



## Study Question

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### Bad faith trademarks

Responsible Reporter: Anne Marie VERSCHUUR

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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

Legal protection is not granted to the trademarks which are identical or confusingly similar to a trademark which is used in another country and was used in that country also on the date on which the application was filed, if the application is filed in bad faith.

An interested person may also file an action against the proprietor of a trademark for his exclusive rights to be cancelled if the person can prove that the registration application was filed in bad faith or the use commenced in bad faith.

**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

The trademark application or registration can be 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.*

- 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

- the degree of legal protection enjoyed by Party B

Please Explain

**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

It always depends on circumstances of the particular case. All aspects have to be taking into account in order to establish possible bad faith application or registration.

**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 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

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

Yes

Please Explain

The similarity between the marks in question is relevant. Minor differences between the marks can be also considered as a reason for conflict.

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

Yes

Please Explain

As all circumstances involved with particular case are relevant and should be taking into account, the similarity between the goods/services is relevant as well.

## 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

The Estonian Patent Office has no right and legal ground for refusing of protection due to earlier mark being not put into use. The use requirement arises during 5 years from granting protection.

**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

The registered trademark should be used during 5 years from granting protection in Estonia, i.e. the grace period for use is 5 years. So the trademark owner can file the trademark for registration without any use, but he have to have an intention to use and actual use of the mark during 5 years.

**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

If the lack of intention to use the mark applied can be proved in any way, such application or registration can be considered as being filed in bad faith. The main principle is that all applications should be applied for registration deriving from the function of a trademark, i.e. to distinguish goods/services from other persons goods/services.

## Other

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

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

There is no other conduct in respect of trademarks enacted in the Estonian law.

## Type of proceedings

**15** In which proceedings can the grounds, inasfar 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.*

- ex officio by the trademark/IP office

Please Explain

- opposition proceedings (before the trademark/IP office)

Please Explain

Opposition proceedings are held before the Board of Appeal, which is independent body, i.e. not connected with the Patent Office.

- court proceedings concerning a bad faith registration

Please Explain

Cancellation actions against registrations (not applications) can be filed with the court and not with the trademark/IP office.

## 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.*

No

Please Explain

**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.*

No

Please Explain

**6.c** 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.*

No

Please Explain

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

No additional comments.

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.*

No

Please Explain

As the EU respective law and practice is also applicable in Estonia, there is no need for harmonisation when speaking about general provisions and aspects.

**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

### 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

Legal protection should not be granted to the trademarks filed in bad faith and if granted, any interested party should have right to oppose the said registration.

**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

- the degree of legal protection enjoyed by Party B's sign and the sign used by party A

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?

**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 similarity between the signs in question should be relevant, as the concept of "bad faith" can also be met in case of similar signs, i.e. not only in respect of identical signs.

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

Yes

Please Explain

Yes, as all factors should be taking into account.

## 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).*

No

Please Explain

The grace period for use of a registered trademark should be left unchanged. Possible use of a prior mark should not influence in any way legal scope and registrability of later marks.

**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.*

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

## 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.

No. The right holder should remain the right to start use of registered trademark during certain time period (for instance 5 years) after obtaining protection.

## Other

**30** Should any other conduct in respect of trademarks, as an independent ground for action, amount to bad faith <sup>17</sup>? If yes, please explain.

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

No.

## 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*

- ex officio by the trademark/IP office

Please Explain

- opposition proceedings (before the trademark/IP office)

Please Explain

- a cancellation action (before the trademark/IP office)

Please Explain



- court proceedings concerning a bad faith application

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Please Explain

- court proceedings concerning a bad faith registration

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Please Explain

## Other

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**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.**

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No additional comments.

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

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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.

Urmaz KAULER