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EUIPO's cancellation division: Banksy's "Flower Thrower" trademark cancelled due to bad faith, as filed "for purposes other than those falling within the functions of a trademark"



On 14 September 2020, the Cancellation Division of the European Intellectual Property Office ('EUIPO') declared Banksy's EU trademark 'Flower Thrower' (the 'Trademark') invalid on the ground of bad faith (cancellation action no 33 843 C).

Background and parties

The artwork 'Flower Thrower' was created in 2005 by the graffiti artist Banksy (the 'Artist'), whose real identity is still unknown, and registered as a trademark in 2014 by Pest Control Office Ldt. (the 'Proprietor'), the company which is said to represent the Artist.

Source: EUIPO, trademark no. 012575155

In 2019, Full Colour Black Ldt. (the 'Invalidity Applicant'), a company selling goods (e.g. greeting cards) bearing the artwork, filed an application with the EUIPO for the cancellation of the trademark on the ground that it was the exact reproduction of one of the works of graffiti sprayed in a public area. As such, it was free to be photographed by the general public and had been disseminated widely. Indeed, the Artist himself permitted to disseminate his work, having provided high-resolution versions of it on his website and having invited the public to download them and produce their own items.

Moreover, according to the Invalidity Applicant, the Artist did not use, and did not even have the intention to use, the mark in suit as a trademark as he had only ever reproduced the work as a work of art. Indeed, the trademark was only registered to circumvent the proprietor's inability to rely upon other appropriate intellectual property rights. In particular, any litigation based on a copyright would be likely to affect the anonymity of the Artist and this would prejudice his persona. In this perspective, the trademark was an attempt to monopolise the image on an indefinite basis contrary to provisions of copyright law.

In the Invalidity Applicant's view, it must be also taken into account that the Proprietor did not sell any goods or provide any services under the sign until after the initiation of the present proceedings.

In the light of the above, the Invalidity Applicant concluded that the fact that the sole purpose of registering the trademark was to prevent the ongoing use of the work, as well as to circumvent copyright law and trademark law, showed that the filing was done in bad faith.

In turn, the Proprietor argued that the Invalidity Applicant had not provided sufficient evidence to prove that the trademark was filed in bad faith. In its view, the Artist's copyright lasts for his lifetime plus 70 years, whereas, a trademark can be cancelled on the basis of non-use revocation if it has not been put to genuine use as a trademark for a continuous period of 5 years. As such, the trademark can only be monopolised

indefinitely if it is put to genuine use as a trademark and, if not, will be vulnerable to cancellation long before the copyright protection ends. Thus, it is justified for an individual, or company acting on his/her behalf, to seek to protect the sign as a trademark in order to prevent other parties from committing infringement.

As a result, it is clear that the trademark application was not made in bad faith and the conduct was coherent with principles of ethical behaviour and business practices.

Assessment of bad faith and EUIPO's conclusion

Firstly, the EUIPO examined the term 'applicant' in art. 59 (1)(b) EUTMR and stated that it has to be construed as meaning the person applying for the trademark in its own name, the principal of an agent acting in the name of its principal or any person instructing a nominee to act in its own name. In the present case, there is a connection between the Artist and the Proprietor, who would appear to be the legal representatives of the Artist himself. However, the evidence was not exhaustive in this regard as the identity of the Artist cannot be legally determined. All of these facts lead to a determination that it would be difficult for the Artist and his representatives (i.d. the Proprietor) to actually enforce copyright rights against third parties. Therefore, the fact that, with use, a trademark would be capable of circumventing such limitations leads to examine the present case in detail with regard to bad faith.

Secondly, the EUIPO recalled that there is no precise legal definition of the term 'bad faith', which is open to various interpretations and which must be the subject of an overall assessment, taking into account all the factors relevant to the particular case. As a general rule, for a finding of bad faith there must be i) some action by the trademark proprietor which clearly reflects a dishonest intention and, ii) an objective standard against which such action can be measured and subsequently qualified as constituting bad faith. However, the good faith is always presumed and the burden of proof of the existence of bad faith lies with the invalidity applicant who is required to show bad faith at the date of filing of the contested trademark, even though evidence prior to and after that date can also be relevant if it can show the proprietor's intention for filing the mark.

In the EUIPO's view the evidence clearly showed the Proprietor's intentions from around 2007 up to the time of filing and thereafter. In particular, it is clear that i) when the Proprietor filed the trademark he did not have any intention of using the sign to commercialise goods or provide services; ii) the use was only made after the initiation of the present proceedings; iii) the protection of the right under copyright law would require the Artist to lose his anonymity which would undermine his persona.

Finally, the EUIPO cited the findings of the Court of Justice in the case <u>Sky Plc vs Skykick</u>¹ to conclude that there was no intention to genuinely use the sign as a trademark and the only eventual use made of the sign was made with the intention of obtaining an exclusive right to the sign for purposes other than those falling within the functions of a trademark. For the reasons above, the Proprietor's actions must be qualified as inconsistent with honest practices and the Trademark must be declared invalid.

¹ Pursuant to which 'a trade mark application made without any intention to use the trade mark in relation to the goods and services covered by the registration constitutes bad faith, within the meaning of those provisions, if the applicant for registration of that mark had the intention either of undermining, in a manner inconsistent with honest practices, the interests of third parties, or of obtaining, without even targeting a specific third party, an exclusive right for purposes other than those falling within the functions of a trade mark.' Sky Plc vs Skykick (C 371/18), par. 81.