



Article d'actualité n°4 : Invalidation of a European Union trademark on grounds of bad faith

-

Par Laurianne LERAY
M2 JAI 2020-2021

-

Janvier 2021



Invalidation of a European Union trademark on grounds of bad faith

EUIPO decision, 14 September 2020, *Full Colour Black Limited v Pest Control Office*

Written by Laurianne LERAY, January 2021

Banksy, the famous British street artist, has in September 2020 lost his European Union trademark (EUTM) to the street art the ‘Flower Thrower’ by a decision issued by the European Union’s Intellectual Property Office (EUIPO).



In 2014, the stationery company, Full Colour Black, reproduced the ‘Flower Thrower’ work on several greeting cards. The entity representing Banksy’s interests, Pest Control Office, has then registered the trademark. The greeting card maker, Full Colour Black, which wanted to use the artwork for its products, challenged the trademark registration.

The EUIPO upheld the complainant’s request and cancelled Banksy’s ‘Flower Thrower’ trademark based on different grounds.

It should be noted that will not be considered the EUTM registration procedure or the rights deriving from it in this study, however, will be analysed the grounds brought by the EUIPO for invalidating this specific EUTM.

First of all, the EUTM provides a unique title registered and protected in all Member States. It is the Regulation (EU) 2017/1001

of the European Parliament and of the Council of June 14, 2017 on the European Union trademark which does govern the framework of the European trademark and it is the European Union’s Intellectual Property Office (EUIPO) which concentrates the registration procedure and the invalidity of a EUTM.

Second of all, as regards the period of time within which the request for invalidity must be made, it is interesting to note that before the EUIPO the action is not subject to any limitation period. Thus, as provided for in article 64.5 of Regulation 2017/1001 when the invalidity of a trademark is decided and is recognised that the trademark should have been refused for registration for all or part of the products or services for which it is registered, ‘the owner of the EUTM loses their rights and the nullity of the trademark is declared for the products or services concerned.’ When invalidated, a EUTM is therefore considered to never have had the effects given by the Regulation if it is declared entirely void.

Coming back to Banksy’s case, he was first criticised for having registered his EUTM in bad faith since he did not want to use it.

The bad faith of the applicant during the filing implies the absolute nullity of the mark, as well as the non-compliance with the conditions of article 7 of the Regulation, as provided for in article 59 of Regulation 2017/1001. To understand this notion of bad faith, several decisions gave clear interpretations. Bad faith is defined as the subjective motivation of the applicant for the registration presenting dishonest intent

or having another damaging reason¹. Bad faith is also characterised by a behaviour that departs from the principles recognised as being those surrounding ethical behaviour or honest practices in industrial or commercial matters². To determine if bad faith could be admitted, the Court of Justice³ considered the registration of an EUTM being of bad faith when the applicant did not intend to use it, meaning the applicant did not want to commercialise and promote the trademark.

The EUIPO ruled in this case that it was clear that when Banksy filed the registration of the EUTM, he had no intention of using his work to market goods or provide services. The fact that he has opened a store in London in October 2019 to challenge Full Colour Black from commercialising some products with his ‘Flower Thrower’ work, Banksy weakened his case even more since the EUIPO noted that the artist did not intend to use the EUTM to sell products but to circumvent the law and prevent Full Colour Black from using it. The EUIPO therefore acknowledged the registration to be of bad faith and cancelled the ‘Flower Thrower’ EUTM.

In addition, the EUIPO reinforced its arguments in favour of the invalidation of the ‘Flower Thrower’ EUTM by considering that the author, who has not been formally identified, cannot therefore be the owner of the rights he is claiming to have.

For the registration of a EUTM to be valid, it is indeed necessary to be able to identify who is the owner of the trademark and therefore who is legitimate to use the rights conferred by the registered trademark. The EUIPO ruled that Banksy's anonymity does not allow him to be formally identified as the undoubtable and clear owner of the trademark, especially since the ‘Flower

Thrower’ has been registered by a company representing his interests. Moreover, the EUIPO argued that the artist uses either public or private places as material supports to his works without any permission and therefore cannot claim to be the owner of the ‘Flower Thrower’ graffiti for this reason. To own an EUTM and his works, the EUIPO believes that Banksy could paint on canvas or on his own property which would then establish that he is the owner of these works.

Ultimately, to protect industrial property rights, Banksy would have to lose his anonymity. Moreover, the EUIPO claimed that copyright would be the proper way to protect Banksy interests on the ‘Flower Thrower’ rather than a EUTM. Banksy's legal representatives attempted to justify the use of a EUTM by arguing that any legal action under copyright law would force the artist to lose his anonymity, causing irreparable damage to his personality and fame as an artist.

The EUIPO has thus replied ‘the function of the EUTM the ‘Flower Thrower’ is misused.’ It follows saying a EUTM does not consist of granting rights in a sign whose copyright protection would not be possible. In all cases, whether with an industrial property right or an intellectual property right, Banksy will have to lose his anonymity to register and hold an IP right.

Finally, the EUIPO could also have considered the descriptiveness of Banksy’s EUTM to invalid it based on article 7.1c) of Regulation (EU) 2017/1001. It is indeed essential not to deprive competitors of signs and words which are necessary for the description of their own products or services. Several EUTMs were considered descriptive and therefore unfit for registration when describing the product

¹ CJEU, 27 June 2013, C-320/12, Malaysia Dairy Industries v Ankenaevenet for Patenter of Varemaerker.

² CJEU, 29 January 2020, C-371/18, Sky v Skykick.

³ CJEU, 11 June 2009, C-529/07, Lindt v Sprüngli.

itself. The signs must therefore be able to be used by everyone.

In this case, the 'Flower Thrower' could have been considered by the EUIPO as a descriptive trademark since it describes the stencil where a man is about to throw flowers. This further precluded other competitors from being able to use this sign to describe a product where one could imagine a flower toss or a similar action to be made.

The artist has had two months to appeal from the date of the ruling in September 2020, however it does not appear that he has appealed. He would therefore have lost his EUTM on the 'Flower Thrower'.

Interestingly, this judgment could mean other Banksy's EUTM are affected. A total of 14 works by the artist have been registered as trademarks by the EUIPO. These 14 works are therefore threatened with invalidity in view of this recent EUIPO decision. It does in fact not appear that Banksy intends to commercialise products or services with the other registered EUTMs which means following the reasoning of the Office, these marks were filed in bad faith and are therefore likely subject to invalidation as well.

One could therefore think if Banksy will be willing to change his 'copyright is for losers' point of view to protect his future works.

Sources

- Regulation (EU) 2017/1001 of the European Parliament and of the Council of June 14, 2017 on the European Union trademark.
- CJEU, 11 June 2009, C-529/07, Lindt v Sprüngli.
- CJEU, 27 June 2013, C-320/12, Malaysia Dairy Industries v Ankenævnet for Patenter of Varemaerker.
- CJEU, 29 January 2020, C-371/18, Sky v Skykick.
- Revue Lamy droit de l’immatériel, Wolters Kluwers (2019).
- europa.eu
- euipo.europa.eu