



Study Question

Submission date: June 15, 2017

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	Pakistan
Contributors name(s)	Sultan Ahmad Sheikh
e-Mail contact	sultan@shekhip.com

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

In Pakistan, bad faith adoption (registration or use) of Trade Mark is not permissible under law. Such actions can be challenged under Trade Marks Ordinance, 2001. The owner of the Trade Mark can prevent registration and use of the offending Trade Mark.

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...

It is called dishonest adoption of Trade Mark.

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

This is a relevant factor.

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

Please Explain

This is a relevant factor.

- 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

In case of same jurisdiction, the knowledge will be assumed.

- 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

In case of same jurisdiction, the knowledge will be assumed.

- 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

It is a relevant factor.

- the degree of legal protection enjoyed by Party B

Please Explain

In case, Party B enjoys significant legal protection abroad, this will be a factor.

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

1. The proximity of Jurisdictions of Party A and Party B is a relevant factor. Whether both jurisdictions are neighbouring or geographically close jurisdictions.

2. The nature of the marks will also be a relevant factor. In case of dictionary word, Party A can claim honest adoption. In case of device or an Invented word, honest adoption cannot be claimed.

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

This is a relevant factor. In such case, the threshold of proof will be low.

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

Please Explain

This is most relevant.

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

Please Explain

In case of exchange of correspondence, the case of Party B will be strengthened and Party A cannot deny knowledge.

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

Yes

Please Explain

This is a relevant factor. The nature of the marks will also be a relevant factor. In case of dictionary word, Party A can claim honest adoption. In case of device or an Invented word, honest adoption cannot be claimed.

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

Yes

Please Explain

This is a relevant factor. In case, the fields of activity of both parties are different and the mark is not well known, Party A can claim honest adoption. Again, the nature of the marks will also be a relevant factor. In case of a dictionary word, Party A can claim honest adoption. In case of device or an Invented word, honest adoption cannot be claimed.

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 ground is available during cancellation proceedings only. In Pakistan, a Trade Mark cannot be opposed on the ground that the Applicant has no intention of using it.

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...

It is called dishonest adoption.

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

This is a relevant factor.

- whether or not the signs are identical

Please Explain

This is a relevant factor. The nature of the marks will also be a relevant factor. In case of dictionary word, Party A can claim honest adoption. In case of device or an Invented word, honest adoption cannot be claimed.

- if the signs are different, the degree of difference

Please Explain

This is a relevant factor.

- absence or presence of intent to use

Please Explain

This is a relevant factor.

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

Please Explain

This is a relevant factor.

- the number of goods/services

Please Explain

This is a relevant factor.

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

No.

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

Once a mark is registered, the Registrant is required to use the Trade Mark within five years of registration under Section 73 of the Trade Marks Ordinance, 2001. The Registrant cannot discontinue use of the Trade Mark for 5 years after registration under Section 73 of the Trade Marks Ordinance, 2001.

In case, the Registrant violates one or both conditions set out above, the registration is liable to be revoked.

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...

It is called dishonest adoption.

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.

To prove bad faith, the relevant factors can be

1. Nature of Marks
2. Reputation of the earlier mark
3. Fraud, Misrepresentation are two instances of 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.

- opposition proceedings (before the trademark/IP office)

Please Explain

Opposition is filed in Trade Marks Registry before Registrar of Trade Marks against an application filed in bad faith on the grounds of fraud, misrepresentation and conflict with an earlier mark.

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

Please Explain

Cancellation Actions are filed in Trade Marks Registry or Civil Court under:-

1. Section 80 of the Trade Marks Ordinance, 2001 for invalidation of registration on ground of Dishonest Adoption/Fraud/Misrepresentation.
2. Section 73 of the Trade Marks Ordinance, 2001 for revocation of registration on ground of non use of 5 years.
3. Section 96 of the Trade Marks Ordinance, 2001 for rectification of registration on ground of any error in registration

- court proceedings concerning a bad faith application

Please Explain

Opposition is filed in Trade Marks Registry before Registrar of Trade Marks against an application filed in bad faith on the grounds of fraud, misrepresentation and conflict with an earlier mark.

- court proceedings concerning a bad faith registration

Please Explain

Cancellation Actions is filed in Trade Marks Registry or Civil Court under Section 80 of the Trade Marks Ordinance, 2001 for invalidation of registration on ground of Dishonest Adoption/Fraud/Misrepresentation.

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

Legislatively, the current law i.e. Trade Marks Ordinance, 2001 is updated and is conformity with PARIS CONVENTION and TRIPS

AGREEMENT.

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

The current law i.e. Trade Marks Ordinance, 2001 adequately covers this scenario.

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

The current law i.e. Trade Marks Ordinance, 2001 adequately covers this scenario.

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

The current law i.e. Trade Marks Ordinance, 2001 adequately covers this scenario.

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

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

harmonisation is desirable from legal as well a practical point of view.

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 would side with flexibility over legal certainty.

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

Bad Faith Registration/Application should be severely discouraged.

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

This is a relevant factor.

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

Please Explain

This is a relevant factor.

- 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

This is a relevant factor.

- 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

This is a relevant factor.

- 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

This is a relevant factor.

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

Please Explain

This is a relevant factor.

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?

Yes, these factors independantly constitute bad faith.

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

This is a relevant factor.

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

Please Explain

This is a relevant factor.

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

Please Explain

This is a relevant factor.

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

Yes

Please Explain

This is a relevant factor.

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

Yes

Please Explain

This is a relevant factor.

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

There should be legislative basis for refusal/cancellation of such applications/registrations.

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

This is a relevant factor. Also the nature of the marks is also a factor.

- if the signs are different, the degree of difference

Please Explain

This is a relevant factor.

- absence or presence of intent to use

Please Explain

This is a relevant factor.

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

Please Explain

This is a relevant factor.

- number of goods/services

Please Explain

This is a relevant factor.

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

No

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.

The Applicant should be required to start use of Trade Mark within specific timeframe.

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.

Fraud and Misrepresentation

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

This remedy should be available.

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

Please Explain

This remedy should be available.

- court proceedings concerning a bad faith application

Please Explain

This remedy should be available.

- court proceedings concerning a bad faith registration

Please Explain

This remedy should be available.

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.

Not Applicable

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

Not Applicable

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.

M. Yawar Irfan Khan