 24, 27.

⁵³ UKSC, 'Permission to Appeal - July and August 2022' <<https://www.supremecourt.uk/news/permission-to-appeal-july-august-2022.html>> accessed 11 April 2023.

⁵⁴ UKIPO, Manual of Trade Marks Practice' (n 24).

⁵⁵ *ibid.*

must be described with sufficient clarity and precision. This is to enable the registrar, other competent authorities, and economic operators to determine the scope of protection sought and classify them according to the Nice Classification. The description should be clear and specific enough to provide a clear understanding of the goods or services. In addition, Rule 8(3) states that if an application covers multiple classes in the Nice Classification, the specification should list the classes in consecutive numerical order, and the goods or services should be grouped accordingly.

If the registrar identifies deficiencies in the application that do not comply with Rules 8(2) and (3), they will send a notice to the applicant.⁵⁶ The notice will provide a minimum period of one month within which the applicant must address those deficiencies. Failure to comply with the registrar's request within the given timeline may result in the partial or complete rejection of the registration. Alternatively, if the applicant does not respond at all, the application may be deemed as abandoned.⁵⁷

It follows that issues relating to lack of clarity and precision in trade mark specifications are addressed under the Trade Mark Rules 2008. Conversely, it is important to note that while overly broad specifications that are clear and precise may not be sufficient on their own to establish bad faith, they can potentially be challenged if there is evidence of an intention to undermine another trader's business. A recent decision from the UKIPO Hearing Officer where the opponent had argued that the applicant's specification was too broad was not sufficient to justify a successful bad faith claim, irrespective of the fact that the applicant's specification was more than 50 (fifty) A4 pages long.⁵⁸ Consequently, while a broad specification can be a factor to consider, it is not the sole determining factor in establishing bad faith. In bad faith claims, additional factors and evidence are typically required to demonstrate that the applicant had an improper motive or intention when filing the trade mark application. These factors can include evidence of a deliberate attempt to hinder competitors, dishonesty, or an intention to exploit the reputation of another mark.⁵⁹

Are refusals directed to the entire application or to a part?

If bad faith is successfully claimed, the application for registering the trade mark will be rejected for the entire or partial specification of goods and services, depending on whether bad faith has been demonstrated for the whole or only part of the specification.

What types of refusals are common?

⁵⁶ Rule 9 The Trade Mark Rules.

⁵⁷ *ibid.*

⁵⁸ *In The Matter of Application Number 3565243 (Case O/826/22).*

⁵⁹ *Morcom (n 37) 89.*

The quantitative analysis of 148 bad faith claims decided by the Hearing Officer UKIPO during the period from 1 January 2011 to 31 December 2022 ('Reference Period'),⁶⁰ showed that 11% (i.e. 16 claims) were found to be founded only for part of the goods and services specified in the trade mark application. This means that the bad faith claim was accepted for some portions of the specification, while other parts were unaffected. Moreover, 32% of the total bad faith claims (i.e. 48 claims) were considered founded for the entire specification of goods and services. As a result, the trade marks associated with these claims were either rejected or removed from the register entirely.

The majority, comprising 57% of the total bad faith claims, were deemed unfounded. This means that these claims did not meet the requirements for establishing bad faith, and the trade marks were able to proceed to registration or remain on the register.

Have there been recent changes in the types of applications filed or the origin of the filing parties?

According to statistical data from the UKIPO and reproduced below in Figure 6, there have been noticeable changes in the origin of filing parties for international applications in 2020 compared to 2021. Specifically, there has been a significant increase in the number of trade marks filed via the EUIPO. Direct evidence pointing to the fact that this increase is a consequence of Brexit alone is difficult to find. Nonetheless, the evolution of the number of trade mark application in the period between 2020 and 2022 suggests that the changes brought to the UK trade mark law provisions by the European Union (Withdrawal Agreement) Act 2020 have impacted the relative growth of trade mark filing in the UK. Specifically, since 1 January 2021, EUIPO registered trade marks no longer enjoy automatic protection in the UK.⁶¹

As a result, owners of existing EUIPO trade marks or those seeking protection in both the EU and UK need to file separate applications with the UKIPO to ensure their trade marks are protected in the UK. The increase in filing activity after the cutoff date (i.e. 1 January 2021) was notable, showing a 'considerable jump' of '43% in 2021 following the end of the Brexit transition period'.⁶² Nonetheless, according to the Chartered Institute of Trade Mark Attorney, the number of registrations dropped in 2022 as '83,292 trade mark applications were made between January and the end of June,

⁶⁰ The information in the dataset was collected from the UKIPO trade mark decisions available via the UKIPO search form here: <https://www.ipo.gov.uk/t-challenge-decision-results.htm>. The 148 bad faith claims were selected by searching the UKIPO database for Hearing Officer trade mark cases decided between January 2011 and December 2022. The UKIPO search engine allows the selection of bad faith decisions that concern lack of intention to use the trade mark, thus filtering out other types of bad faith decisions such as knowledge of opponent's use in the UK or outside UK, breach of an agreement between the parties, breach of a fiduciary duty, application by a local agent / distributor problems, music groups or breakdown of a partnership. Considering that the problems associated with overbroad trade marks are generated by overbroad specifications in relation to which the applicant does not have an intention to use the mark, the selection of bad faith decisions considered solely decisions of bad faith in the form of lack of intention to use the mark.

⁶¹ UKIPO, 'Guidance. EU trade mark protection and comparable UK trade marks' (30 January 2020) <<https://www.gov.uk/guidance/eu-trade-mark-protection-and-comparable-uk-trade-marks#receiving-a-comparable-uk-trade-mark>> accessed 1 July 2023.

⁶² CITMA, 'Trade mark application numbers drop' (8th Aug 2022) <<https://www.citma.org.uk/resources/trade-mark-application-numbers-drop-mb22.html>> accessed 1 July 2023.

compared with 102,586 applications during the same period in 2021'.⁶³ With respect to the potential causes of the 2021 notable increase in trade mark applications, the CITMA stated that the '[T]he UK IPO put this surge down to the impact of Brexit and the boost in applications driven by businesses launched during the pandemic'.⁶⁴

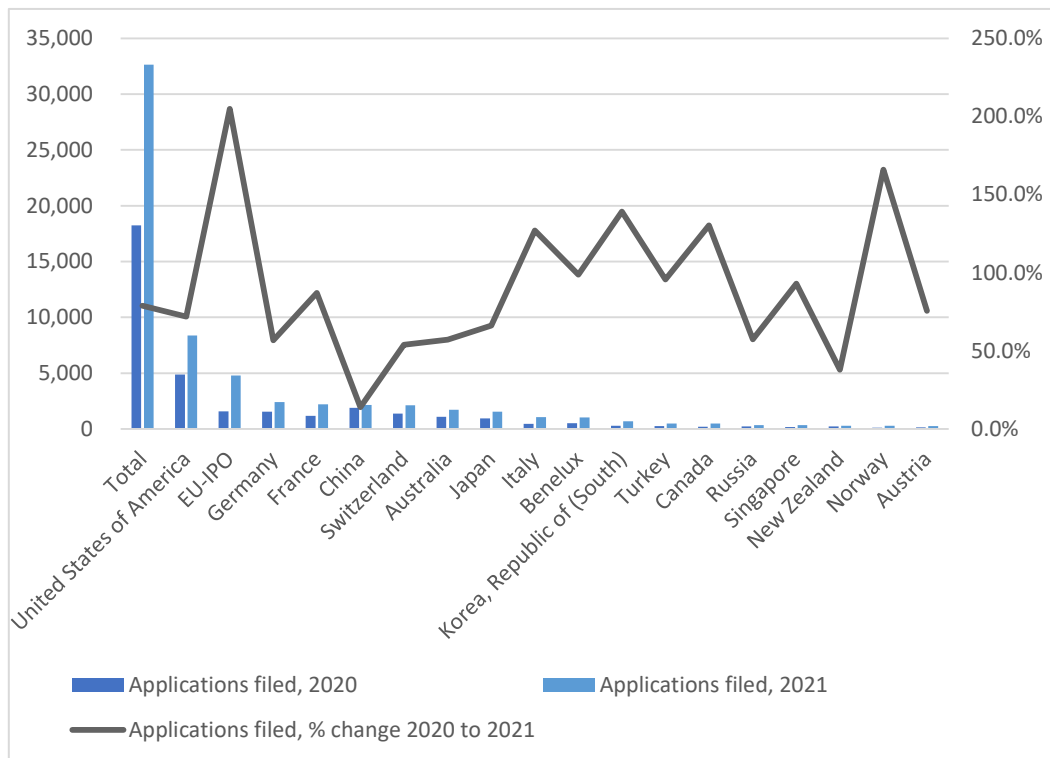


Figure 6: Overview of International Trade Mark Applications By National Office of Origin 2020 – 2021 at the UKIPO level

What are the possibilities to overcome a refusal?

The possibilities to overcome a refusal of a trade mark application will vary depending on the type of deficiency identified. If the issue that might trigger refusal is related to clarity or precision of the specification, as mentioned earlier, the registrar will typically provide the applicant with a notice specifying the deficiencies and granting a period of at least one month to rectify the problem. On the other hand, issues related to bad faith are typically more complex and require a different approach. In cases of alleged bad faith, it is generally the responsibility of the registrar or an opponent to demonstrate, on the balance of probabilities, that the application was made in bad faith. This involves presenting evidence and arguments to support the claim of bad faith, such as showing that the applicant had an improper motive or intention to undermine the rights of others. The burden of proof

⁶³ *ibid.*

⁶⁴ *ibid.*

rests with the party making the claim of bad faith, and they must present a convincing case to establish that the application was filed with dishonesty, unfair dealing, or improper motives.

2.2.2 Opposition proceedings

At what procedural stage are opposition proceedings available?

Opposition proceedings are available during the registration process before the UKIPO and can be filed within the period of two months beginning with the date on which the application was published in the UK Trade Marks Journal.⁶⁵

What are the standing requirements to file opposition?

Under UK trade mark law, anyone can file an opposition against a trade mark application based on absolute grounds. Conversely, only the proprietor of an earlier trade mark or earlier right may oppose the registration based on relative grounds.

Which body adjudicates opposition proceedings?

Opposition proceedings are adjudicated by the Hearing Officer at the UKIPO.

Is there a requirement to provide proof of use in opposition proceedings? Does this apply to the opposed mark, the earlier mark cited as the basis for an opposition proceeding, or both?

If the opposition was based on relative grounds of refusal, the opponent must provide evidence that the earlier mark has been put to genuine use in relation to the goods and/or services for which it is registered for the 5 years-period before the filing date of the opposed mark.⁶⁶

May opposition proceedings be directed to specific goods and services, or to specific classes within the application or registration?

Opposition proceedings can be directed to either specific goods and services, or to specific classes within the application or registration.

May opposition proceedings be based on bad faith? How is this defined, what is the burden of proof and the burden of production of evidence?

Under Section 3(6) TMA 1994, opposition proceedings may be based on bad faith. Sir Christopher Floyd in *Sky* defined bad faith as: “[...] the subjective intention of the trade mark

⁶⁵ Rule 17(2) The Trade Mark Rules 2008.

⁶⁶ Rule 17(5)d) Trade Mark Rules 2008.

applicant, specifically an intention that is dishonest or driven by sinister motives. It encompasses actions that deviate from recognized standards of ethical conduct and honest practices in the commercial and business realm”.⁶⁷

From a procedural point of view, all applications are deemed to be submitted in good faith thus the burden of proof is on the opponent who must demonstrate, on the balance of probabilities, that the application was made in bad faith. This involves presenting evidence and arguments to support the claim of bad faith, such as showing that the applicant had an improper motive or intention to undermine the rights of others. Such improper motivations include:

- i. the applicant’s involvement in trade mark squatting, acquiring trade marks not to use themselves but to sell back, or licence, to the legitimate brand owners;
- ii. that the applicant is registering trade marks not for its own use but ‘merely for the purpose of creating conflict/dispute with others’;
- iii. that ‘an applicant is intentionally seeking to mislead the public or obtaining the trade mark as an instrument of fraud’.⁶⁸

Is bad faith found where the specification of goods or services is overbroad?

The EWCA in *Sky* considered that mere overbroad specifications are not enough for a finding of bad faith. Specifically, in line with the guidance provided by the Court of Justice of the European Union, Floyd LJ stated that ‘[B]ad faith cannot be established solely on the basis of the size of the list of goods and services in the application for registration’.⁶⁹ In *Sky*, although the applicant did not intend to use the mark for all types of computer software for which it had applied, the Court accepted that this should not be considered bad faith.⁷⁰ In addition, the Court held that strategic applications ‘of sufficient width to cover some further, as yet unformulated, goods within the same category’⁷¹ is a concession that must be made to applicants because otherwise it would ‘create an increasingly impossible burden on applicants depending on how finely one sliced up the category of goods or services for which the application is made’.⁷²

What are the other bases, absolute and relative, for opposition proceedings?

⁶⁷ *Sky (EWCA)* (n 49) [67].

⁶⁸ UKIPO, ‘Manual of Trade Marks Practice’ (n 24).

⁶⁹ *Sky (EWCA)* (n 49) [67].

⁷⁰ *ibid* [113].

⁷¹ *ibid* [116].

⁷² *ibid* [42].

Oppositions can be based on one or more absolute or relative grounds of refusal of registration as mentioned in the answer to the first question in section 2.2.1 above (i.e., *On what bases may a trademark application be refused by the trademark office? What would the absolute or relative grounds be?*).

What types of earlier rights may be relied upon as the basis for an opposition proceeding?

As mentioned in the answer to the first question in section 2.2.1 above (i.e., *On what bases may a trademark application be refused by the trademark office? What would the absolute or relative grounds be?*), an earlier right can be either a right to a UK registered trade mark or other type of earlier right, such as an unregistered trade mark or other sign protected under passing off laws or other earlier rights, including those related to copyright or industrial property rights.⁷³

Where the opposition is based on bad faith, must there be identity between the challenged mark and the earlier rights?

Under UK law, bad faith constitutes an absolute ground for refusal of registration, and it does not depend on the existence of identity between the challenged mark and prior rights. Consequently, there is no requirement to assess the similarity of marks, as would be necessary when considering the applicability of relative grounds of refusal. However, it is worth highlighting that if the applicant is proven to have had knowledge of the prior use of an identical or similar mark by the opposing party, and it can be shown that the applicant filed for registration with the intention of blocking the opponent from using that mark, such circumstances may serve as *prima facie* evidence of bad faith. In such cases, the existence of knowledge and the intention to impede the legitimate rights of others may contribute to establishing a case of bad faith in the registration process.

2.3. Post-registration proceedings

2.3.1 Cancellation

What are the possible substantive grounds (absolute, relative, other) for a trademark cancellation action?

In accordance with UK trade mark law, the term ‘cancellation’ action is not specifically provided for. Instead, under Section 47 of the TMA 1994, any interested party has the right to apply for the invalidity of a trade mark, subject to fulfilling certain requirements. According to Section 47(6), if the registration of a trade mark is declared invalid to any extent, the registration will be deemed to have never been made to that extent. However, it is important to note that this declaration

⁷³ Section 5(4) TMA 1994.

of invalidity does not retroactively affect past and closed transactions. Under Section 47(1)-(2) TMA 1994, a trade mark may be invalidated for any of the absolute or relative grounds of refusal of registration contained in Sections 3 and 5 and identified in the answer to the first question in section 2.2.1 above (i.e., *On what bases may a trademark application be refused by the trademark office? What would the absolute or relative grounds be?*).

Are there cancellation cases in which the specification of goods and services is at issue?

The review of the invalidity cases based on bad faith claims included in the Reference Period showed that in several cases the specification of goods and services was a crucial aspect under scrutiny.⁷⁴ Notably, one case raised the issue of bad faith, primarily attributing it to the excessively broad nature of the specification itself.⁷⁵ In this instance, the Hearing Officer ruled that the mark had been applied for partially in bad faith, as the purpose behind the remarkably broad registration specification appeared to be to establish an extensive protective barrier between any actual business activities conducted under the trade marks and the boundaries encompassing the exclusive rights sought through registration.⁷⁶ It must be noted that as per Arnold J (as he then was) in *BDO* lack of clarity and precision in the specification of goods and services does not constitute, in itself, a ground for invalidity.⁷⁷

May cancellation proceedings be based on bad faith? How is this defined, what is the burden of proof and the burden of production of evidence?

Invalidity proceedings may be based on bad faith. Bad faith for the purposes of an invalidity claim is defined in the same way as for the purposes of an opposition based on bad faith, as indicated in the answer to the question *May opposition proceedings be based on bad faith? How is this defined, what is the burden of proof and the burden of production of evidence?*.

What is the procedural availability of cancellation actions? Where are cancellation actions adjudicated? Could they be civil proceedings or administrative proceedings (or both?)

An invalidity action can be pursued either during the proceedings before the Hearing Officer at UKIPO or alternatively, it can be raised before the courts of law. Section 47(3) TMA 1994 provides that any person may make an application for a declaration of invalidity before the Hearing Officer. Nonetheless, Article 5 of the Trade Mark (Relative Grounds) Order 2007 (SI 2007/1976) curtailed the scope of Section 47(3) by providing that an application for invalidity based on relative grounds for

⁷⁴ *In The Matter of Application Numbers 3055444 and 3077984* (Case O/168/16); *In The Matter Of Trade Mark Registration Number 3126466* (Case O/103/18); *In The Matter Of Registration Number 3230901* (Case O/130/20); *In The Matter Of Trade Mark Registration No. 3163454* (Case O/222/18).

⁷⁵ *In The Matter of Application Number 3242869* (Case O/444/21).

⁷⁶ *ibid* [75].

⁷⁷ *Stichting BDO & Ors v BDO Unibank, Inc & Ors* [2013] EWHC 418 (Ch), [44].

refusal may only be filed by the proprietor of an earlier mark or right.⁷⁸ Additionally, the Registrar, under Section 47(4) can ‘apply directly to the court for a declaration of invalidity of a mark registered in bad faith’.⁷⁹

Are there any differences procedurally or substantively between cancellations proceedings alleging that that mark was filed in bad faith (due to an over-broad specification and/or lack of use) and cancellation proceedings brought on other bases?

Distinctions arise in the requirements that must be met when pursuing an invalidity action based on bad faith, such as an over-broad specification and/or lack of use, in contrast to an action based on any of the relative grounds for refusal outlined in Section 5 of the TMA 1994. Specifically, if the invalidity action is based on any of the relative grounds of refusal in Section 5, then proof of use of the earlier trade mark must be adduced. Furthermore, the registration procedure for the earlier trade mark must have been completed within the period of five years ending with the date of the application for the declaration of invalidity.⁸⁰

Where the cancellation is based on bad faith, must there be identity between the challenged mark and earlier rights cited?

As stated above, under UK law, bad faith constitutes an absolute ground for refusal of registration, and it does not depend on the existence of identity between the challenged mark and prior rights. Consequently, there is no requirement to assess the similarity of marks, as would be necessary when considering the applicability of relative grounds of refusal. However, it is worth highlighting that if the applicant is proven to have had knowledge of the prior use of an identical or similar mark by the opposing party, and it can be shown that the applicant filed for registration with the intention of blocking the opponent from using that mark, such circumstances may serve as *prima facie* evidence of bad faith. In such cases, the existence of knowledge and the intention to impede the legitimate rights of others may contribute to establishing a case of bad faith in the registration process.

Are cancellations based on non-use treated the same as bad-faith cancellations? What is the grace period for non-use and would it be applied in the case of a bad-faith cancellation as well?

Section 46(1) TMA 1994 provides that a trade mark registered in the UK may be revoked if the trade mark has not been put to genuine use in the UK following a continuous period of five years since the date of completion of the registration procedure and there are no proper reasons for such

⁷⁸ Lionel Bently and others, *Intellectual Property Law* (6th edn OUP 2022) 1092; Mellor (n 21) [12-043].

⁷⁹ Mellor (n 22) 12-043.

⁸⁰ Section 47(2A) TMA 1994.

non-use.⁸¹ It is important to note that the revocation procedure is separate and distinct from the process of invalidity.

Are there any type of registrations that are not subject to cancellation based on particular grounds? For example, marks registered for a certain length of time that cannot be challenged on the basis of lack of distinctiveness.

According to Section 47(1) TMA 1994, trade mark shall not be declared invalid despite lacking distinctiveness or being descriptive if, as a result of the use that has been made of it, it has subsequently acquired a distinctive character in relation to the specific goods or services for which it is registered. Furthermore, Section 48(1)(b) of the TMA 1994 provides that if the proprietor of an earlier trade mark or other earlier right has knowingly and continuously acquiesced in the use of a registered trade mark in the UK for a period of five years, they lose their entitlement to seek a declaration of invalidity based on that earlier trade mark or right (e.g., based on relative grounds of refusal).

2.4. Maintaining a registration

How may a registration be maintained in force?

Under Section 42(1) TMA 1994, a trade mark is valid for a period of 10 years from the date of its registration. To maintain the protection afforded by the trade mark, the owner must renew it within specific timeframes as stipulated by The Trade Mark Rules 2008. According to Rules 35-36, the trade mark can be renewed every 10 years, subject to the payment of a fee. The renewal process must be initiated within the 6 months prior to its expiry. Additionally, there is a grace period of up to 6 months after the expiry of the registration during which the trade mark can still be renewed, albeit with the payment of an additional late renewal fee.

Other than renewing a registration, is there a post-registration requirement to file evidence that the mark is being used? What are the procedural and evidentiary requirements?

The TMA 1994 does not provide for a post-registration requirement to file evidence that the mark is being used in support of a renewal application. Instead, in cases where a revocation action has been filed against the proprietor of a trade mark under Section 46 of the TMA 1994 described above, the proprietor will be required to provide evidence of the mark's use. The burden of proving trade mark use lies with the proprietor, as stated in Section 100. Section 46(4) provides that an application for

⁸¹ Section 46(1) TMA 1994.

revocation may be filed by any person either to the registrar or to the court. However, the non-use revocation provision cannot be invoked *ex officio* by the UKIPO registrars.⁸²

The evidentiary requirements on the use of a trade mark, as developed by Arnold J in *BDO* involve specific criteria to determine whether there has been real commercial exploitation of the mark in the relevant market. These criteria include:

- i. ‘The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market.
- ii. Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns.
- iii. Examples that do not meet this criterion: (i) internal use by the proprietor: (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter.
- iv. All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide.
- v. Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no *de minimis* rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor’.⁸³

3. Analysis

What is your view on the overall effectiveness of mechanisms available in your jurisdictions to limit the registrations of overly broad or bad-faith trademarks?

⁸² von Graevenitz, ‘Cluttering and Non-Use of Trade Marks in Europe’ (n 1) 19.

⁸³ *ibid* (references to the case law omitted).

UK trade mark law has two robust mechanisms to prevent the phenomena described above as overbroad trade marks and non-use clutter. These are the provisions precluding the trade mark registration if the application is made in bad faith (or their invalidation) and the provisions concerning the revocation of the trade mark for non-use. Due to the lack of empirical data on the actual use of each UK registered trade mark, it becomes challenging to assess the overall effectiveness of mechanisms in place to restrict the registration of overly broad or bad faith registrations. However, as discussed above in Section 1, the significant increase in the number of trade mark registrations in 2021 compared to 2012 may indicate a potential rise in overbroad trade marks in the UK. This hypothesis finds support in the findings of the 2015 Cluttering Report based on trade mark registrations granted between 2004 and 2012 by the UKIPO, USPTO and the EUIPO. The Report identified strong evidence of clutter resulting from the comparatively more lenient requirements regarding use in UK trade mark legislation during that period, in contrast to the US. This indicates that there may have been a higher number of registrations with broader specifications than necessary. Moreover, the survey conducted among UK-based trademark lawyers for the Cluttering Report confirmed the practice of seeking registrations with wider specifications than strictly required.

Since no specific legislative changes addressing overbroad specifications or clutter have been made in UK trade mark legislation since 2015, it is reasonable to assume that the trend of filing overbroad trade marks, encompassing more goods and services than intended for actual use, has likely continued. Therefore, if evidence suggested cluttered registrations at the UKIPO in 2013, it is plausible to infer that cluttering likely increased with the subsequent rise in the number of registrations, as observed in the present-day scenario.

What are the key cases in your jurisdiction concerning bad faith trademark registrations?

The key cases in the UK concerning bad faith trade mark registrations which have been cited in the most recent case law are the following:

- i. *Sky Plc v SkyKick UK Ltd* [2021] EWCA Civ 1121 (as noted above, in this case the UKSC has granted leave to appeal)
- ii. *Jaguar Land Rover Ltd v Bombardier Recreational Products Inc* [2016] EWHC 3266 (Ch)
- iii. *HTC Corp v One Max Ltd* (O/486/17)

Would cancellation actions based on non-use be an effective alternative to cancellation based on bad faith? Why or why not?

The UK *ex-ante* remedies to safeguard against overbroad trade marks, namely the bad faith absolute ground of refusal of registration is in my opinion a better alternative to *ex-post* remedies such as non-use revocation proceedings. First, by focusing on bad faith provisions, one can adopting a preventive approach which could be more efficient in terms of addressing the competition and increased clearance costs associated with overbroad trade marks. Second, absolute grounds of refusal can be raised by the Registrar while revocation is only available for the interested party thus impinging upon its efficiency.

In your jurisdiction, is bad faith available as a separate ground of refusal or cancellation of a trademark? Could an overly broad specification of goods and services be considered to be a type of bad faith, or would such a case be treated in another way?

Bad faith is available as a separate ground of refusal of registration and as an invalidity ground. Based on the case law discussed in this report, overly broad specification of goods and services are typically considered a species of bad faith if the broad specification is also underpinned by '[...] an intention that is dishonest or driven by sinister motives'.⁸⁴

Are there any impediments to bringing actions against bad-faith trademark registrations in your jurisdictions?

Based on the law and case law analysed for the purposes of preparing this report, there are no other impediments to bringing actions against bad faith trade mark registrations in the UK, besides the limitations and evidentiary requirements discussed throughout this report.

Do you think that changes to substantive or procedural rules would improve the ability of your trademark office or right-holders to limit overbroad trademark registrations? What, if any, should those changes be?

Proposals advanced by practitioners and academics in the UK aimed at alleviating the issues associated with overbroad trade marks and non-use clutter include:

- i. introducing schemes that allow trade mark proprietors to easily reduce the number of goods or services covered in their registrations to avoid overclaiming.⁸⁵ Chave and Jacob propose that renewal fees could be reduced for those who participate in these schemes;⁸⁶
- ii. significantly increasing renewal fees to encourage trade mark proprietors to limit their registrations to only essential goods and services;⁸⁷

⁸⁴ *Stichting BDO* (n 77) [67].

⁸⁵ Chave and Jacob (n 4) 174

⁸⁶ *ibid.*

- iii. implementation of a proof of use system that aligns with the US one to ensure that registration of goods and/or services remains closely aligned with the actual market activities trade mark applicants;⁸⁸
- iv. implementation of a requirement of proof of use every five years;⁸⁹
- v. implementation of filing fees for more than 10 items in each class of goods and or services specifications to discourage the inclusion of ‘dead wood’ goods/services coverage.⁹⁰

Implementing changes to procedural rules, such as increasing fees, could serve as a disincentive against overbroad trade mark registrations. However, as discussed in the previous sections, it is important to consider the profile of companies that tend to register trade marks for more than 30 classes of goods and services. Major companies like Tesco, Lidl, ASDA, Sony, FIFA, UEFA, and Skoda,⁹¹ for instance, are unlikely to be deterred by increased fees and will likely continue to register overbroad trade marks. Instead, to effectively limit overbroad trade mark registrations in the UK, the introduction of a proof of use requirement would be more impactful. Additionally, if the notion of bad faith is reconsidered by the UK Supreme Court in *Sky* to include situations where the applicant does not intend to use the trade mark for all the subdivisions of a class, it would significantly enhance the UKIPO’s ability to reject overbroad trade marks and protect the integrity of the system.

⁸⁷ von Graevenitz, ‘Cluttering and Non-Use of Trade Marks in Europe’ (n 1) 69

⁸⁸ *ibid*

⁸⁹ *ibid*

⁹⁰ *ibid*

⁹¹ See footnote 17.

Appendix 1 – Trade Mark Registrations Granted by the UKIPO between 2020 and 2022

No of registered classes	2020 No of regs	2021 No of regs	2022 No of reg
1	47793	81215	66231
2	14821	27864	23872
3	7816	15965	14217
4	4330	8252	7772
5	2455	4840	4632
6	1325	2766	2862
7	805	1545	1648
8	525	935	964
9	268	540	680
10	209	408	400
11	168	247	334
12	92	174	199
13	80	123	152
14	55	92	94
15	52	57	100
16	30	57	54
17	25	55	62
18	30	43	47
19	16	14	50
20	9	42	16
21	7	22	16
22	5	19	18
23	1	21	18
24	6	14	11
25	2	10	11
26	1	6	4
27	0	7	3
28	2	3	2
29	1	2	5
30	2	0	4
31	0	5	2

32	2	5	4
33	0	3	3
34	0	3	2
35	0	2	0
36	0	1	5
37	3	0	2
38	1	0	2
39	0	1	2
40	1	0	0
41	0	1	1
43	0	1	0
44	1	0	2
45	6	2	6
Total	80945	145362	124509

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