

DECISION
of the Second Board of Appeal
of 22 July 2019

In case R 1849/2017-2

Kreativni Dogadaji d.o.o.

Krapinska 27
Zagreb 10000
Croatia

Cancellation Applicant / Appellant

represented by Würtenbergerkunze, Maximiliansplatz 12b, 80333 Munich, Germany

v

Hasbro, Inc.

1027 Newport Avenue
Pawtucket
Rhode Island 2862
United States of America

EUTM Proprietor / Defendant

represented by Gill Jennings & Every LLP, The Broadgate Tower, 20 Primrose Street,
London EC2A 2ES, United Kingdom

APPEAL relating to Cancellation Proceedings No 11 645 C (European Union trade
mark registration No 9 071 961)

THE SECOND BOARD OF APPEAL

composed of S. Stürmann (Chairperson), H. Salmi (Rapporteur) and
S. Martin (Member)

Registrar: H. Dijkema

gives the following

Decision

Summary of the facts

- 1 By an application filed on 24 April 1996, Hasbro, Inc. (hereinafter ‘the EUTM proprietor’) sought to register the word mark **MONOPOLY** for the following list of goods and services:

Class 9 - Electronic amusement apparatus; electronic games; computer games; computer hardware; computer software; controls for use of the aforesaid goods; cards, disks, tapes, wires and circuits all carrying or for carrying data and/or computer software; arcade games; parts and fittings for all the aforesaid goods;

Class 25 - Clothing, footwear, headgear; parts and fittings for all the aforesaid goods;

Class 28 – Toys, games and playthings; gymnastic and sporting articles not included in other classes; decorations for Christmas trees; parts and fittings for all the aforesaid goods.

The mark was registered under No 238 352 on 23 November 1998.

- 2 By an application filed on 7 May 2008, the EUTM proprietor sought to register the word mark **MONOPOLY** for ‘entertainment services’ in Class 41. The mark was registered under No 6 895 511 on 21 January 2009.

- 3 By an application filed on 12 March 2010, the EUTM proprietor sought to register the word mark **MONOPOLY** for the following list of goods:

Class 16 - Paper and cardboard and goods made from these materials, not included in other classes; printed matter; book binding material; photographs; stationery; adhesives for stationery or household purposes; artists' materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); printers' type; printing blocks.

The mark was registered under No 8 950 776 on 2 August 2010.

- 4 By an application filed on 30 April 2010, Hasbro, Inc. (hereinafter ‘the EUTM proprietor’) sought to register the word mark

MONOPOLY

(hereinafter ‘the contested EUTM’) for the following list of goods and services:

Class 9 - Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment and computers; fire-extinguishing apparatus; electronic amusement apparatus; electronic games; computer games; computer hardware; computer software; controls for use of the aforesaid goods; cards, disks, tapes, wires and circuits all carrying or for carrying data and/or computer software; arcade games; interactive entertainment software, namely, computer game software, computer

game programs, computer game cartridges, computer game discs; interactive video games of virtual reality comprised of computer hardware and software; interactive multi-media game programs; downloadable software for use in connection with computers and computer games, portable gaming devices, console gaming devices, communication gaming devices and mobile telephones; electronic games, video games; video game software, video game programs, video game cartridges, video game discs, all for use in connection with computers, portable gaming devices, console gaming devices, communication devices and mobile telephones; video lottery terminals; computer and video game apparatus, namely video game machines for use with televisions; games apparatus adapted for use with television receivers; audio and/or video recordings; laser discs, video discs, phonograph records, compact discs, CD ROMs featuring games, films, entertainment and music; console gaming devices; communication devices and mobile telephones; pre-recorded films; pre-recorded television, radio and entertainment programmes and material; parts and fittings for all the aforesaid goods;

Class 16 - Paper and cardboard and goods made from these materials, not included in other classes; printed matter; book binding material; photographs; Stationery; adhesives for stationery or household purposes; artists' materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); printers' type; printing blocks; parts and fittings for all the aforesaid goods;

Class 28 - Games and playthings; gymnastic and sporting articles not included in other classes; decorations for Christmas trees; gaming machines; slot machines; playing cards; parts and fittings for all the aforesaid goods;

Class 41 - Education; providing of training; entertainment; entertainment in the form of films, television programmes and radio programmes; sporting and cultural activities.

- 5 The application was published on 9 August 2010 and the mark was registered on 25 March 2011.
- 6 On 25 August 2015, the Kreativni Dogadaji d.o.o. (hereinafter 'the cancellation applicant') filed an application for a declaration of invalidity of the registered mark for all the above the goods and services.
- 7 The grounds of the request for a declaration of invalidity were those laid down in Article 59(1)(b) EUTMR. The cancellation applicant argued that the contested EUTM was a repeat filing of the EUTM proprietor's earlier European trade mark registrations No 238 352 (filed on 24 April 1996 for goods in Classes 9, 25 and 28), No 6 895 511 (filed on 7 May 2008 for services in Class 41) and No 8 950 776 (filed on 12 March 2010 for goods in Class 16), all of them also covering the sign 'MONOPOLY' and therefore the EUTM proprietor had a dishonest intention at the time of filing the contested EUTM. The EUTM proprietor replied that filing the contested EUTM was not made in bad faith.
- 8 By decision of 22 June 2017 (hereinafter 'the contested decision'), the Cancellation Division rejected the request for a declaration of invalidity. It gave, in particular, the following grounds for its decision:
 - The contested EUTM and the earlier EUTMs are identical, as they both consist of the word sign 'MONOPOLY'. However; the contested EUTM covers a wider range of goods and services in Classes 9, 16, 28 and 41 some of which are identical or closely related to the goods and services of the earlier marks. Applying for a large variety of goods and services is a fairly

common practice for companies trying to obtain an EUTM registration. There is no doubt that the EUTM proprietor protected the mark ‘MONOPOLY’ since 1996 in the form of three different applications for different goods and services and that the contested EUTM covers a wider scope of goods and services. However, protecting the same mark over a period of fourteen years is not, per se, an indication of improperly and fraudulently extending the five-year grace period indefinitely to evade the legal obligation of proving genuine use and the corresponding sanctions.

- The cancellation applicant states that had the EUTM proprietor based its oppositions on its prior European Union marks ‘MONOPOLY’, it would have been likely that the cancellation applicant would have requested that the EUTM proprietor provide proof of use of its prior ‘MONOPOLY’ marks. However, the Cancellation Division considers that this assertion is mere speculation on the part of the cancellation applicant about the EUTM proprietor’s behaviour and intentions. Furthermore, neither the EUTM proprietor’s marks are under revocation proceedings nor was proof of use requested for such marks. In the same sense, the previous opposition decision (31/10/2012, B 1 884 793) established that the mark ‘MONOPOLY’ was reputed for board games in the UK and that extensive evidence was filed in support of this claim. Therefore, the cancellation applicant’s claim about the EUTM proprietor’s behaviour, namely that it seeks to evade the use requirement and its sanctions, is unfounded.
 - Furthermore, the cancellation applicant points out that no proof of use was filed in the revocation proceedings of earlier European Union trade mark registration No 5 875 703 ‘OPOLY’. However, the revocation action concerns another sign which is different to the one at issue in the present proceedings, and hence the cancellation applicant’s claim is unfounded.
 - The cancellation applicant has the onus to prove its assertions by submitting concrete evidence and cannot expect the Cancellation Division to declare a registered trade mark invalid on the basis of a unilateral statement not corroborated by documents. The cancellation applicant has failed to prove its allegation that the EUTM proprietor was acting in bad faith when filing the contested EUTM. It confined itself to statements not supported by enough evidence or facts leading to the safe conclusion that the EUTM proprietor acted fraudulently when it filed the contested EUTM. As a consequence, the EUTM proprietor’s dishonest intention or any other unfair practice involving a lack of good faith on its part cannot be considered as having been established.
- 9 On 22 August 2017, the cancellation applicant filed an appeal against the contested decision, requesting that the decision be entirely set aside. The statement of grounds of the appeal was received on 23 October 2017. The cancellation applicant requested that oral proceedings be held.
- 10 In its response received on 5 January 2018, the EUTM proprietor requested that the appeal be dismissed. It stated that there was no need or requirement for oral proceedings to be held.

- 11 By an interim decision dated 3 August 2018, the parties were informed that oral proceedings were to be held in order to better understand the particular circumstances underlying the filing strategy of the EUTM proprietor.
- 12 On 30 October 2018 the cancellation applicant filed a request for the Board to hear two further persons as witnesses with connections to the EUTM proprietor. The Board refused this request by a communication dated 31 October 2018.
- 13 On 12 November 2018 the EUTM proprietor filed a witness statement from Ms Sara Beccia of the EUTM proprietor's company with exhibits.
- 14 The oral hearing took place on 19 November 2018 at the Office's premises. At this hearing, the parties argued the merits of the points discussed and replied to questions put by the Board.
- 15 On 21 January 2019 the cancellation applicant filed observations on the minutes and content of the oral proceedings, which included a request to disregard the witness statement filed by the EUTM proprietor on 12 November 2018.
- 16 On 22 February 2019 the EUTM proprietor submitted its reply to the cancellation applicant's observations.

Submissions and arguments of the parties

- 17 The arguments raised in the statement of grounds may be summarised as follows:
 - The Cancellation Division carried out a flawed assessment and disregarded the principles of the burden of proof as well as made an incorrect assessment of the facts and evidence submitted by the parties. Had it correctly applied the facts and evidence to the existing law, it would have come to the conclusion that the application for a declaration of invalidity was well founded.
 - The Cancellation Division should have taken into account the legal framework and case-law (13/12/2012, T-136/11, Pelikan, EU:T:2012:689, § 27; 15/11/2011, R 1785/2008-4, Pathfinder). The contested decision should have come to the conclusion that the burden of proof lies with the EUTM proprietor following the initiation of an application for a declaration of invalidity based upon bad faith as well as, in particular, in light of a repeat trade mark having the purpose of avoiding the consequences of revocation for non-use. The EUTM proprietor has failed to provide any evidence that it had an intention to use the subject trade mark registration 'MONOPOLY' for the goods and services seeking protection by said trade mark.
 - Inasmuch as the Cancellation Division held that 'the previous decision 31/10/2012, B 1 884 793 established that the mark "MONOPOLY" was reputed for board games in the UK' the Cancellation Division disregarded that this decision was limited to the territory of the UK and accordingly, the conclusion reached by the Cancellation Division speaks in favour of the

position advocated by the cancellation applicant, namely that the EUTM proprietor acted in bad faith with respect to a European-wide repeat trade mark. Once again, the allegation made by the cancellation applicant is that the EUTM proprietor filed an application as EUTM No 9 071 961 ‘MONOPOLY’, which corresponds with previous identical trade marks, in bad faith.

- Contrary to the reasoning provided by the Cancellation Division, the assertions made by the cancellation applicant that the trade mark registration under attack was made so as to extend a non-use period, was even confirmed by the EUTM proprietor and is hence far from being subject to mere speculation: By submissions made on 12 February 2016, the EUTM proprietor confirmed that the purpose of the re-filing was to make the enforcement of its trade mark easier and less costly. By accepting this argument the Cancellation Division blatantly disregarded the consequences resulting therefrom, namely that the cancellation applicant and other third parties would be deprived of making use of the rights to defend any enforcement activity of a registration within the framework of the European Union Trade Mark Regulation. By reducing the burden of the Office, the legal rights defined in the European Union Trade Mark Regulation are unduly limited at the expenses of the cancellation applicant as well as other third parties.
- Moreover, inasmuch as the Cancellation Division emphasised that the revocation proceedings directed against EUTM registration No 5 875 703 ‘OPOLY’ were immaterial as they referred to another sign, it is worth noting that the affidavit submitted by the EUTM proprietor referred to the ‘hence distinctive character and reputation of my company’s MONOPOLY - OPOLY trade marks’. The EUTM proprietor itself considers said trade marks to be ‘identical’. As a matter of precaution, inasmuch as the affidavit of Mr Paul Normand Vanasse is concerned, it has no evidential value whatsoever bearing in mind that, first of all, the exhibits referred to therein have not been submitted by the EUTM proprietor nor does the affidavit refer to any period of use being relevant to the present proceedings.
- The Cancellation Division assumed that the cancellation applicant would not raise the defence of non-use in proceedings concerning EUTM application No 1 062 463 ‘DRINKOPOLY’ without giving any reasons for such a conclusion which indeed further demonstrates that the Cancellation Division did not deal with the arguments submitted by the parties in an unbiased manner. Rather this demonstrates an infringement of Article 75 EUTMR (now Article 94 EUTMR) as well as Article 76 EUTMR (now Article 95 EUTMR).

18 The arguments raised in reply to the appeal may be summarised as follows:

- The burden of proof falls on the cancellation applicant to show bad faith. That is not to say that the EUTM proprietor will not answer the allegation made (which, it is submitted, it has clearly done) but in response, the cancellation applicant has to show why there should be a finding of bad faith.

In that regard, it is the case that ‘all the factors relevant to the particular case’ are to be taken into account as part of the overall assessment.

- The cancellation applicant takes the ‘overall assessment’ test and focuses on one of the factors that may be taken into account, namely the EUTM proprietor’s alleged intention to prevent a third party continuing to use a sign. It is instructive that registration No 971 961 was filed on 30 April 2010 and the mark, the subject of related opposition proceedings, namely application No 1 062 463 ‘DRINKOPOLY’ and device, on 14 September 2010, almost six months after the date of the EUTM proprietor’s mark. It is therefore clear by simple chronology that from both objective and subjective perspectives, there cannot be imputed any suggestion that the EUTM proprietor filed its application to prevent the cancellation applicant’s mark from being registered; it had not been filed at that time. As such, it is submitted that the cancellation applicant’s argument and appeal is fatally flawed on this point alone.
- Furthermore, and notwithstanding the unclear submissions of the cancellation applicant relating to the marks and registration numbers of the marks, the cancellation applicant makes submissions regarding the cancellation applicant’s intention to use a mark as well as ‘strict use’. It is submitted that these arguments do not assist the cancellation applicant’s case for the simple reason that the EUTM proprietor has demonstrated use of its trade mark, the subject of the registration, by virtue of the long-standing use and expanding product lines set out in the affidavit of Mr Paul Vanasse produced during the previous proceedings.
- It has been accepted in a number of decisions by the Office (and the UK IPO) that by virtue of the use made of the mark ‘MONOPOLY’ ‘the trade mark enjoys a high degree of distinctiveness on account of its intensive use’. This is not a situation where a trade mark is registered, not used for five years, and then re-filed. In contrast to this, use of the mark ‘MONOPOLY’ has taken place over many years, has been the subject of expanding product lines and so in light of the proven use of the EUTM proprietor’s mark, there can be no intention imputed to artificially extend the non-use grace period of a registration by re-filing.
- Therefore, the allegation of bad faith was made by the cancellation applicant, the EUTM proprietor has rebutted it, and the cancellation applicant has not proved its case.
- It is the case that in opposition proceedings of 31/10/2012 B 1 884 793, CARBONOPOLY, the Opposition Division found in the EUTM proprietor’s favour based in a UK trade mark registration for ‘MONOPOLY’. That decision was based on procedural efficiency as is accepted practice at the EUIPO. However, the cancellation applicant has not taken into account that in the evidence filed in those opposition proceedings, evidence of use of the mark ‘MONOPOLY’ was demonstrated in respect of other EU countries.
- The trade mark ‘OPOLY’ is not the subject of this appeal.

- The contested decision did not disregard the burden of proof and correctly applied it to the case. Also, based on the evidence and observations of the parties, the EUTM proprietor has shown that the circumstances here do not amount to bad faith. As such the declaration of invalidity was correctly rejected by the Cancellation Division.
- 19 The witness statement of the EUTM proprietor of 12 November 2018 mentioned, inter alia, that:
- Hasbro regularly initiates new filings for ‘MONOPOLY’ for a variety of reasons, including but not limited to, new product offerings, strategic initiatives, licensing relationships or opportunities, enforcement matters, administrative reasons and as a result of periodic ‘audits’ or ‘filler filling’ programs. [31]
 - Hasbro’s general policy is to protect its brands through registered trade marks to the extent that such protection is available, cost effective, and meaningful. [36]
 - The factors that Hasbro takes into consideration in determining whether to file an application for a specific mark include: a. Whether the mark is available and distinctive enough for registration; b. Whether local law allows for common law or unregistered rights if an application is not filed; c. The importance of the mark; d. The prominence of where the mark will appear; e. The life expectancy of the mark and/or the associated product line; f. Whether the mark is or will be licensed; g. Whether a registration is required or would be beneficial for enforcement purposes; h. Whether a new filing will overlap with any existing protections or registrations (trade mark or otherwise); i. The benefits of a registration in the relevant jurisdiction; j. The cost to register or maintain the mark; k. The terms of any relevant agreements. [37]
 - Consistent with these goals and commercial objectives, it is Hasbro’s policy to file trade mark applications for its marks in the classes of interest to Hasbro or its licensees or potential licensees. With any new filings, Hasbro generally seeks to obtain the broadest protection allowed under local law. [38].
 - Hasbro also strives to maintain a consistent and up-to-date portfolio, including conducting periodic audits and considering additional filings as needed and as the business changes. Predicting the commercial opportunities that may arise in the future can be difficult so where circumstances change, whether due to commercial opportunities or changes in technology, Hasbro’s practice has been to file further applications to cover additional products or services or to address any gaps in its protection. [39].
 - Over time it is normal for Hasbro’s commercial plans for a product range to change or evolve as opportunities arise to expand the range of products or services offered under a trade mark. This may include licensing opportunities, changes in technology, or new business partnerships or

initiatives. When this happens, Hasbro may file trade mark applications to protect these new or developing areas or to capture innovations or advancements in its offerings. [40].

- With regard to ‘MONOPOLY’, originally protection was sought in Class 28 to cover the ‘MONOPOLY’ board game. Over the years protection has been extended to other classes to cover Hasbro’s expanding commercial interests under the trade mark, for example, items such as computer games and the various platforms on which they are played, printed matter, entertainment services and so on, not all of which could be predicted or existed in earlier years, especially given that the first application for ‘MONOPOLY’ was filed in 1935. [41]
- In determining the specifications for applications outside the toy and game class, Hasbro, in consultation with local counsel, often includes the international class headings in force at the time of filing, reflecting an accepted filing practice used by many companies at the time the challenged registration was filed and still today. This enables the quick and efficient filing of applications which provide comprehensive protection in line with practice at the time and allows Hasbro to maintain consistency across its portfolio in countries where class headings are accepted by local offices. [42].
- It is not Hasbro’s practice to file trade mark applications covering a large number of goods and services in numerous irrelevant classes for the purpose of preventing others entering the market as is demonstrated by Hasbro’s trade mark registrations. Hasbro has filed its ‘MONOPOLY’ applications in the European Union in only seven classes as seen above. These filings reflect its business and licensing activities, including those most important to its Entertainment and Licensing business, including ‘lifestyle’ products (home décor, bags, stationery, etc.), digital products and entertainment services. [43].
- At the time EU trade mark application No 9 071 961 was filed in April 2010, trade mark filing practices differed from current practice and it was common to use the international class headings in trade mark applications. I understand that some companies still do. [44].
- Furthermore, it was not unusual for companies to file further applications for trade marks already the subject of existing EU registrations and include in those new applications goods or services included in the earlier trade mark filings. Attached as Exhibit SB4 are examples of such applications filed by other companies, some of which could be described as household names. I cannot speak to the reasons for these filings and whether there were circumstances present similar to those described above although it illustrates that at the time it was an accepted industry practice to file such further applications to include the companies’ core area of interest, even if already protected in an earlier registration. [45]
- While I was not with Hasbro at the time the challenged registration was filed, I am confident that the application was filed for honest commercial reasons.

As the marketplace and Hasbro's business objectives changed, so did Hasbro's filing strategy, including new filings to capture broader categories of goods that could cover Hasbro's offerings at the time, as well as future opportunities that could arise with respect to the 'MONOPOLY' brand and mark. As the statement and the prior affidavit show, digital products (Class 9), printed products (Class 16), toys and games (Class 28) and entertainment-related services (Class 41) were an important part of Hasbro's business strategy in 2010 and remain important today. [46].

- The challenged registration and Hasbro's other applications for 'MONOPOLY' were filed consistent with Hasbro's general filing practice and with generally accepted practices in the industry at the time of the filing and today. This case is not one of improper 'evergreening' and Hasbro respectfully requests that the Board uphold the decision below that there was no bad faith and that Hasbro's registration for 'MONOPOLY' should not be cancelled. [47]

20 The cancellation applicant's observations of 21 January 2019 may be summarised as follows:

- As far as the EUTM proprietor's submissions dated 12 November 2018 are concerned, the cancellation applicant notes that the witness statement of Ms Sara Beccia of Hasbro, Inc. was filed upon the EUTM proprietor's own initiative shortly before the hearing. In that regard, the Board of Appeal is once again respectfully requested to disregard the documents filed after the expiry of the time limits set by the Cancellation Division as well as the Board of Appeal in the course of the proceedings.
- In the present case, the Board of Appeal has no choice but to confirm that any discretionary competence can be applied only when the evidence submitted for the first time before the Board is additional or supplementary evidence. In that regard, the Boards of Appeal have held consistently that parties to proceedings before the Office cannot simply disregard time limits – be it before the first instance or before the Boards of Appeal – and produce evidence that could and should have duly been produced within the appropriate time limit, unless the Board considers that additional or supplementary facts and evidence should be taken into account.
- Given that the witness statement provided by the EUTM proprietor was not filed within any time limit set by the Office but was filed in an unsolicited manner, the submissions cannot and must not be considered as additional or supplementary evidence and hence must be deemed inadmissible.
- The EUTM proprietor's representative asserted in the course of the hearing that it was hardly possible to set out the entirety of Hasbro's filing practice within the time frame granted to both parties during the hearing in addition to the question time scheduled at the hearing. In that regard, it is sufficient to note that the time frame of the oral hearing before the Board, as limited as it may be, applies to both parties; accordingly, taking into account the comprehensive submissions filed shortly before the oral hearing would

impair the cancellation applicant's right to be heard as this would result in an undue balance of submitting facts and evidence outside the time frame provided by the European Union Trade Mark Regulation.

- In the – albeit unlikely – event and subject to the cancellation applicant's objections raised, the Board should note that even the unsolicited affidavit filed by the EUTM proprietor is not apt to justify the re-filing of the trade mark Monopoly® as it is the subject of the present proceedings.
- If it is not considered inadmissible, as far as the probative value of this kind of evidence is concerned, statements drawn up by the interested parties themselves or their employees are generally given less weight than independent evidence. This is because the perceptions of a party involved in a dispute may be more or less effected by its personal interest in the matter. Having said this, according to acknowledged definitions for 'Witness Statements', a Witness Statement under US law is understood to be a summary of the oral evidence that a witness will give at trial. The purpose of the Witness Statement is to set out the evidence of the witness. Hence, in the absence of any submissions made by the EUTM proprietor regarding the formal requirements as well as the legal implications resulting from a potentially incorrect Witness Statement, the Witness Statement submitted by the EUTM proprietor cannot be said to be of a high probative value, if any, as it does not originate from an independent source.
- In as much as Ms Beccia, under paragraph 7 of her statement, claims that the Witness Statement was provided on the basis that the Board was seeking new evidence in relation to the matter before it, this demonstrates that the EUTM proprietor has been, and is, fully aware of the procedural framework granted by the EUTMR, but makes an attempt to circumvent the limits set thereby.
- It is equally remarkable that the Witness Statement submitted does not include any factual information that may provide any justification for the repetitive filing of the 'Monopoly®' trade mark in the European Union. The contrary is the case. Rather, Ms Beccia, at the hearing, confirmed by her answers to the questions submitted by the Chairperson, the Rapporteur as well as the further Member of the Board of Appeal, that one of the major considerations for the re-filing has been the administrative advantage associated with such fresh trade mark registrations, in particular with respect to the initiation of opposition proceedings, namely not to furnish evidence of use. The Q&A part of the hearing clearly disclosed the purpose of Hasbro, Inc. associated with its re-filing activities. Ms Beccia was unable to reconcile her assertion that any re-filing could be justified by commercial and/or technological reasons. The latter holds all the more as Hasbro maintains the existing identical trade marks resulting in amassing identical trade marks, which requires an increased investment caused by, for example, the payment of renewal fees and costs linked thereto.
- Bearing in mind that the minutes of the hearing, including the audio recording, will become part of the official file, the cancellation applicant, for

reasons of procedural economy, refers to the minutes of the oral hearing, including the audio recording, which demonstrates that the appeal, based upon the given facts in these proceedings, is manifestly founded and that there is no justification at all to conclude that the re-filing of the subject trade mark registration is reconcilable with the principles of the EUTMR.

21 The EUTM proprietor's reply of 22 February 2019 may be summarised as follows:

- The cancellation applicant argues that the Board should ignore the evidence before it on procedural grounds. The cancellation applicant states that the Boards of Appeal do not have the power to admit the evidence. That is obviously false, as the very purpose of the oral hearing was to allow further evidence to be adduced on the issue of the filing practice of the EUTM proprietor.
- The EUTM proprietor states that the Board should consider the evidence as it will enable the Board to do justice between the parties. However, if the Board does not think that the evidence should be admissible, then all evidence (whether written evidence or oral evidence) must be disregarded. In those circumstances, it follows that as the underlying facts have been determined, the cancellation applicant's appeal must fail.
- The cancellation applicant states that Article 95(2) EUTMR applies: that the Office may disregard facts or evidence which are not submitted in time. This is correct, but not helpful. The EUTM proprietor does not dispute that the Boards of Appeal have discretion to refuse to consider evidence: The EUTM proprietor believes the Boards of Appeal have a wide discretion as to how to conduct the proceedings. Article 71(2) EUTMR provides that the Boards of Appeal may exercise any power within the competence of the department which was responsible for the decision appealed.
- It would be within the Board's discretion to order further evidence. It would be within the Board's discretion to refuse further evidence. In each case the Board's discretion should be exercised in order that it can do justice. Indeed, that is precisely what happened in this case – the Board requested more evidence and more evidence was supplied.
- If the Board were to refuse to consider the EUTM proprietor's evidence it would be contrary to the EUTM proprietor's rights and the principles of Union law. It would mean that the Board had chosen to ignore the facts.
- The cancellation applicant argues that the admission of the evidence would impair its right to be heard and would result in an 'undue balance'. However, the cancellation applicant states this in its legal communication to the Office: The cancellation applicant says it wants to be heard, and the cancellation applicant has had that right both at the hearing and by its communication. Article 94(1) EUTMR provides that the Office can base its decisions on any evidence on which the parties concerned have had an opportunity to present their comments. At the hearing, and in Part III of its communication, the

cancellation applicant has now given its comments to the EUIPO on the EUTM proprietor's evidence. The EUIPO can therefore now make a decision on the basis of that evidence. The cancellation applicant has nothing more to say.

- The EUTM proprietor does not consider that 'independent evidence' as regards the EUTM proprietor's filing practices could be of any relevance, given that the EUTM proprietor is the only party with the relevant knowledge. How can an independent party know what the EUTM proprietor's internal filing practice is? They obviously would not and to require otherwise would be contrary to the Board's request in asking for the person with decision-making authority at the EUTM proprietor's company to give evidence before the Board.
- The cancellation applicant writes in its communication that in Ms Beccia's evidence at the hearing, one of the EUTM proprietor's 'major considerations' was the pursuit of 'administrative advantage'. The EUTM proprietor considers this to be completely wrong: it is a complete misstatement of the evidence. The cancellation applicant made a similar statement in the closing oral submissions where it incorrectly summarised the evidence Ms Beccia had just given. To misrepresent Ms Beccia's evidence once would be careless. To do it twice leads the EUTM proprietor to conclude that the misrepresentation of the evidence has been done wilfully. The EUTM proprietor submits that the transcript of the oral hearing directly contradicts the cancellation applicant's characterisations. As such, little to no weight can be placed on the submissions of the cancellation applicant's lawyers unless backed up by written evidence, as it has a track record of summarising evidence incorrectly.
- The EUTM proprietor's position is set out in the witness statement of Ms Beccia. Her evidence at the oral hearing was entirely consistent with that statement. Nowhere in her evidence did Ms Beccia use the term 'administrative advantage'. Nowhere did she state that such an advantage was a 'major consideration'. Ms Beccia rightfully conceded that the EUTM proprietor re-files 'for a number of reasons that may make our lives easier in terms of administration' but goes on to say that 'the filings are not identical repeat filings, they are broader and there are good commercial reasons for doing that'.
- The cancellation applicant appears to consider any type of administrative reason as indicative of bad faith. As Ms Beccia explained, administrative benefits include any measure that might make it easier to manage the EUTM proprietor's substantial international trade mark rights. Ms Beccia gave a number of examples of administrative benefits, including showing 'the length of time that the mark has been used and how long it has been protected', having a 'a consistent portfolio' with 'standard descriptions', that have previously 'been accepted by the local trade mark office', as well as having 'a portfolio that has one registration to cover ... four classes as opposed to

having three or four that you might have to use for various purposes, licensing or enforcement or otherwise’.

- Ms Beccia in her testimony did state that ‘being able to rely upon one registration without the need to prove use’ was a benefit to the EUTM proprietor and that it was something that was ‘considered by all brand owners and in many different industries.’ She specifically concluded it was not the sole motivator in any of the EUTM proprietor’s filings: ‘I wouldn’t say it’s a sole motivator in any of our filings but I do think that it’s something [that] is considered.’ Pausing there, how on earth does that evidence (which is lifted directly from the recorded hearing) accord with the false summary of the evidence given by the cancellation applicant’s lawyers? It does not.
- Ms Beccia went on to explain that if a company owns multiple marks of different ages, for commercial reasons it is only sensible for it to oppose a later filed mark using a recent mark that is not subject to non-use in order to reduce the cost of providing evidence and attending hearings: not because such evidence would not be available for the earlier filed marks, (and in this case evidence of use of the trade mark ‘MONOPOLY’ for goods in Class 28 has been provided), but because it would be more administratively efficient not to have to provide it. This is the kind of administrative burden that Ms Beccia spoke of in her testimony.
- The cancellation applicant now claims that Ms Beccia stated in her testimony that ‘one of the major considerations for the re-filing has been the administrative advantage associated with such fresh trademark registrations, in particular with respect to the initiation of opposition proceedings, namely not to furnish evidence of use’. The transcript has shown this statement to be completely misleading.

Reasons

The applicable Regulations

- 22 All references made in this decision should be seen as references to the EUTMR (EU) No 2017/1001 (OJ 2017 L 154, p. 1), codifying Regulation (EC) No 207/2009 as amended, unless specifically stated otherwise in this decision.
- 23 The appeal was filed on 22 August 2017. According to Article 80 EUTMDR, as a transitional measure, the CTMIR continues to apply to ongoing proceedings until such proceedings are completed, provided that the EUTMDR does not apply in accordance with Article 82 thereof. According to Article 82(2)(f) EUTMDR, in the present case the CTMIR has to be applied to the proceedings for a declaration of invalidity. According to Article 82(2)(j) EUTMDR, in the present case the CTMIR has to be applied to the appeal proceedings.

Admissibility

- 24 The appeal complies with Articles 66, 67 and 68(1) EUTMR. It is, therefore, admissible.

Preliminary remark on the admissibility of the witness statement filed outside the time limits

- 25 On 12 November 2018 the EUTM proprietor filed a witness statement from Ms Sara Beccia of the EUTM proprietor's company with exhibits, as summarised in paragraph 19 above. The EUTM proprietor requests that the Board take this into consideration. The cancellation applicant argues that this evidence should not be taken into account.
- 26 The Board has a discretionary competence to accept belatedly filed evidence in accordance with Article 95(2) EUTMR. The conditions laid down by case-law (14/07/2017, T-223/16, *DEVICE OF A CLOUD RESEMBLING A SAFE (other) / ICLOUD et al.*, EU:T:2017:500, § 35) which the Board has to consider in exercising that discretion, are: whether the evidence presented for the first time before it is supplementary and intended to strengthen or to clarify the content of the initial evidence; whether the stage of the proceedings at which the late submission takes place and the circumstances surrounding it do not preclude such matters being taken into account; whether the new evidence is *prima facie* likely to be genuinely relevant to the outcome of the proceedings; whether the additional evidence made it possible for it to decide on the basis of all the relevant facts and evidence; whether the party wishing to adduce additional evidence has abused the time limits set by knowingly employing delaying tactics or by demonstrating manifest negligence.
- 27 However, and in any event, it follows from the continuity in terms of their functions between the various adjudicating bodies of the Office that, in the review which the Boards of Appeal must undertake of the decisions taken by the first instance (*in casu* the Cancellation Division), the Boards are required to base their decisions on all the matters of fact and of law which the parties put forward, either in the proceedings before the first instance or in the appeal (22/11/2018, T-78/18, *FERMIN / FERMIPAN et al.*, EU:T:2018:829, § 37 and case-law cited therein).
- 28 Contrary to the allegations of the cancellation applicant, there is no reason for the Board to refuse the evidence at hand which has been provided by the EUTM proprietor and to which the cancellation applicant has been given the opportunity to file its observations in reply. It is supplementary and intended to strengthen or to clarify the content of the initial evidence; the stage of the proceedings at which the late submission has taken place and the circumstances surrounding it do not preclude such matters being taken into account; the new evidence is *prima facie* likely to be genuinely relevant to the outcome of the proceedings and the additional evidence makes it possible for the Board to decide on the basis of all the relevant facts and evidence. Further, in any case, the majority of this evidence

was also part of what was stated in the oral proceedings. Therefore the Board uses its discretionary competence to accept the belatedly filed evidence.

General principles of European Union trade mark law

- 29 One of the European Union's fundamental principles is to promote and safeguard effective competition on the market. The EUTMR aims to enhance undistorted competition and the free movement of goods and services within the European Union (see recital 3 of the preamble to the EUTMR). As a matter of principle, it is settled case-law that trade mark rights constitute an essential element in the system of undistorted competition which the EC Treaty seeks to establish and maintain. The rights and powers that trade marks confer on their proprietors must be considered in light of that objective (06/05/2003, C-104/01, Libertel, EU:C:2003:244, § 48, and the case-law cited).
- 30 The EU trade mark registration system is based on the 'first-to-file' principle laid down in Article 8(2) EUTMR. In accordance with that principle, a sign may be registered as an EU trade mark only in so far as this is not precluded by an earlier mark, whether an EU trade mark, a trade mark registered in an EU Member State or by the Benelux Office for Intellectual Property (BOIP), a trade mark registered under international arrangements which have effect in a Member State or a trade mark registered under international arrangements which have effect in the European Union (09/07/2015, T-98/13 & T-99/13, Camomilla, EU:T:2015:480, § 36 and the case-law cited).
- 31 In addition, in accordance with Article 9(1) EUTMR, the registration of an EUTM shall confer on the proprietor exclusive rights therein.
- 32 On the other hand, there is no justification for protecting EU trade marks or, as against them, any trade mark which has been registered before them, except where the trade marks are actually used (see recital 24 of the preamble to the EUTMR). An EU trade mark which is not used could obstruct competition by limiting the range of signs which can be registered as trade marks by others and by denying competitors the opportunity to use that trade mark or a similar one when putting onto the internal market goods or services which are identical or similar to those covered by the mark in question. Consequently, non-use of an EU trade mark also risks restricting the free movement of goods and services (19/12/2012, C-149/11, Onel / Omel, EU:C:2012:816, § 32).
- 33 Therefore, pursuant to Article 18(1) EUTMR and Article 16(1) EUTMDR, an EU or national trade mark must be put to genuine use in the territory in which it is protected within five years from the date of its registration, unless there are proper reasons for non-use, failing which the mark shall be subject to the sanctions under the Regulation or the Directive. These sanctions include that such marks are not enforceable vis-à-vis younger marks in opposition proceedings (see Article 47(2) and (3) EUTMR) and are liable to revocation for non-use on the request of any third party (Article 58(1)(a) EUTMR) (13/02/2014, R 1260/2013-2, KABELPLUS / CANAL PLUS et al., § 13).

- 34 The *ratio legis* for the requirement that a mark must have been put to genuine use in order to be protected under EU law is that EUIPO's register cannot be regarded as a strategic and static depository granting an inactive proprietor a legal monopoly for an unlimited period. On the contrary, and in accordance with recital 10 of Regulation 207/2009 (now recital 24 of the preamble to the EUTMR), that register must faithfully reflect what companies actually use on the market to distinguish their goods and services in economic life (02/02/2016, T-171/13, MOTOBIB PESARO, EU:T:2016:54, and the case-law cited).
- 35 Following these general principles of European Union trade mark law, the system of trade marks, on the one hand, gives an exclusive right to the trade mark holder based on a first-to-file approach. On the other hand, that exclusive right can only be maintained if the proprietor of a trade mark, after the five-year grace period has lapsed, actively shows, following a request by the opponent in opposition proceedings or by the cancellation applicant in revocation proceedings, genuine use of its trade mark by submitting relevant evidence. This system balances out the different legitimate interests of the trade mark proprietor on the one hand and those of their competitors on the other.
- 36 In other words, the European Union trade mark law system does not follow the 'intention to use' approach that is used, for example, in the United States of America. In practice this means that the applicant is fully entitled to include a long list of goods and services in its EUTM application, but, on the other hand, it has to be able to prove, once the five-year grace period is over, genuine use of its trade mark by submitting relevant evidence, when requested to do so by the opponent in opposition proceedings or by the cancellation applicant in revocation proceedings.

General principles on bad faith

- 37 In accordance with Article 59(1)(b) EUTMR, an EU trade mark must be declared invalid where the applicant for registration was acting in bad faith at the time of filing the application for the trade mark. The burden of proof for the facts from which bad faith is claimed to follow lies on the cancellation applicant (13/12/2012, T-136/11, Pelikan, EU:T:2012:689, § 21). As a general rule, there is a presumption of good faith until proof to the contrary is adduced and the burden of proof in this respect rests exclusively on the cancellation applicant (13/12/2012, T-136/11, Pelikan, EU:T:2012:689, § 57).
- 38 Therefore, the cancellation applicant's claim that the burden of proof lies with the EUTM proprietor following the initiation of an application for a declaration of invalidity based upon bad faith, as well as, in particular, in light of a repeat filing of a trade mark having the purpose to avoid the consequences of a revocation for non-use, is unfounded.
- 39 The concept of 'bad faith' referred to in Article 59(1)(b) EUTMR is not defined, delimited or even described in any way in the legislation (05/07/2016, T-167/15, NEUSCHWANSTEIN, EU:T:2016:391, § 51 and the case-law cited).

- 40 Although the concept of bad faith is not defined in EU law, it may be inferred from its usual meaning and the context and objectives of Article 59(1)(b) EUTMR that it refers to the subjective motivation of the applicant seeking the registration of the trade mark at issue, namely a dishonest intention or other sinister motive, entailing conduct departing from accepted principles of ethical behaviour or honest commercial and business practices (23/05/2019, T-3/18 & T-4/18, ANN TAYLOR / ANNTAYLOR et al., EU:T:2019:357, § 31 and the case-law therein cited).
- 41 Any person is entitled to invoke the – absolute – ground of invalidity laid down in Article 59(1)(b) EUTMR. Furthermore, Article 63(1)(a) EUTMR does not require the invalidity applicant invoking the existence of bad faith at the time of the filing of the contested mark to be the owner of an earlier right whatsoever. As a matter of law, bad faith is an absolute ground of invalidity based on the behaviour and subjective intentions of the EUTM owner at the time of filing the trade mark application – but not necessarily on the effects of such behaviour vis-à-vis the cancellation applicant. The aim of this provision is not to protect earlier rights, but to sanction dishonest behaviour. In that sense, the invalidity ground of bad faith does ‘structurally’ not constitute an exception from the so-called ‘first-to-file’ principle – as could be wrongly deduced from a formulation frequently used by the General Court in this context (14/02/2012, T-33/11, Bigab, EU:T:2012:77, § 16-17; 21/03/2012, T-227/09, FS, EU:T:2012:138, § 31-32; see also 11/07/2013, T-321/10, Gruppo Salini, EU:T:2013:372, § 17-18) but sanctions an inherent ‘birth defect’ of the contested mark which might well be entirely independent of the existence of any earlier right (Opinion of Advocate General Sharpston of 12/03/2009, C-529/07, Lindt Goldhase, EU:C:2009:148 § 41: an inherent defect in the application (rather than in the trade mark), which fundamentally vitiates the registration regardless of other circumstances).
- 42 Article 59(1)(b) EUTMR meets the general interest objective of preventing trade mark registrations that are abusive or contrary to honest commercial and business practices. Such registrations are contrary to the principle that the application of EU law cannot be extended to cover abusive practices on the part of a trader which do not make it possible to attain the objective of the legislation in question (23/05/2019, T-3/18 & T-4/18, ANN TAYLOR / ANNTAYLOR et al., EU:T:2019:357, § 33 and the case-law therein cited).
- 43 According to the case-law, in order to determine whether the applicant for registration is acting in bad faith, within the meaning of Article 59(1)(b) EUTMR, account must be taken of all the relevant factors specific to the particular case which obtained at the time of filing the application for registration of a sign as an EU trade mark, in particular: the fact that the applicant knows or must know that a third party is using, in at least one Member State, an identical or similar sign for an identical or similar product or service that could be confused with the sign for which registration is sought; the applicant’s intention of preventing that third party from continuing to use such a sign; and the degree of legal protection enjoyed by the third party’s sign and by the sign for which registration is sought (11/06/2009, C-529/07, Lindt Goldhase, EU:C:2009:361, § 53; 15/09/2016, T-453/15, VOGUE (fig.), EU:T:2016:491, § 39).

- 44 That being so, it is apparent from the wording used in the ‘Lindt Goldhase’ judgment (11/06/2009, C-529/07, Lindt Goldhase, EU:C:2009:361) that the three factors set out above are only examples drawn from a number of factors which can be taken into account in order to decide whether the applicant was acting in bad faith at the time of filing the application (14/02/2012, T-33/11, Bigab, EU:T:2012:77, § 20; 13/12/2012, T-136/11, Pelikan, EU:T:2012:689, § 26). The concept of ‘bad faith’, within the meaning of Article 59(1)(b) EUTMR cannot be confined to a limited category of specific circumstances. The general interest objective of preventing trade mark registrations that are abusive or contrary to honest commercial and business practices would be compromised if bad faith could be demonstrated only in the circumstances exhaustively set out in the ‘Lindt Goldhase’ judgment (23/05/2019, T-3/18 & T-4/18, ANN TAYLOR / ANNTAYLOR et al., EU:T:2019:357, § 53 and the case-law therein cited).
- 45 Accordingly, it is possible that, where the proprietor of an EU trade mark files a repeat application for the same trade mark in order to avoid the consequences entailed by total or partial revocation of earlier trade marks for reasons of non-use, that fact is something which may be taken into account in order to assess whether the proprietor acted in bad faith (13/12/2012, T-136/11, Pelikan, EU:T:2012:689, § 27). The Court and the Boards have already, in another context, on various occasions found that where an applicant files subsequently identical trade marks (‘re-applications’ or ‘re-filings’) without putting forward any new arguments relating to its registrability, the EUTM applicant does not have the right to obtain a new examination of the merits of the case and the appeal is inadmissible (08/02/2011, T-157/08, Insulate for life, EU:T:2011:33, § 28-41; 06/10/15, T-545/14, engineering for a better world, EU:T:2015:789, § 18-29; 07/07/2017, R 2540/2011-G, GOLD BUNNY (LINDT) (3D MARK), § 12-17; 16/11/2015, R 1649/2011-G, SHAPE OF A BOTTLE (3D), § 16-17 and 15/05/2015, R 66/2015-2, SUPER GLUE (FIG. MARK), § 16). If every ‘re-application’ or ‘re-filing’ request would require an obligation for a re-examination of the application, the possibility to commit procedural abuses would thereby be promoted. However, settled case law prohibits such procedural abuses (06/10/15, T-545/14, engineering for a better world, EU:T:2015:789, § 27 and the case law therein cited).
- 46 In this context, it needs to be stated that to register a trade mark and then periodically to register an identical mark can serve to improperly and fraudulently extend the five-year grace period indefinitely to evade the legal obligation of genuine use and the corresponding sanctions, which are to be applied in their full effectiveness required by the equal and uniform application of EU law. These re-filings are made *in fraudem legis* (in fraud of the law), but they cannot be invoked to evade the corresponding sanctions according to the general principle of EU law by which fraud of law and abuse of rights are prohibited. Individuals must not improperly or fraudulently take advantage of EU law, which cannot be extended to cover abusive practices (05/07/2007, C-321/05, Kofoed, EU:C:2007:408, § 38 and the case-law therein cited), carried out under the formal observance of the EU or national rules (in this case, rules governing the filing of trade marks) but infringing or circumventing actually a serious legislative purpose such as that pursued by the provisions imposing the obligation of genuine use of the trade

marks, the full effectiveness of which cannot be avoided (13/02/2014, R 1260/2013-2, KABELPLUS / CANAL PLUS et al., § 17).

- 47 The five years in question allows the proprietor a reasonable time frame in which to prepare and then launch a range of products or services under a specific trade mark without having to worry, for the time being, about whether the criteria for genuine use as laid down in the EUTMR have been satisfied (13/02/2014, R 1260/2013-2, KABELPLUS / CANAL PLUS et al., § 18).
- 48 Holding a registration, not to use it, to drop it after five years and to file a new application with the aim of obtaining a fresh five-year period, artificially extends the grace period of five years, ultimately infinitely, as this pattern could be repeated as often as imaginable (15/11/2011, R 1785/2008-4, PATHFINDER / MARS PATHFINDER, § 19).
- 49 The five-year grace period is there to allow for a period of reflection, market exploration and economic considerations, for the trade mark holder to assess whether he or she can launch a product under a given mark, which is not linked to mere registration numbers appearing in official gazettes. However, there is no legitimate reason to allow the extension of this grace period for the sole reason that the same mark now appears on a national or EU register under a different registration number (15/11/2011, R 1785/2008-4, PATHFINDER / MARS PATHFINDER, § 20). The Board recalls that the EU legislators have not anticipated any renewal of the five-year grace period. On the contrary, a proper literal interpretation of the term ‘the earlier (EU or national) trade mark’ employed in Article 47(2) and (3) EUTMR, must be adopted. In other words, an ‘earlier mark’ need not necessarily be understood as a mark bearing this or that particular registration number, but as the same mark (in the sense of the representation of the mark under Article 31 EUTMR) ‘for the same goods and services’ and, of course, ‘in the same territory’ (13/02/2014, R 1260/2013-2, KABELPLUS / CANAL PLUS et al., § 19 and the case-law therein cited).
- 50 The Board also notes that Advocate-General Ruíz-Jarabo (see preliminary ruling of 02/07/ 2002, C-40/01, Ajax / Ansul, § 42, ECLI:EU:C:2002:412) urged the designated authorities to combat so-called ‘defensive’ or ‘strategic’ registrations, whose sole purpose was to prevent other traders registering similar signs in the future, but otherwise had no legitimate trade mark function (13/02/2014, R 1260/2013-2, KABELPLUS / CANAL PLUS et al., § 16 and the case-law therein cited).
- 51 As noted earlier, pursuant to Article 18(1) EUTMR and Article 16(1) EUTMDR, an EU or national trade mark must be put to genuine use in the territory in which it is protected within five years from the date of its registration, unless there are proper reasons for non-use.
- 52 It is in light of those considerations that it must be examined whether the Cancellation Division erred in finding that the contested EUTM was not applied for in bad faith according to Article 59(1)(b) EUTMR at its time of filing.

The case at hand

- 53 To start with the Board agrees with the contested decision that the revocation proceedings concerning earlier EUTM No 5 875 703 ‘OPOLY’ concern another sign which is different to the one at issue in the present proceedings, and hence has no bearing on the current proceedings. Any arguments based on the proof of use, or the lack of it, of this mark are therefore irrelevant.
- 54 In the case at hand, the cancellation applicant alleges that the contested EUTM covering goods and services in Classes 9, 16, 28 and 41 is a repeat filing of the EUTM proprietor’s earlier EUTM No 238 352 (filed on 24 April 1996 for goods in Classes 9, 25, 28), No 6 895 511 (filed on 7 May 2008 for services in Class 41) and No 8 950 776 (filed on 12 March 2010 for goods in Class 16), all of them covering the identical word ‘MONOPOLY’ and therefore the EUTM proprietor had a dishonest intention at the time of filing the contested EUTM. In protecting the same mark over a period of fourteen years the EUTM proprietor has improperly and fraudulently extended the five-year grace period indefinitely to evade the legal obligation of proving genuine use and the corresponding sanctions. It also claims that the Cancellation Division made a flawed assessment and disregarded the principles of the burden of proof, as well as that it made an incorrect assessment of the facts and evidence submitted by the parties.
- 55 It is an undisputed fact that at the time of filing the application on 30 April 2010, the EUTM proprietor had already filed and registered an identical ‘MONOPOLY’ trade mark on the three occasions mentioned in the paragraph above.
- 56 As correctly found in the contested decision, the contested EUTM actually covers a wider range of goods and services in Classes 9, 16, 28 and 41 although some of them are identical or closely related to the goods and services of the EUTM proprietor’s earlier marks.
- 57 The EUTM proprietor’s earlier ‘MONOPOLY’ registrations cover the following goods and services:

No 238 352 (filed on 24 April 1996):

Class 9 - Electronic amusement apparatus; electronic games; computer games; computer hardware; computer software; controls for use of the aforesaid goods; cards, disks, tapes, wires and circuits all carrying or for carrying data and/or computer software; arcade games; parts and fittings for all the aforesaid goods;

Class 25 - Clothing, footwear, headgear; parts and fittings for all the aforesaid goods;

Class 28 – Toys, games and playthings; gymnastic and sporting articles not included in other classes; decorations for Christmas trees; parts and fittings for all the aforesaid goods.

No 6 895 511 (filed on 7 May 2008):

Class 41 – Entertainment services.

No 8 950 776 (filed on 12 March 2010):

Class 16 - Paper and cardboard and goods made from these materials, not included in other classes; printed matter; book binding material; photographs; stationery; adhesives for stationery or household purposes; artists' materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); printers' type; printing blocks.

- 58 On the other hand, the contested 'MONOPOLY' mark in the case at hand, No 9 071 961 (filed on 30 April 2010), covers the following list of goods and services:

Class 9 - Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment and computers; fire-extinguishing apparatus; electronic amusement apparatus; electronic games; computer games; computer hardware; computer software; controls for use of the aforesaid goods; cards, disks, tapes, wires and circuits all carrying or for carrying data and/or computer software; arcade games; interactive entertainment software, namely, computer game software, computer game programs, computer game cartridges, computer game discs; interactive video games of virtual reality comprised of computer hardware and software; interactive multi-media game programs; downloadable software for use in connection with computers and computer games, portable gaming devices, console gaming devices, communication gaming devices and mobile telephones; electronic games, video games; video game software, video game programs, video game cartridges, video game discs, all for use in connection with computers, portable gaming devices, console gaming devices, communication devices and mobile telephones; video lottery terminals; computer and video game apparatus, namely video game machines for use with televisions; games apparatus adapted for use with television receivers; audio and/or video recordings; laser discs, video discs, phonograph records, compact discs, CD ROMs featuring games, films, entertainment and music; console gaming devices; communication devices and mobile telephones; pre-recorded films; pre-recorded television, radio and entertainment programmes and material; parts and fittings for all the aforesaid goods;

Class 16 - Paper and cardboard and goods made from these materials, not included in other classes; printed matter; book binding material; photographs; Stationery; adhesives for stationery or household purposes; artists' materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); printers' type; printing blocks; parts and fittings for all the aforesaid goods;

Class 28 - Games and playthings; gymnastic and sporting articles not included in other classes; decorations for Christmas trees; gaming machines; slot machines; playing cards; parts and fittings for all the aforesaid goods;

Class 41 - Education; providing of training; entertainment; entertainment in the form of films, television programmes and radio programmes; sporting and cultural activities.

- 59 The goods and services applied for in the contested EUTM are identical in wording to the goods and services already covered by the earlier registrations in so far as the following goods and services are concerned:

Class 9 - Electronic amusement apparatus; electronic games; computer games; computer hardware; computer software; controls for use of the aforesaid goods; cards, disks, tapes, wires and circuits all carrying or for carrying data and/or computer software (included in earlier registration No 238 352);

Class 16 - Paper and cardboard and goods made from these materials, not included in other classes; printed matter; book binding material; photographs; stationery; adhesives for stationery or household purposes; artists' materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); printers' type; printing blocks (included in earlier registration No 8 950 776);

Class 28 – Games and playthings; gymnastic and sporting articles not included in other classes; decorations for Christmas trees; parts and fittings for all the aforesaid goods. (included in earlier registration No 238 352);

Class 41 – Entertainment services (included in earlier registration No 6 895 511).

- 60 In addition, the goods and services applied for in the contested EUTM are identical in the sense that they fall under the more general terms already included in the earlier registrations in so far as the following goods and services are concerned:

Class 9 - Arcade games; interactive entertainment software, namely, computer game software, computer game programs, computer game cartridges, computer game discs; interactive video games of virtual reality comprised of computer hardware and software; interactive multi-media game programs; downloadable software for use in connection with computers and computer games, portable gaming devices, console gaming devices, communication gaming devices and mobile telephones; electronic games, video games; video game software, video game programs, video game cartridges, video game discs, all for use in connection with computers, portable gaming devices, console gaming devices, communication devices and mobile telephones; video lottery terminals; computer and video game apparatus, namely video game machines for use with televisions; games apparatus adapted for use with television receivers; audio and/or video recordings; laser discs, video discs, phonograph records, compact discs, CD ROMs featuring games, films, entertainment and music; console gaming devices; communication devices and mobile telephones; pre-recorded films; pre-recorded television, radio and entertainment programmes and material; parts and fittings for all the aforesaid goods (covered by the more general terms 'electronic amusement apparatus; electronic games; computer games; computer hardware; computer software; controls for use of the aforesaid goods; cards, disks, tapes, wires and circuits all carrying or for carrying data and/or computer software' included in earlier registration No 238 352);

Class 28 - Gaming machines; slot machines; playing cards; parts and fittings for all the aforesaid goods (covered by the more general terms 'games and playthings; parts and fittings for all the aforesaid goods' included in earlier registration No 238 352);

Class 41 - Entertainment in the form of films, television programmes and radio programmes (covered by the more general term 'entertainment services' included in earlier registration No 6 895 511).

- 61 On the other hand, the following goods and services applied for in the contested EUTM are not included in any of the prior registrations:

Class 9 - Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment and computers; fire-extinguishing apparatus;

Class 16 - Parts and fittings for paper and cardboard and goods made from these materials, not included in other classes, printed matter, book binding material, photographs, stationery, adhesives

for stationery or household purposes, artists' materials, paint brushes, typewriters and office requisites (except furniture), instructional and teaching material (except apparatus), plastic materials for packaging (not included in other classes), printers' type and printing blocks;

Class 41 - Education; providing of training; sporting and cultural activities.

- 62 In the case at hand, it is clear that the EUTM proprietor has protected the mark 'MONOPOLY' since 1996 in three different applications for different goods and services and that the contested EUTM covers a wider scope of goods and services as explained in detail in paragraphs 56-61 of this decision. The explanation given by the EUTM proprietor is that it was keen to cover a range of specific products in Class 9 to reflect developments in technology and a wider range of services in Class 41. The Board notes that since the list of goods and services in Classes 9, 28 and 41 covered by the contested EUTM has been updated as compared with the list of earlier EUTMs No 238 352 (Classes 9, 25, 28) and No 6 895 511 (Class 41), it is clear that for the goods and services mentioned in paragraph 61 above it can be accepted that the EUTM proprietor decided to direct its commercial policy towards further goods and services in which it was interested or which might interest it in the near future (13/12/2012, T-136/11, Pelikan, EU:T:2012:689, § 49).
- 63 In general, it must be stated that applying for a large variety of goods and services as such is rather common practice of companies trying to obtain an EU trade mark registration; it does not involve conduct that departs from accepted principles of ethical behaviour or honest commercial and business practices (13/12/2012, T-136/11, Pelikan, EU:T:2012:689, § 54).
- 64 Therefore, based on what is mentioned in the previous three paragraphs, it is clear that for some of the goods and services, namely those mentioned in paragraph 61 above, it can be accepted that the EUTM proprietor with the contested EUTM decided to direct its commercial policy towards further goods and services in which it was interested or which might interest it in the near future, that this a completely legitimate business activity and that this act follows a clear and acceptable commercial logic.
- 65 On the other hand, the contested EUTM also contains numerous goods and services which are simply a repeat of the earlier, already existing EUTMs 'MONOPOLY', namely those mentioned above in paragraphs 59 and 60 above.
- 66 It is not acceptable that the EUTM proprietor could circumvent the use requirement by disguising a re-filed mark through merely adding additional goods and services, which, in any event, could be subsequently discarded by means of a division or partial withdrawal of the trade mark (13/02/2014, R 1260/2013-2, KABELPLUS / CANAL PLUS et al., § 27).
- 67 In order to determine whether there was bad faith, consideration must be given to the applicant's intention at the time when he or she files the application for registration, a subjective factor which must be determined by reference to the objective circumstances of the particular case (27/06/2013, C-320/12, Malaysia Dairy, EU:C:2013:435, § 36; 11/06/2009, C-529/07, Lindt Goldhase, EU:C:2009:361, § 41-42; 14/05/2019, T-795/17, NEYMAR, EU:T:2019:329,

§ 49; 05/05/2017, T-132/16, VENMO, EU:T:2017:316, § 39-40 and the case-law cited).

- 68 Where the EUIPO finds that the objective circumstances of the particular case relied on by the applicant for a declaration of invalidity may lead to the rebuttal of the presumption of good faith applying to the application for registration of the mark at issue, it is for the proprietor thereof to provide plausible explanations on the objectives and commercial logic pursued by the application for registration of that mark. The owner of the trade mark is best placed to provide EUIPO with information on his or her intentions at the time of applying for registration of that mark and in order to provide it with evidence capable of convincing it that those intentions were legitimate (23/05/2019, T-3/18 & T-4/18, ANN TAYLOR / ANNTAYLOR et al., EU:T:2019:357, § 36-37 and the case-law therein cited).
- 69 The alleged bad faith must be shown to have existed at the time when the application for registration of the contested EUTM was filed, namely 30 April 2010 (29/06/2017, T-343/14, CIPRIANI / CIPRIANI, EU:T:2017:458, § 31).
- 70 In the context of the overall analysis undertaken pursuant to Article 59(1)(b) EUTMR, account may also be taken of the origin of the contested sign and its use since its creation, the commercial logic underlying the filing of the application for registration of that sign as an EU trade mark, and the chronology of events leading up to that filing (05/05/2017, T-132/16, VENMO, EU:T:2017:316, § 45 and the case-law cited; 13/12/2012, T-136/11, Pelikan, EU:T:2012:689, § 43).
- 71 As to the use of the contested EUTM since its creation, the Board notes from the file that the contested EUTM, together with the earlier registrations mentioned in paragraph 57 above, has been used as a basis of various opposition actions initiated by the EUTM proprietor against allegedly similar marks, e.g. 11/01/2017, B 1 918 641 and 31/10/2012, No B 1 884 793, in which it was successful and the decision was based on the contested EUTM, as for this mark it was not necessary to provide proof of genuine use in accordance with Article 47(2) EUTMR. The latter decision also found that the reputation of the contested sign had been proven for ‘board games’, but not for any other goods or services.
- 72 As to the possible reasons to apply for a new registration for the same mark, the EUTM proprietor before the Cancellation Division, and also before the Board in the oral hearing held on 19 November 2018, mentioned the reduction of administrative burden. As noted by the EUTM proprietor, Ms Beccia in her testimony conceded that the EUTM proprietor re-files ‘for a number of reasons that may make our lives easier in terms of administration’ but went on to state that ‘the filings are not identical repeat filings, they are broader and there are good commercial reasons for doing that’. She also mentioned having a ‘a consistent portfolio’ with ‘standard descriptions’, that have previously ‘been accepted by the local trade mark office’, as well as having ‘a portfolio that has one registration to cover ... four classes as opposed to having three or four that you might have to use for various purposes, licensing or enforcement or otherwise’.

- 73 On this point the Board notes that, at least in the case at hand, the EUTM proprietor has not surrendered any of its earlier marks which are now covered by the contested EUTM. Therefore, it is difficult to see how the administrative burden is reduced. On the contrary, as noted by the cancellation applicant, maintaining the existing identical trade marks results in amassing identical trade marks, which requires more administrative work and increased investment caused by, for example, the payment of filing fees and filing costs of the legal representatives for each mark applied for and registered, the costs of renewal fees for each mark, the administrative maintenance costs at the proprietor's company and for the law firm, the costs for the surveillance and monitoring of the various trade marks in order to assure that no identical and/or similar trade marks are filed and the costs of filing oppositions in order to defend each of these various trade marks.
- 74 In this context, the Board notes that not only are all the earlier 'MONOPOLY' EUTMs mentioned in paragraph 57 above still valid, they have quite recently been renewed and they have also been actively used together with the contested EUTM as a basis for oppositions.
- 75 Further, as conceded by the EUTM proprietor, Ms Beccia in her testimony stated that 'being able to rely upon one registration without the need to prove use' was a benefit to the EUTM proprietor and that it was something that was 'considered by all brand owners and in many different industries.' She said that it was not the sole motivator in any of the EUTM proprietor's filings: 'I wouldn't say it's a sole motivator in any of our filings but I do think that it's something that is considered.' Ms Beccia went on to explain that if a company owns multiple marks of different ages, for commercial reasons it is only sensible for it to oppose a later filed mark using a recent mark that is not subject to non-use in order to reduce the cost of providing evidence and attending hearings, that is, that it is more administratively efficient not to have to provide it.
- 76 On this point the Board notes that the fact that a filing is not only motivated by the advantage of not having to prove the genuine use of the mark, but other reasons as well, does not, in itself, make such a strategy acceptable.
- 77 In addition, the Board notes that in her witness statement, Ms Beccia mentioned that in her opinion it was not unusual for companies to file further applications for trade marks already the subject of existing EU registrations and include in those new applications goods or services included in the earlier trade mark filings and attached some examples. In her opinion this illustrates that at the time it was an accepted industry practice to file such further applications to include the companies' core area of interest, even if already protected in an earlier registration. This was also referred to by the EUTM proprietor's representative in the oral hearing, stating that what his client did then was clearly normal and accepted practice.
- 78 On this point the Board notes that, obviously, the simple fact that other companies may be using a specific filing strategy does not make that strategy legal and acceptable, especially if the lawfulness of such a practice has not been tested and approved before the Courts. The Board finds that this filing strategy, when used

with the intention to circumvent the obligation to prove genuine use of the mark, is not a legitimate business activity or follows commercial logic but, on the contrary, is incompatible with the objectives pursued by the EUTMR and may be considered as an ‘abuse of law’ (by analogy, 07/07/2016, T-82/14, LUCEO, EU:T:2016:396, § 52).

- 79 As follows from the above, the EUTM proprietor knowingly re-filed the contested EUTM so that it also covered goods and services for which it already had a registration. It also admitted that the advantage of this strategy was that it would not have to prove genuine use of the mark in opposition proceedings, which was one of the factors considered when the EUTM proprietor files a mark. Also, the Board sees no other commercial logic as regards the reason for such a filing strategy.
- 80 The EUTM proprietor argued that this was normal industry practice, which clearly implies that using such a strategy was intentional. Further, it has actively used both all the earlier registrations and the contested EUTM together as a basis of opposition actions.
- 81 All of these circumstances imply that the intention of the EUTM proprietor was indeed to take advantage of the EU trade mark rules by artificially creating the situation where it would not have to prove genuine use of its earlier marks for the goods and services mentioned. Whether or not it could have actually proven such use is irrelevant, as it is the intention of the applicant for a mark which is to be evaluated. Further, in any case, in so far as the EUTM proprietor refers to proven use of the mark, this can only be seen to apply to ‘board games’.
- 82 Such conduct, which improperly and fraudulently extends the five-year grace period, is manifestly intended to circumvent the obligation to prove use of earlier marks and must be considered as an intention to distort and imbalance the European Union trade mark system as established by the EU legislators.
- 83 Therefore the application of the contested EUTM, in so far as it included goods and services already covered by earlier registrations, namely those mentioned in paragraphs 59 and 60 above, was made in bad faith.
- 84 However, the Board is of the opinion that the contested EUTM was filed following a commercial logic for those goods and services which are different to those covered by the earlier ‘MONOPOLY’ EUTMs, namely those mentioned in paragraph 61 above. For these goods and services, the EUTM proprietor did not act in bad faith.
- 85 In light of all the foregoing, the Board comes to the conclusion that the EUTM proprietor acted in bad faith when it filed the application for the contested EUTM in so far as it included the following goods and services in the application for the contested EUTM:

‘Electronic amusement apparatus; electronic games; computer games; computer hardware; computer software; controls for use of the aforesaid goods; cards, disks, tapes, wires and circuits all carrying or for carrying data and/or computer software; arcade games; interactive entertainment software, namely, computer game software, computer game programs, computer game cartridges,

computer game discs; interactive video games of virtual reality comprised of computer hardware and software; interactive multi-media game programs; downloadable software for use in connection with computers and computer games, portable gaming devices, console gaming devices, communication gaming devices and mobile telephones; electronic games, video games; video game software, video game programs, video game cartridges, video game discs, all for use in connection with computers, portable gaming devices, console gaming devices, communication devices and mobile telephones; video lottery terminals; computer and video game apparatus, namely video game machines for use with televisions; games apparatus adapted for use with television receivers; audio and/or video recordings; laser discs, video discs, phonograph records, compact discs, CD ROMs featuring games, films, entertainment and music; console gaming devices; communication devices and mobile telephones; pre-recorded films; pre-recorded television, radio and entertainment programmes and material; parts and fittings for all the aforesaid goods' in Class 9;

'Paper and cardboard and goods made from these materials, not included in other classes; printed matter; book binding material; photographs; stationery; adhesives for stationery or household purposes; artists' materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); printers' type; printing blocks' in Class 16;

'Games and playthings; gymnastic and sporting articles not included in other classes; decorations for Christmas trees; gaming machines; slot machines; playing cards; parts and fittings for all the aforesaid goods' in Class 28;

'Entertainment; entertainment in the form of films, television programmes and radio programmes' in Class 41.

- 86 The appeal must therefore be allowed and the contested decision annulled for the goods and services mentioned in the previous paragraph. The appeal must be dismissed for the remaining goods and services.
- 87 The present decision further develops the case law of the Boards (07/07/2017, R 2540/2011-G, GOLD BUNNY (LINDT) (3D MARK); 16/11/2015, R 1649/2011-G, SHAPE OF A BOTTLE (3D) and 15/05/2015, R 66/2015-2, SUPER GLUE (FIG. MARK)) concerning re-applications and re-filings of EU trade marks.

Costs

- 88 Pursuant to Article 109(3) EUTMR, where each party succeeds on some and fails on other heads, the Boards of Appeal shall decide on a different apportionment of costs. As the appeal is successful in part, it is appropriate to order that each party bears its own costs in the appeal proceedings.
- 89 As to the costs of the cancellation proceedings, it is appropriate that, for the same reasons, each party bears its own costs there as well.

Order

On those grounds,

THE BOARD

hereby:

- 1. Annuls the contested decision to the extent that the application for a declaration of invalidity was rejected for the following goods and services:**

‘Electronic amusement apparatus; electronic games; computer games; computer hardware; computer software; controls for use of the aforesaid goods; cards, disks, tapes, wires and circuits all carrying or for carrying data and/or computer software; arcade games; interactive entertainment software, namely, computer game software, computer game programs, computer game cartridges, computer game discs; interactive video games of virtual reality comprised of computer hardware and software; interactive multi-media game programs; downloadable software for use in connection with computers and computer games, portable gaming devices, console gaming devices, communication gaming devices and mobile telephones; electronic games, video games; video game software, video game programs, video game cartridges, video game discs, all for use in connection with computers, portable gaming devices, console gaming devices, communication devices and mobile telephones; video lottery terminals; computer and video game apparatus, namely video game machines for use with televisions; games apparatus adapted for use with television receivers; audio and/or video recordings; laser discs, video discs, phonograph records, compact discs, CD ROMs featuring games, films, entertainment and music; console gaming devices; communication devices and mobile telephones; pre-recorded films; pre-recorded television, radio and entertainment programmes and material; parts and fittings for all the aforesaid goods’ in Class 9;

‘Paper and cardboard and goods made from these materials, not included in other classes; printed matter; book binding material; photographs; stationery; adhesives for stationery or household purposes; artists’ materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); printers’ type; printing blocks’ in Class 16;

‘Games and playthings; gymnastic and sporting articles not included in other classes; decorations for Christmas trees; gaming machines; slot machines; playing cards; parts and fittings for all the aforesaid goods’ in Class 28;

‘Entertainment; entertainment in the form of films, television programmes and radio programmes’ in Class 41;

- 2. Declares EUTM No 9 071 961 invalid for the above goods and services;**

3. **Dismisses the appeal for the remainder;**
4. **Orders the parties to bear their own costs in the invalidity and appeal proceedings.**

Signed

S. Stürmann

Signed

H. Salmi

Signed

S. Martin

Registrar:

Signed

H. Dijkema

