

## Even if your name is as famous as Ronaldinho, the UK IPO cannot raise ex officio bad faith objections

Mr Geoffrey Hobbs QC, sitting as the Appointed Person, assessed the legal competence of the UK IPO to raise bad faith as a ground of refusal of its own motion, finding their approach “legally deficient”.

The issue of bad faith is rarely raised before the UK IPO in trade mark matters. Rarer still is where the UK IPO raises an allegation of bad faith of its own motion during examination of a trade mark application. Precisely this situation arose during examination of two recent trade mark applications for marks that included the name of famous footballers.

### **Background**

In early 2021, Global Trademark Services Ltd (“GTS”) filed applications for the following marks in relation to ‘*clothing, footwear, headgear*’ in class 25:



*(UK Application No. 3587268 and No. 3595047)*

The UK IPO refused both applications under section 3(6) Trade Marks Act 1994 on the ground that the applications were filed in bad faith due to their inclusion of the names of famous footballers. GTS was invited to file letters of consent signed by

Henry and Ronaldinho, but failed to do so. Following a hearing, the Hearing Officer issued decisions upholding the objections.

In her decisions ([BLO/629/21](#) and [BLO/630/21](#)), the Hearing Officer relied on [Case T-795/17](#) *Moreira v EUIPO (NEYMAR)*, stating that—

*'bad faith may be assumed in the event of the lack of a proper explanation by the applicant to rebut certain known facts, which in turn led to inescapable motivations on the part of the applicant and as far as the filing of the trade mark application was concerned'* (paragraph 13).

She went on to indicate that the Registrar has a duty to raise and maintain bad faith filing objections in order to protect both a "famous" person whose name is part of the mark, and the average consumer who would be misled. During the appeal hearing, it was confirmed that the original objections were raised in reliance on the bad faith practice set out in the Registry's Examination Guide.

### **Appointed Person Appeal**

GTS filed a further appeal to the Appointed Person, arguing that the rejection of its applications on the ground of bad faith was legally and procedurally flawed.

The Registrar maintained that, given that no plausible connection existed between GTS and the famous footballers, there was a "rebuttable presumption of bad faith", which GTS had failed to overcome.

Mr Hobbs ultimately upheld the appeal ([see here](#)). He found that the guidance included in the Registrar's Examination Guide is legally deficient and it was procedurally unacceptable for the Registrar to raise grounds of bad faith of its own motion. Doing so had effectively amounted to a finding of conflict with unregistered rights, which were not being asserted by any third party.

He identified the following reasons to support this finding:

- It is for the accuser to give clear details as to how the conduct of the applicant is alleged to amount to bad faith.
- There is no carve out or special exemption to the requirements applicable to bad faith objections for the name of famous individuals.
- Bad faith objections as envisaged by Examination Guide appear to amount to the assertion of a specially protected right for the names of famous individuals and the requirement for consent to be obtained presupposes the existence of a right to object. This approach goes against the grain of the policy decision, which abolished the practice under the 1938 Act of requiring letters of consent.
- The practice in the Examination Guide, and the Registrar's reliance on the NEYMAR case, both seem to be allowing assertion of rights in a personal name, but no such rights exist under English law. In any case, the General Court in NEYMAR did not base its decision on any rebuttable presumption of bad faith. To the contrary, it stated that it is for the applicant of a declaration of invalidity to prove the circumstances that substantiate a finding of bad faith.
- The practice set out in the Examination Guide is silent as to how the Registrar's enforcement of the protection of famous names under section 3(6) is to be reconciled with the existence of a relative right to object and the express prohibition contained in Article 2 of the Trade Marks (Relative Grounds) Order 2007, The latter restricts the Registrar's power to act pre-grant for the protection of section 5 rights.
- The findings in the Hearing Officer's decisions effectively amounted to a finding of a conflict with earlier unregistered rights, which could have been asserted on relative grounds under section 5(4)(a) of the Act. These decisions were not based on any evidence or specified sources that proved the

existence of such rights. Further, they are contrary to the proposition that there should be no *a priori* assumption that only a celebrity or his successors may ever market his own character ([Elvis Presley Trade Marks \[1999\] RPC 567](#)).

- Section 47(4) of the Act allows the Registrar to apply for invalidity of a registration before a court on the ground of bad faith. However, the Registrar is not permitted to determine *ex officio* whether a bad faith objection that he has raised is well-founded.

### Commentary

Bad faith has been a hot topic in the world of trade marks in recent years. As far as we are aware, this is the first matter to arise outside of the context of an *inter partes* conflict.

Based on a thorough review of the legislation and the case law surrounding bad faith, the decision is highly critical of the “legally deficient” practice set out in the Examination Guide. The conclusion reached is the correct outcome. It is not for the Registrar to raise objections of this kind *ex officio* and make a finding without any evidence. To allow such a practice would be contrary to the existing system of trade mark oppositions in the UK and jeopardise the Registrar’s ability to act as an independent and impartial adjudicator in the event a formal opposition is later filed on the same grounds.

The applications have been referred back to the UK IPO for further processing and should be published for opposition, assuming no further objections are raised by the UK IPO. It will be interesting to see whether the rights-holders in the names HENRY and RONALDINHO, or in the badges of their respective football clubs, will file an opposition.