



Study Question

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Bad faith trademarks

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I. Current law and practice

Bad faith - prior third party use or filing

1 Does your Group's current law provide for an action against the application or registration for a trademark in a jurisdiction by a party (Party A), if that trademark or a similar sign is already used in one or more jurisdictions by another party (Party B), but is not registered in the jurisdiction where Party A has filed the trademark?

If yes, please answer questions 2) – 7). If no, please go to question 8).

Yes

Please Explain

There is an action against the registration of a trademark used in another jurisdiction, but there is no requirement for a different jurisdiction in the law. The law merely states that a trademark filed "in bad faith" is subject to cancellation. The action based on "bad faith" can only be brought against a registered mark.

2 Is the application or registration as described under question 1) above denoted as "bad faith"? If not, what is it called?

Yes

Please Explain

It is denoted as "bad faith"

3 Are the following factors relevant for proving an application or registration as described under question 1) in your jurisdiction?

Please tick or fill in all boxes as applicable to your jurisdiction. If you select "other", please describe further.

- other

Please Explain

The term "bad faith" is not defined by law but its definition has to be derived from case-law. The current case-law has three main requirements in order to establish bad faith:

- identical or similar trademarks for identical/similar goods
- Party A knows of the use of the identical or similar trademark by Party B
- Unfair intent, causing or accepting an unlawful result

4 Is any one or more of the above factors sufficient on their own, or will the assessment instead always take the specific circumstances of the case into account? If one or more of those factors are sufficient on their own, please identify those factors.

Yes

Please Explain

The specific circumstances of the case will always be taken into account.

5 Which of the following factors are relevant to establishing whether there was or should have been knowledge as described under question 3) above?

Please tick or fill in all boxes as applicable to your jurisdiction. If you select "other", please describe further.

- whether there have been formal or informal dealings or contact between Party A and B (such as an agreement, written communication etc.)

Please Explain

6 Is the degree of similarity between the signs relevant? Please explain why in either case.

Yes

Please Explain

The marks need to be similar. The degree of similarity, which is required, is not predefined but will be assessed in each case individually.

7 Is the degree of similarity between the goods/services relevant? Please explain why in either case.

Yes

Please Explain

The respective goods/services need to be similar. The degree of similarity, which is required, is not predefined but will be assessed in each case individually.

Repeat filings

8 Can the filing of a trademark in your Group's jurisdiction by a trademark owner for a trademark identical or similar to a trademark it already owns in that jurisdiction be refused or cancelled on the ground that the previous trademark fails to meet applicable genuine use requirements?

If yes, please answer questions 9) -11). If no, please go to question 12).

No

Please Explain

9 Is the application or registration as described under question 8) above denoted as "bad faith"? If not, what is it called?

10 Which of the following factors are relevant when assessing whether a trademark as described under question 8) should be refused or cancelled?

Please tick or fill in all boxes as applicable to your jurisdiction. If you select "other", please describe further.

11 Are the answers to questions 8) -10) above different if the previous trademark is no longer in force? Please explain.

Defensive marks

12 Is it permissible under your Group's current law to file a trademark if the trademark owner does not have any intent to use that trademark for part or all of the goods/services claimed? If not, is there a timeframe (and if so, what) for such intention to use (e.g. must the intent be to start use immediately)?

If yes, please answer question 13). If no, please go to question 14).

Yes

Please Explain

13 Is the application or registration as described under question 12) above denoted as "bad faith"? If not, what is it called?

Yes

Please Explain

The law does not deal with defensive marks. If the trademark is not used after the grace period of 5 years it can be revoked.

Other

14 Does any other conduct in respect of trademarks, as an independent ground for action, amount to bad faith ¹⁶ under your Group's current law? If so, what conduct and how is it denoted, ie as "bad faith" or something else?

¹⁶ Including fraud within the context of this Study Question, as explained on p. 1 at paragraph 5.

Any conduct, which can be subsumed under the requirements as described in pt. 3) above, amounts to "bad faith".

Type of proceedings

15 In which proceedings can the grounds, insofar as they are available under your Group's current law, described in your response to questions 1), 8), 12) and 14) above be invoked in your jurisdiction?

Please tick or fill in all boxes as applicable to your jurisdiction. If you select either of the last two boxes, please describe further.

- other

Please Explain

The trademark per se has to be cancelled following a cancellation action before the Patent office (applicable only for registered trademarks), however prior to the cancellation "bad faith" has to be established in a separate proceeding before the court.

II. Policy considerations and proposals for improvements of your current law

6.a Could any of the following aspects of your Group's current law be improved?

The possibility of taking action against the application or registration of a trademark in a jurisdiction by a Party A, if that trademark or a similar sign is already used in one or more jurisdictions by a Party B, but is not registered in the jurisdiction where Party A has filed the trademark

Please tick or fill in only the applicable box. If you select "yes", please explain.

Yes

Please Explain

The current law, consequently the case-law, is very restrictive from the point of view of the party, owning the earlier right, infringed upon by a bad faith applicant. It is difficult to establish bad faith, as one needs to prove dealings of some sort between the parties to establish that Party B is aware of the earlier right. In addition the intention to harm Party A in any way needs to be established. The law needs to become more balanced and make it easier for party A to establish bad faith by Party B. Bad faith should also be a ground for opposition and not only for cancellation of a registered mark.

6.b Could any of the following aspects of your Group's current law be improved?

The possibility of taking action against or refusing the refiling of a trademark by a trademark owner as described above under question 8) above

Please tick or fill in only the applicable box. If you select "yes", please explain.

Yes

Please Explain

This matter is not dealt with by the law, therefore it needs to be established if and under what circumstances the refilling of trademarks constitutes bad faith or in any other way limits the rights given by the later similar/identical application.

6.d Could any of the following aspects of your Group's current law be improved?

The possibility of taking action against or refusing the filing of a trademark by a trademark owner without an intent to use such for part or all of the goods/services claimed as described above under question 12) above.

Please tick or fill in only the applicable box. If you select "yes", please explain.

No

Please Explain

6.d Could any of the following aspects of your Group's current law be improved?

The possibility of taking action against other conduct as described in your response to question 14) above.

Please tick or fill in only the applicable box. If you select "yes", please explain.

Yes

Please Explain

See a) above.

17 Are there any other policy considerations and/or proposals for improvement to your current law falling within the scope of this Study Question?

Proposals for harmonisation

18 Does your Group consider that harmonisation in any or all of the four areas described in question 16) above is desirable?

If yes, please respond to the following questions without regard to your Group's current law.

Even if no, please address the following questions to the extent your Group considers your Group's current law could be improved.

Yes

Please Explain

19 Does your Group consider there should be a harmonised definition of bad faith?

Please tick or fill in only the applicable box. If you have different reasons for selecting "no" or "yes" to those identified, please explain.

No; identifying circumstances that can be relevant in assessing whether the types of conduct identified above under question 16) are allowed can be helpful, but a definition as such does not allow sufficient flexibility

Please Explain

We believe that flexibility is much needed with regard to interpreting bad faith and conduct which might be identified as bad faith, therefore if a definition of bad faith is achieved, which would certainly increase legal certainty, it needs to be broad and leave sufficient room for flexibility, so that new forms of bad faith conduct can still be interpreted as bad faith according to the definition. Otherwise identifying circumstances, which are relevant in assessing bad faith would be sufficient.

Bad faith - third party use or filing

20 Should it be possible to take action against the application or registration for a trademark in a jurisdiction by a Party A, if that trademark or a similar sign is already used in one or more jurisdictions by a Party B, but is not registered in the jurisdiction where Party A has filed the trademark?

If yes, please answer questions 21) – 25). If no, please go to question 26).

Yes

Please Explain

21 Which of the following should be relevant factors for proving an application or registration as described under question 20)?

Please tick or fill in all relevant boxes. If you select "other", please describe further.

- Party A knows, or should reasonably be aware, of use of an identical or similar sign abroad for identical goods or services

Please Explain

- Party A knows, or should reasonably be aware, of use of an identical or similar sign abroad for similar goods or services

Please Explain

- Party A knows, or should reasonably be aware, of use of an identical or similar sign in the same jurisdiction for identical goods or services

Please Explain

- Party A knows, or should reasonably be aware, of use of an identical or similar sign in the same jurisdiction for similar goods or services

Please Explain

- Party A intends to prevent Party B from continuing to use the earlier sign or to only allow such under certain conditions (e.g. a license)

Please Explain

22 Should any one or more of the above factors be sufficient on their own, or should the assessment instead always take the specific circumstances of the case into account? If one or more factors should be sufficient on their own, which should they be?

The specifics of the case should always be taken into account.

23 Which of the following should be relevant when establishing whether there was or should have been knowledge as described above under question 21) above?

Please tick or fill in all relevant boxes. If you select "other", please describe further.

- whether Party A operates in the same or a similar field of business as Party B

Please Explain

- whether the earlier sign is well known or enjoys a reputation

Please Explain

- whether there have been formal or informal dealings or contact between Party A and B (such as an agreement, written communication etc.)

Please Explain

24 Should the degree of similarity between the signs be relevant? Please explain why or why not.

Yes

Please Explain

The degree of similarity should be relevant, as a low similarity might indicate the lack of "bad faith". Furthermore, confusion or association on behalf of the consumer shall be established, therefore the degree of similarity is relevant.

25 Should the degree of similarity between the goods/services be relevant? Please explain why or why not.

Yes

Please Explain

This should depend on the specific case. In general, the degree of similarity between the goods/services should be relevant, as, ultimately, the intent of such provision would be to prevent confusion of consumers. Therefore, in specific cases, such as well-known trademarks, a low degree of similarity or even no similarity between the goods/services might be sufficient.

Repeat filings

26 Should it be possible to refuse or cancel the filing by a trademark owner of a trademark identical or similar to a trademark it already owns in your Group's jurisdiction on the grounds that it fails to meet applicable genuine use requirements?

If yes, please answer questions 27) – 28). If no, please go to question 29).

Yes

Please Explain

27 Which of the following factors should be relevant when assessing whether a trademark as described under question 26) above should be refused or cancelled?

Please tick or fill in all relevant boxes. If you select "other", please describe further.

- the degree of overlap between the goods/services

Please Explain

- if the signs are different, the degree of difference

Please Explain

If the differences between the signs and the goods/services are not sufficient (which would need to be predefined or established by case-law) the later registration should be refused or cancelled.

28 Should the answers to questions 26) - 27) above be different if the previous trademark is no longer in force? if so, how?

Yes. If the previous trademark is no longer in force at the time of application of the new trademark, this should not be taken into account. Businesses should not be prevented from reusing trademarks, which were believed to be no longer necessary and therefore were not renewed.

Defensive marks

29 Should it be permissible to file a trademark if the trademark owner does not have any intent to use that trademark for part or all of the goods/services claimed? If not, should there be a timeframe (and if so, what) for such intention to use (e.g. must the intent be to start use immediately)? Please explain.

Yes, it should be permissible to file a trademark if the trademark owner does not have any intent to use that trademark for part or all of the goods/services claimed

Other

30 Should any other conduct in respect of trademarks, as an independent ground for action, amount to bad faith¹⁷? If yes, please explain.

¹⁷ Including fraud within the context of this Study Question, as explained on p. 1 under paragraph 5 above.

See 16 a) above

Type of proceedings

31 In which proceedings should it be possible to invoke the grounds described in your response to questions 20), 26), 29) and 30) above, insofar as they should be grounds for action in your view?

Please tick or fill in all boxes. If you select either of the last two boxes, please describe further

- court proceedings concerning a bad faith application

Please Explain

- court proceedings concerning a bad faith registration

Please Explain

Other

32 Please comment on any additional issues concerning bad faith (or equivalent concepts) in the context of trademark law you consider relevant to this Study Question.

Please indicate which industry sector views are included in part "III. Proposals of harmonization" on this form:

Please enter the name of your nominee for Study Committee representative for this Question (see Rule 12.8, Regulations of AIPPI). Study Committee leadership is chosen from amongst the nominated Study Committee representatives. Thus, persons not nominated as a Study Committee representative cannot be in the Study Committee leadership.
Elena Miller and Stoyan Sirakov