

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’. Conversely, a definition of ‘overbroad trade marks’ is provided by the 2015 Cluttering Report commissioned by the United Kingdom Intellectual Property Office (‘UKIPO’). The Report defines these 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

* Prepared by Dr Luminita Olteanu, Assistant Professor in Law, Warwick Law School, UK (previously Fellow in Law, LSE Law School). The research, analysis, and conclusions presented within this report have been developed by the author as part of a forthcoming article, which is currently pending publication. While both this report and the pending article address related and sometimes overlapping subject matter, and empirical findings, they should be regarded as separate works.

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 28 July 2023.

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 ‘[...] 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 Based on prior research conducted by the UKIPO involving UK-based trade mark attorneys, it has been indicated that excessively broad trade marks could lead to ambiguity concerning the extent of protection, resulting in higher costs for third parties seeking to register new trade marks.⁵ This arises due to the need for extra steps in the trade mark clearance process. Likewise, there is a hypothesis that trade mark clogging might obstruct 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 the end of 2012 concluded that there was strong evidence to suggest that the phenomenon of trade mark cluttering existed in the UK.⁷ One of the reasons

² *ibid* 70.

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 28 July 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.

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 further 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 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. Data from the UKIPO illustrates a consistent upward trend in the number of trade mark applications and registrations at the UK level over the last decade.¹¹ In 2021, there was a 43.5% rise in applications filed with the UKIPO compared to 2020, and the number of registrations granted by the UKIPO increased by 75.7% in the same year.¹²

⁸ *ibid.*

⁹ *ibid.* 17.

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, in 2021, compared to 2020, the total classes applied for increased by 54.8% while the total classes registered increased by 87.9%.¹³

Courtesy of the UKIPO team, I was provided with a dataset containing 350,816 trade marks registered between 1 January 2020 and 31 December 2022 for analysis in this Report (referred to as the ‘Dataset’).¹⁴ In Appendix 1, there is a summarized version of the distribution of the number of classes associated with the granted registrations. The table in Appendix 1 offers a comprehensive and clear understanding of the class registration patterns in the period between 1 January 2020 and 31 December 2022. Additionally, Figure 1 shows that the weighted average number of classes per trade mark registration increased by 0.2% in 2022 compared to 2020.

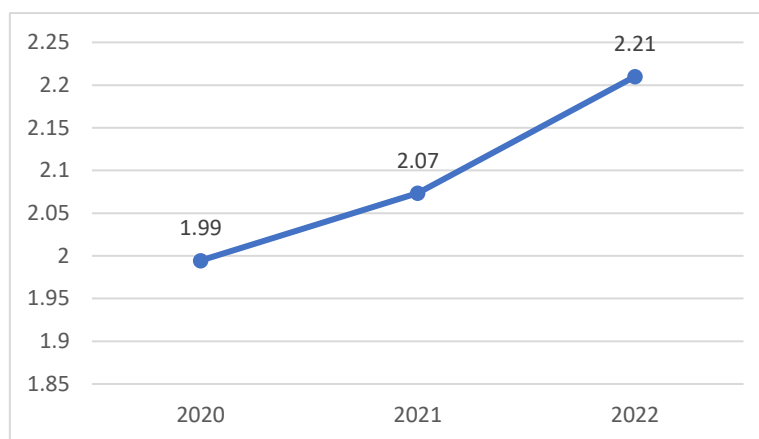


Figure 1: Yearly Distribution of the Average Number of Classes Per Trade Mark Registration

This increase takes place while considering the context that more than 70% of the registered trade mark applications are concentrated within a relatively narrow scope of one or two classes, as depicted in Figure 2 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

¹³ *ibid* Table 3.3.

¹⁴ The Dataset can be made available upon request.

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

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 trade marks in multiple classes of goods and services irrespective of the level of the fees.

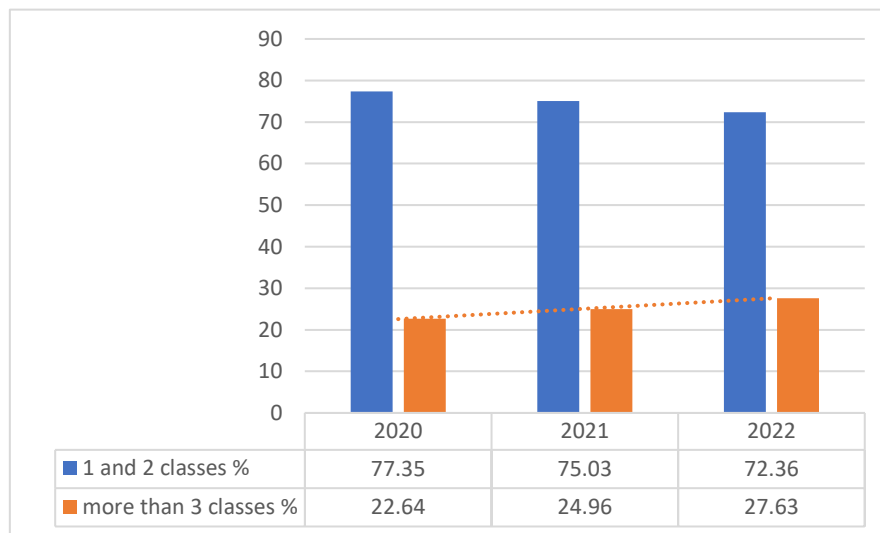


Figure 2: Percentage of Trade Marks Registered in More Than 3 Classes: 2020 - 2022 Breakdown

When examining the annual weighted mean of class count per registration after excluding registrations involving 1 or 2 classes, the resulting adjusted average, depicted in Figure 3 below, is twice the value of the overall average shown in Figure 3 above.

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.

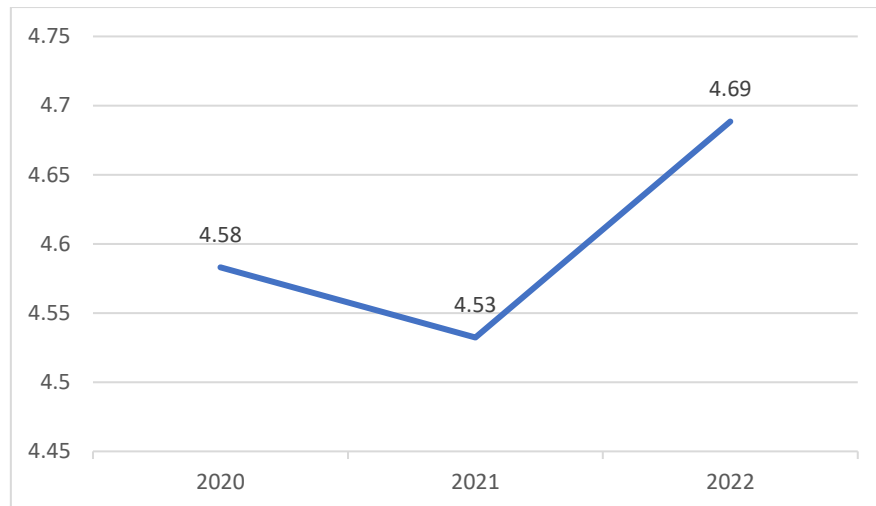


Figure 3: Yearly Distribution of the Average Number of Classes Per Trade Mark Registration Excluding Registrations for 1 and 2 Classes

This means that a substantial portion of trade mark registrations (i.e. above 20% of the trade marks registered yearly) spans multiple classes, surpassing the more prevalent registrations that are limited to only one or two classes.

Nevertheless, the information presented above 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 prerequisite for registration.¹⁸

Against this background, the significant increase in the number of trade marks registered in the period between 2012 and 2021 compared to the period 2004 and 2012, may serve as an indication of a potential rise in overbroad trade marks in the UK. This hypothesis finds support in the 2015 Clutter Report, which sought to measure the level of clutter in Europe compared to the United States Patent and Trademarks Office ('USPTO'). The investigation which was commissioned by the UKIPO targeted trade mark registrations granted by the EUIPO, UKIPO and USPTO in the period 2004 and 2012. The report, at that time, presented convincing evidence of clutter in Europe, which was attributed to the relatively more permissive EU legislation where there is no prior use requirement as opposed to the US.¹⁹ Furthermore, the conclusions of the 2015 Clutter Report were based on the answers to a survey among UK-based

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

¹⁹ *ibid* 70.

trade mark lawyers, which confirmed that in the UK it was common practice to seek registration for broader specifications than actually used in practice.²⁰

Consequently, since no specific legislative changes addressing overbroad specifications or clutter within UK trade mark legislation have been enacted since the date of the 2015 Clutter Report, it is reasonable to assume that the pattern of filing overbroad trade marks, covering more goods and services than the actual intention to use the mark, has persisted. Hence, if there were signs of cluttered registrations at the UKIPO between 2004 and 2012, it is reasonable to assume that cluttering probably escalated with the subsequent increase in the number of registrations, as evident in the present situation.

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 which has been implemented into UK trade mark law following the European Union ('EU') harmonisation of Member States' national trade mark laws.²¹ Specifically, 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?

UK trade mark law does not require proof of use to file and/or register a trade mark. Instead, 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'. Even though there is no equivalent provision to Section 32(3) in EU trade mark legislation, it has been considered compatible with EU trade mark law as long as 'the infringement of such an obligation does not constitute, in itself, a ground for invalidity of a trade mark already registered'.²²

²⁰ *ibid* 17.

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

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

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

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

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.*

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 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

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.

³⁵ Section 5(4) TMA 1994.

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’. Should bad faith be proven, the application for registering the trade mark will be denied either partially or entirely for the specified 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 interpretation of ‘bad faith’ has been shaped through rulings from both the UK courts and the Court of Justice of the European Union (‘CJEU’). Before the CJEU had the chance to provide further clarification on the meaning and criteria for evaluating bad faith, Lindsay J in *Gromax Plasticulture Ltd v Don & Low Nonwoven Ltd* elucidated that the concept encompassed dishonesty and, in his view, extended to certain transactions that did not meet the standards of acceptable commercial conduct observed by reasonable and experienced individuals in the specific area under examination.³⁸ In terms of bad faith assessment criteria, the UK adopted the *Lindt*³⁹ test. Thus, bad faith is assessed on the basis of objective factors such as the applicant’s awareness that a third party is using an identical or similar sign for identical or similar goods that could lead to confusion with the sign for which registration is sought, the applicant’s intention to prevent that third party from continuing to use the said sign and the level of legal protection enjoyed by the third party’s sign and the sign for which registration is being sought.⁴⁰ The application of the *Lindt* test by the UK courts⁴¹ confirmed that when determining whether a trade mark registration was sought in bad faith, particular attention should be given to the mental element, i.e., the intention of the applicant.⁴² However, a contentious issue arose regarding the scope of bad faith, particularly concerning situations

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

³⁹ C-529/07 - *Chocoladefabriken Lindt & Sprüngli AG v Franx Hauswirth GmbH* [2009] EU:C:2009:361.

⁴⁰ *ibid* [54].

⁴¹ 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.

⁴² Mellor (n 21) [10-269].

where the applicant lacked the intention to use the trade mark at the time of registration and provided false information about it in the statement submitted under Section 32(3).⁴³

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.⁴⁴ Given the additional limitations imposed by the CJEU in assessing a claim of bad faith, this author agrees with scholarly commentary suggesting that the CJEU decision in *Sky* raised the bar for bad faith claims, thus falling short of discouraging practices that lead to overly broad trade mark specifications.⁴⁵

Arnold J (as he then was) in the EWHC adhered to the guidance provided by the CJEU and, after considering the evidence presented in the case, found that a segment of the applicant's trade marks had been registered in bad faith. This determination was based on the fact that the specifications included goods and services for which there was no reasonable commercial rationale for seeking registration.⁴⁶ Additionally, the court reached the conclusion that Sky adopted a strategy of seeking excessively broad protection for its trade marks, regardless of whether there was a commercial justification for such inclusion.⁴⁷

The decision of the EWHC 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. Sir Christopher Floyd 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.⁴⁸ Furthermore, the judge ruled that applicants must be allowed strategic applications 'of sufficient width to cover some further, as yet unformulated, goods within the same category'.⁴⁹ Otherwise, the trade mark system 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'.⁵⁰ The logic of the EWCA's statement cited previously could be

⁴³ *ibid* [10-264].

⁴⁴ *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.

⁴⁵ Meale, 'SkyKick: A Disappointing End' (n 4) 234.

⁴⁶ *Sky Plc v SkyKick* [2020] EWHC 990 (Ch), [250].

⁴⁷ *ibid*.

⁴⁸ *Sky Plc v SkyKick UK Ltd* [2021] EWCA Civ 1121, [113].

⁴⁹ [116]

⁵⁰ [42].

interpreted as promoting the interests of established trade mark owners at the expense of new entrants. Moreover, as highlighted by one practitioner, a downside of the EWCA's 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'.⁵¹ In the literature it has been noted that one potential explanation for the divergence of opinion between the High Court and the Court of Appeal with respect to bad faith is the unclear nature of the bad faith assessment criteria which 'could be interpreted and reinterpreted to be either indicative of good faith or bad faith'.⁵² On 25 July 2022, the United Kingdom Supreme Court ('UKSC') granted SkyKick permission to appeal. The appeal was heard by the UKSCA on 28 and 29 June 2023 however the decision of the Supreme Court was not available at the date of drafting this report.⁵³

Under UK law, the default assumption is that a trade mark application has been filed in good faith. Therefore, the burden of proof to challenge this presumption lies with the person seeking to prove bad faith. The UKIPO Manual of Trade Marks Practice provides guidance on the evidentiary requirements for rebutting this presumption. For example, the evidence of bad faith should point to instances where the applicant engaged in trade mark squatting or acquired trade marks not for their own use but with the intention to sell or license them to legitimate brand owners. Other types of evidence could indicate that the applicant registered trade marks to create conflicts or disputes with others, or that they intended to mislead the public or engage in fraudulent practices.⁵⁴ However, one limitation of the effectiveness of the bad faith ground for refusal is that during the examination phase, it is unlikely for the examiner to find sufficient facts and information via Internet searches to rebut the presumption of good faith.⁵⁵ As a result, this absolute ground for refusal of registration is not expected to be frequently successful at the examination stage. Instead, bad faith claims are more commonly raised by interested parties during the opposition period or in invalidity proceedings decided by the UKIPO Hearing Officer.

⁵¹ Sean Ibbetson, 'SkyKick loses as Court of Appeal finds Sky did not act in bad faith' (2022) Ent. L.R. 33(1) 24, 27.

⁵² Jennifer Davis and Łukasz Zelechowski, 'Bad Faith, Public Policy and Morality: How Open Concepts Shape Trade Mark Protection' (2023) 54 859, 867.

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.*

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 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

⁵⁶ Rule 9 The Trade Mark Rules.

⁵⁷ *ibid.*

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

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?

Should bad faith be proven, the application for registering the trade mark will be denied either partially or entirely for the specified 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?

The quantitative analysis of 148 bad faith claims decided by the Hearing Officer UKIPO during the period from 1 January 2011 to 31 December 2022,⁶⁰ 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 suffice 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?

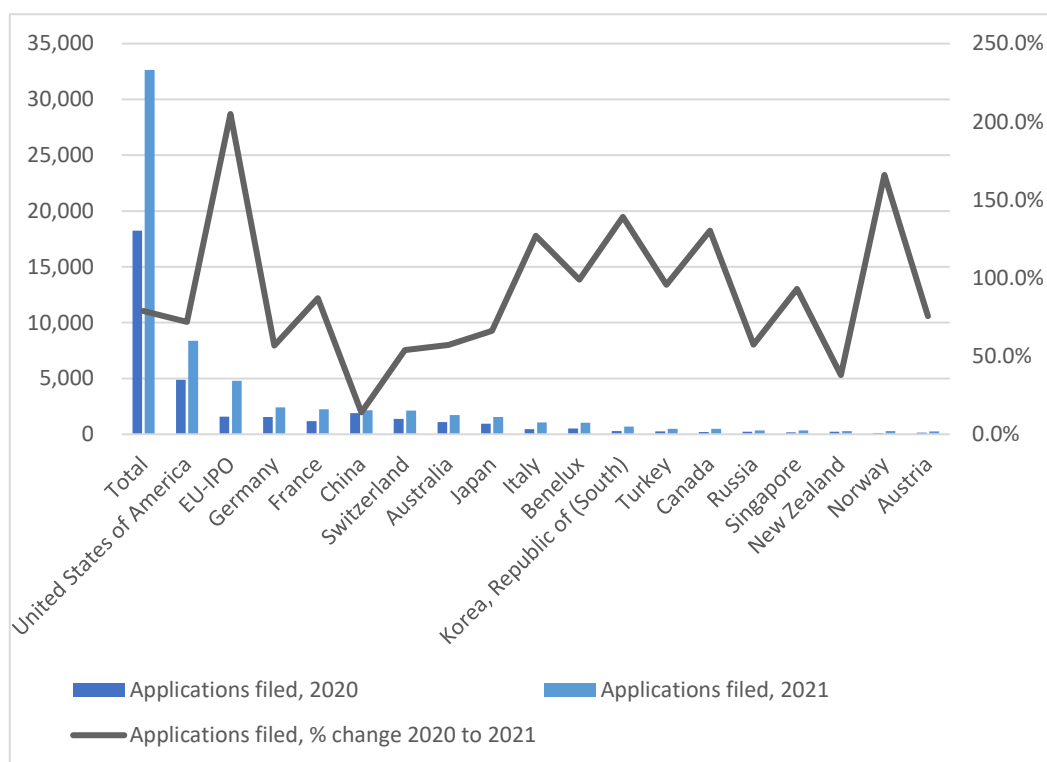
According to statistical data from the UKIPO reproduced below in Figure 4, there have been noticeable changes in the origin of filing parties for international applications in 2020 compared to 2021. Specifically, there has been a significant increase in the number of trade marks filed via the EUIPO. 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

⁵⁹ Morcom (n 37) 89.

⁶⁰ This quantitative analysis is a part of an article currently pending publication. A draft of this article can be made available upon request.

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 Attorneys (‘CITMA’), the number of registrations dropped in 2022 as ‘83,292 trade mark applications were made between January and the end of June, 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



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.

⁶³ *ibid.*

⁶⁴ *ibid.*

**Figure 4: 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 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. Appeals against the Hearing Officer's decisions can be heard by the Appointed Person at the UKIPO.

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

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 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’;

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

⁶⁷ *Sky (EWCA)* (n 48) [67].

- 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, Sir Christopher Floyd 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?

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

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

⁶⁹ *Sky (EWCA)* (n 48) [67].

⁷⁰ *ibid* [113].

⁷¹ *ibid* [116].

⁷² *ibid* [42].

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 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*

⁷³ Section 5(4) TMA 1994.

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

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].

(SI 2007/1976) curtailed the scope of Section 47(3) by providing that an application for invalidity based on relative grounds for 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 overbroad 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 noting 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.

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

⁷⁹ Mellor (n 21) 12-043.

⁸⁰ Section 47(2A) TMA 1994.

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 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, a 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 registration, 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

⁸¹ Section 46(1) TMA 1994.

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 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

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

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?

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.

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

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 adopt 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?

In terms of proposed changes to substantive or procedural rules that could improve the ability of the UKIPO trade mark office or right-holders to limit overbroad trade mark registrations, these include provisions enabling trade mark proprietors to easily reduce the scope of goods or services covered in their registrations to avoid overclaiming.⁸⁵ Additionally, there have been proposals to increase renewal fees, encouraging trade mark proprietors to limit their registrations to essential goods and services only.⁸⁶ Another significant recommendation is the implementation of a proof of use system similar to the one used in the US, ensuring that registered goods and/or services closely align with the actual market activities of trade mark applicants, or alternatively, introducing a requirement for proof of use every five years.⁸⁷

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,⁸⁸ 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 UKSC in *Sky* to include situations

⁸⁴ Case T-663/19 - *Hasbro, Inc. v EUIPO, Kreativni Dogaaji d.o.o. intervening* [2021] ECLI:EU:2021:211, [41].

⁸⁵ Chave and Jacob (n 4) 174

⁸⁶ *ibid*

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

⁸⁸ See footnote 17.

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.

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

No of registered classes	2020 No of regs	2021 No of regs	2022 No of reg
43	0	1	0
44	1	0	2
45	6	2	6
Total	80945	145362	124509

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