



## Study Question

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Sarah MATHESON, Reporter General  
Jonathan P. OSHA and Anne Marie VERSCHUUR, Deputy Reporters General  
Yusuke INUI, Ari LAAKKONEN and Ralph NACK, Assistants to the Reporter General

### Bad faith trademarks

Responsible Reporter: Anne Marie VERSCHUUR

National/Regional Group	Norway
Contributors name(s)	Fredny Bade; Thomas Hvammen Nicholson; Anne-Linn Forbord
e-Mail contact	amsv@grette.no

## 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

Yes, in div 16(b) Norwegian Trademarks Act

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

No

It is called...

Norwegian: "I strid med god forretningskikk"

English: "contrary to good business practice".

**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.

No

Please Explain

The assessment has to take a holistic review of all circumstances 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 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 degree of similarity can indicate knowledge and awareness of the earlier trademark. In addition the general similarity of the

trademarks is a requirement for constituting likelihood of confusion. Such likelihood of confusion is required to reject a bad faith trademark according to Norwegian law.

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

Yes

Please Explain

The degree of similarity can indicate knowledge and awareness of the earlier trademark. Generally it must be assumed that parties in the same business areas are more likely to be aware of each other and their trademarks. In addition the general similarity of the goods and services is a requirement for constituting likelihood of confusion.

## 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).*

Yes

Please Explain

This has been debated, however it has not been finally confirmed.

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

No

It is called...

The phrase "bad faith" is not used in relation to repeat filings in Norway. For guidance we cite from EEA EFTA comments to the proposed EU Trademark Directive (24 March 2014):

*"The EEA EFTA States are of the opinion that bad faith should be a relative ground of refusal in all proceedings and accordingly, should be moved from Article 4 to Article 5. This would exclude the application of the provision on other possible instances of bad faith, such as filing recurrent trade mark application to avoid proof of use or instances of "misuse of the system", as developed in particular by OHIM's Board of Appeal. In the view of the EEA EFTA States, such issues are not really a matter of bad faith."*

Repeat filings is debated under the phrase double identification, and where the intent is solely to avoid the user requirements. There is no specific rule in the Trademark Act regarding repeat filings, and nothing has been established by case law.

**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.*

- the degree of overlap between the goods/services

Please Explain

Ref question 9 above, the above has not been clarified in case law. The answers to this question 10 are therefore the contributor's general assumptions and interpretation of the law.

- whether or not the signs are identical

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Please Explain

See above

- if the signs are different, the degree of difference

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Please Explain

See above

- absence or presence of intent to use

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Please Explain

See above

- other intentions (e.g. the filing of an updated version of a trademark to meet evolving market requirements)

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Please Explain

See above

- the number of goods/services

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Please Explain

See above

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

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Based on the current law we have no reason to expect that a recurrent filing will be refused or cancelled in such case. The applicant is technically (priority wise) in the same position as anyone else. It could constitute an unintended and unjustified disadvantage for the holder of the previous trademark if repeat filings were to be refused in such cases.

## 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

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Please Explain

There is no requirement of an intention to use the trademark. However, a registered trademark has to be used within 5 years from registration, otherwise it will be vulnerable to cancellation actions - §37 Trademarks Act.

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

No

It is called...

No. This is not addressed in Norwegian trademark law.

## 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.

The Norwegian Marketing Control Act prohibits the use of trademarks which are likely to lead to confusion, as follows from div 30:

*"Section 30 Copying the products of another person*

*It shall be prohibited in the course of trade to use copies of distinguishing marks, products, catalogues, advertising materials or other produced items in such a manner and under such circumstances that the use must be considered an unfair exploitation of the efforts or results of another person, and to present a risk of confusion."*

Taking into account the circumstances, div 25 may also apply:

*"Section 25 Good business practice*

*No act shall be performed in the course of trade which conflicts with good business practice among traders."*

The Norwegian Criminal Act div 371 and 372 makes it a punishable offence to commit fraud. Taking into account the specific circumstances, this may also be applicable for use of others' trademarks in bad faith, where the purpose is to mislead others and to obtain gain.

## 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

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

Please Explain

- court proceedings concerning a bad faith application

Please Explain

- court proceedings concerning a bad faith registration

Please Explain

- it differs per ground

Please Explain

Q1 - Bad faith: all of the above may apply.

Q8 - Refiling: no specific regulations applicable. It is therefore an open question.

Q12 - Defensive: not applicable until user requirements becomes applicable after 5 years. In such case cancellation actions towards Trademark/IP office, alternatively court proceedings.

Q14 - Other: for cases regarding use of trademarks contrary to the Trademark Act or the Marketing Control Act one would use court proceedings or proceedings before the Marketing Council (for marketing law cases).

## 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.*

Yes

Please Explain

The substantive law is not clarified on this point.

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?

The group believes that the legal concept of bad faith provides continual flexibility to the specific assessment which has to be made in each case. On the other hand the concept "bad faith" as such gives little guidance. Hence, it would be useful to consider further guidelines for the interpretation and assessment of the concept of bad faith.

### 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

### 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

- 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?

The specific circumstances 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

Yes. Indicates both confusing similarity as well as bad faith. See also the answer to Q 25, below.



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

Yes

Please Explain

The degree of similarity between the goods/services is relevant as one of two essential elements. The "confusingly similar" criterion is fundamental. In Norwegian practice that question is answered by applying an overall assessment of the similarity between the trademarks/trade names and the similarity between the products/services for which they are used, and where one could say that the compound of the two is decisive. As the Supreme Court said in the landmark case Rt. 2008 p. 1268: "there is an interrelation between the factors in the overall assessment, so that when there is identity between the products, a bigger dissimilarity between the marks is required if a danger of confusion is to be avoided, than would be the case if there is a difference between the products" (our translation). The Norwegian Group considers this approach to be satisfactory in principle, as it is flexible and allows for the individual circumstances of the case to be taken into account when assessing the matter.

### 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

In exceptional circumstances, yes. However, the requirements should in such case be strict, as it otherwise may constitute an unintended disadvantage for the holder of the previous trademark.

**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

- whether or not the signs are identical

Please Explain

- if the signs are different, the degree of difference

Please Explain

- absence or presence of intent to use

Please Explain

- other intentions (e.g. the filing of an updated version of a trademark to meet evolving market requirements)

Please Explain

- number of goods/services

Please Explain

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

Where the trademark is no longer in force, then the threshold level for refusal or cancellation should be set even higher.

## 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.

Harmonization would be beneficial in this area. A requirement of intent to use is not desirable, however use requirements should be the formal and practical approach to this issue of concern.

## 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.

## 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*

- 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

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:

IP professionals and advisers.

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.