



2017 AIPPI World Congress – Sydney
Adopted Resolution
October 17, 2017

Resolution

2017 – Study Question (Trademarks)

Bad faith trademarks

Background:

- 1) This Resolution concerns bad faith in relation to trademarks.
- 2) This Resolution focuses on bad faith in the context of trademark applications and registrations. It does not address bad faith in the context of use, nor does it cover the role of bad faith in the context of the Paris Convention for the Protection of Industrial Property (Paris Convention) and TRIPS references as described in the Study Guidelines in paragraphs 7) and 8).
- 3) The factors that should be taken into account when assessing whether there is a situation of bad faith and the types of proceedings in which it should be possible to invoke bad faith are current and important topics. Situations of bad faith often involve cross-border elements. Harmonisation in these respects is desirable.
- 4) Given the variety of the situations which might involve "bad faith" elements, this Resolution will not attempt to attribute a legal definition to that term, which should remain flexible enough to cover all kinds of situations.
- 5) 47 Reports were received from AIPPI's National and Regional Groups providing detailed information and analysis regarding national and regional laws relating to this Resolution. These Reports were reviewed by the Reporter General Team of AIPPI and distilled into a Summary Report (see below links).
- 6) At the AIPPI World Congress in Sydney in October 2017, the subject matter of this Resolution was further discussed within a dedicated Study Committee, and again in a full Plenary Session, following which the present Resolution was adopted by the Executive Committee of AIPPI.

AIPPI resolves that:

- 1) An action should be available to a Party B against the application or registration for a trademark in a jurisdiction by a Party A, if that sign or a similar sign is already used in one or more jurisdictions by Party B, but is not registered by Party B in the jurisdiction where Party A has registered or applied for the trademark, provided that Party A filed the application in bad faith, as determined in accordance with paragraph 2 below.

- 2) At a minimum, the following factors should be taken into account in assessing an action described in paragraph 1 above, but without prejudice to any other relevant factors, or the weight to be accorded to the factors listed below, depending on the circumstances of the case:
 - a) Party A knew or ought reasonably to have known of use of an identical or similar sign in the same jurisdiction and/or abroad for identical and/or similar goods or services;
 - b) Party A intends to prevent Party B from using the sign of Party B or to allow such use only under certain conditions (e.g. a licence);
 - c) the degree of legal protection enjoyed by Party A's or Party B's sign, including but not limited to the degree of distinctiveness of the signs;
 - d) the degree of similarity between the signs; and
 - e) the degree of similarity between the goods/services.

- 3) When establishing whether Party A knew or ought reasonably to have known as described above in paragraph 2a), at a minimum the following factors should be taken into account, without prejudice to any other relevant factors, or the weight to be accorded to the factors listed below, depending on the circumstances of the case:
 - a) whether Party A operates in the same or a similar field of business as Party B;
 - b) whether the sign of Party B is well known or enjoys a reputation; and
 - c) whether there have been formal or informal dealings or contact between Parties A and B (e.g. an agreement, written communication, etc.).

- 4) Where a trademark the subject of an application or registration is identical or substantially identical to a trademark the subject of an earlier trademark registration in the same jurisdiction and in the name of the same owner, the later filed application or registration may be challenged on the basis of bad faith.

- 5) When assessing whether a trademark as described above under paragraph 4 was applied for in bad faith at a minimum the following factors should be taken into consideration, without prejudice to any other relevant factors, or the weight to be accorded to the factors listed below, depending on the circumstances of the case:
 - a) the prior registration failed to meet genuine use requirements;
 - b) the subsequent filing or registration was filed for the sole purpose of circumventing genuine use requirements;
 - c) the applicant had no intention to use the trademark;
 - d) the degree of overlap between the goods/services;
 - e) if the signs are not identical, the degree of difference; and
 - f) whether legitimate reasons for the repeat filing exist.

- 6) It should be possible to challenge an application or registration on the basis of the conduct described above under paragraphs 1 and 4 in the following proceedings:
- a) an opposition proceeding before the trademark/IP Office;
 - b) a cancellation action before the trademark/IP Office; or
 - c) a court proceeding concerning a bad faith application or registration including, without limitation, a cancellation action or any action aiming at obtaining the assignment of a trademark.

Links:

- Study Guidelines
<http://aippi.org/wp-content/uploads/2017/01/FINAL-website-version-Bad-faith-trademarks3.pdf>
- Summary Report
http://aippi.org/wp-content/uploads/2017/08/SummaryReport_Trademarks_BadFaithTrademarks_15August2017_final.pdf
- Reports of National and Regional Groups and Independent Members
<http://aippi.org/committee/bad-faith-trademarks/>