

CANCELLATION No 11645 C (INVALIDITY)

Kreativni Dogadaji d.o.o, Krapinska 27, Zagreb 10000, Croatia (applicant), represented by **Würtenbergerkunze**, Maximiliansplatz 12b, 80333 München, Germany (professional representative)

a g a i n s t

Hasbro, Inc., 1027 Newport Avenue, Pawtucket, Rhode Island 02862, United States of America (EUTM proprietor), represented by **Gill Jennings & Every LLP**, The Broadgate Tower, 20 Primrose Street, London EC2A 2ES, United Kingdom (professional representative).

On 22/06/2017, the Cancellation Division takes the following

DECISION

1. The application for a declaration of invalidity is rejected in its entirety.
2. The applicant bears the costs, fixed at EUR 450.

REASONS

The applicant filed an application for a declaration of invalidity against European Union trade mark No 9 071 961 'MONOPOLY' (word mark) (the EUTM). The request is directed against all the goods and services covered by the EUTM, namely

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.*

The applicant invoked Article 52(1)(b) EUTMR.

SUMMARY OF THE PARTIES' ARGUMENTS

The applicant explains that the EUTM proprietor has been filing oppositions against trade mark applications that end in the syllables '-opoly' over the last couple of years. It points out that the EUTM proprietor is the owner of a number of European trade marks 'MONOPOLY' registered before EUIPO. It also states that, had the proprietor based its oppositions on its prior European Union marks 'MONOPOLY' instead of on the new registrations he had filed, it would have been likely that the applicant would have requested the proprietor to provide proof of use of its prior 'MONOPOLY' marks.

The applicant argues that the EUTM proprietor filed the challenged contested mark repeatedly and therefore that it had a dishonest intention at the time of filing of the contested mark. It is clear, according to the applicant, that the contested mark is a repeat application of an identical mark protecting the same goods and services. It considers that to register a trademark and then periodically to re-register an identical trademark can serve to improperly and fraudulently extend the five year grace period indefinitely to evade the legal obligation of proving genuine use and the corresponding sanctions. Therefore, this filing was made in fraud of law and cannot be invoked to evade the corresponding sanctions. The applicant also contends that the contested mark was filed with the sole intention of artificially extending the 5 year grace period of its previously registered European marks 'MONOPOLY' which are protected for identical goods and in the same territory and to circumvent the use requirement of the marks in opposition proceedings.

In support of its observations, the applicant filed the following evidence:

- Copy of the Guidelines for Examination in the Office for Harmonization in the Internal Market on Community Trade Marks – Part D – cancellation – Section - Substantive provisions including the analysis of the concept of bad faith.
- Extract from the OHIM eSearch database which includes the registration details of the mark No 238 352 'MONOPOLY' filed on 24/04/1996 for goods in classes 9, 25 and 28.
- Extract from the OHIM eSearch database which includes the registration details of the mark No 6 895 511 'MONOPOLY' filed on 07/05/2008 for services in class 41.

- Extract from the OHIM eSearch database which includes the registration details of the mark No 8 950 776 'MONOPOLY' filed on 12/03/2010 for goods in class 16.
- Extract from the OHIM eSearch database which includes the registration details of the contested mark No 9 071 961 'MONOPOLY' filed on 30/04/2010 for goods and services in classes 9, 16, 28 and 41.
- Extract from the OHIM eSearch database which includes the registration details of the mark No 1 377 779 'OPOLY' filed on 10/11/1999 for goods in class 28.
- Extract from the OHIM eSearch database which includes the registration details of the mark No 5 875 703 'OPOLY' filed on 04/05/2007 for goods in class 28.
- Decision of 31/10/2012, B 1 884 793.

In reply, the EUTM proprietor argues that filing of the contested mark was not made in bad faith. It states that 'MONOPOLY' board game is one of the world's best-selling board games and it enjoys a high degree of recognition among consumers, benefiting from goodwill and reputation. In support of its claim of reputation of its 'MONOPOLY' marks, the proprietor quoted several opposition decisions in which high degree of distinctiveness of the sign 'MONOPOLY' was recognised. It states that other operators applied for trade mark applications using the '-OPOLY' suffix in order to benefit from that goodwill. As a result of this, the proprietor has been successful in preventing registrations of numerous '-OPOLY' suffix trade marks.

On the other hand, the EUTM proprietor argues that, with the filing of the contested mark, 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 along with the earlier goods and services included in the previous registrations. The decision of the new filing was seeking to protect its business. The EUTM proprietor adds that, even if use had been required to be proven, the EUTM proprietor would have had no problem in providing such proof and indeed it did so by including evidence of use to support its reputation claim in other proceedings.

In support of its observations, the EUTM proprietor filed an affidavit signed by Mr. Paul Normand Vanasse, Director of Intellectual Property of the EUTM proprietor on 05/05/2011. According to him, the affidavit was made to demonstrate the enhanced distinctive character and reputation of the 'MONOPOLY/OPOLY' trade marks in an opposition proceedings. The affidavit includes, among others, sale figures or advertising activity.

In reply, the applicant points out that no proof of use was filed in the revocation proceedings of the earlier European Union trade mark registration No 5 875 703 'OPOLY'. Furthermore, the applicant argues that there is neither a plausible reason nor any underlying commercial logic why the EUTM proprietor applied for protection of a wide range of goods and services for the trade mark 'MONOPOLY' when it already possessed a corresponding EU registration for an identical mark.

In its final observations, the EUTM proprietor denies the applicant's claims and refers to its previous arguments. It insists on the fact that the different filing dates explain how different commercial considerations coming into play over time are reflected in any new filings.

ABSOLUTE GROUNDS FOR INVALIDITY – ARTICLE 52(1)(b) EUTMR

General principles

Article 52(1)(b) EUTMR provides that a European Union trade mark will be declared invalid where the applicant was acting in bad faith when it filed the application for the trade mark.

There is no precise legal definition of the term 'bad faith', which is open to various interpretations. Bad faith is a subjective state based on the applicant's intentions when filing a European Union trade mark. As a general rule, intentions on their own are not subject to legal consequences. For a finding of bad faith there must be, first, some action by the EUTM proprietor which clearly reflects a dishonest intention and, second, an objective standard against which such action can be measured and subsequently qualified as constituting bad faith. There is bad faith when the conduct of the applicant for a European Union trade mark departs from accepted principles of ethical behaviour or honest commercial and business practices, which can be identified by assessing the objective facts of each case against the standards (Opinion of Advocate General Sharpston of 12/03/2009, C-529/07, Lindt Goldhase, EU:C:2009:361, § 60.).

Whether an EUTM proprietor acted in bad faith when filing a trade mark application must be the subject of an overall assessment, taking into account all the factors relevant to the particular case (11/06/2009, C-529/07, Lindt Goldhase, EU:C:2009:361, § 37).

In this overall assessment, consideration has to be taken of all the relevant factors specific to the particular case which pertained at the time of filing the application for registration of the sign as a European Union trade mark, in particular: (a) 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 capable of being confused with the sign for which registration is sought; (b) the applicant's intention to prevent that third party from continuing to use such a sign; and (c) 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).

It is also apparent from the wording used by the Court that these three factors 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; and 13/12/2012, T-136/11, Pelikan, EU:T:2012:689, § 26).

For an invalidity declaration to be pronounced on the basis of bad faith, however, there must be no doubt about the dishonest intentions of the EUTM proprietor at the time of filing. The applicant has the burden to prove the soundness of the facts on which it bases its allegation, in particular as regards the assumption that the EUTM proprietor acted dishonestly when filing the EUTM. Indeed, the European Union trade mark registration system is based on the 'first-to-file' principle laid down in Article 8(2) EUTMR. The application of that principle is moderated, inter alia, by Article 52(1)(b) EUTMR, under which, following an application to EUIPO or on the basis of a counterclaim in infringement proceedings, a European Union trade mark is to be declared invalid where the applicant was acting in bad faith when it filed the application for the trade mark.

Accordingly, where the applicant for a declaration of invalidity seeks to rely on that ground, it is for that party to prove the circumstances which substantiate a finding that the European Union trade mark proprietor had been acting in bad faith when it filed the application for registration of that mark (21/03/2012, T-227/09, FS, EU:T:2012:138, § 31 and 32, and 'BIGAB', loc. cit., § 16 and 17). As a general rule, good faith is presumed until the opposite is proven and the burden of proof in this respect rests exclusively on the invalidity applicant ('Pelikan', loc. cit., § 57).

Finally, in the context of the overall analysis undertaken pursuant to Article 52(1)(b) EUTMR, account may be taken of the commercial logic underlying the filing of the application for registration of that sign as an European Union trade mark ('BIGAB', loc. cit., § 21) as well as of the chronology of the events which surrounded the filing (03/06/2010, C-569/08, Internetportal, EU:C:2010:311, § 52).

Assessment of the bad faith in the present case

Outline of the relevant facts

The applicant argues that the challenged contested mark No 9 071 961 MONOPOLY filed on 30/04/2010 is a repeat filing of the earlier European trade mark registrations No 238 352 (filed on 24/04/1996 for goods in Classes 9, 25, 28), No 6 895 511 (filed on 07/05/2008 for services in Class 41) and No 8 950 776 (filed on 12/03/2010 for goods in Class 16), all of them also covering the sign MONOPOLY, and therefore that the proprietor had a dishonest intention at the time of filing of the contested mark.

It should be pointed out that the General Court has actually recognised that 'it is possible that, where the proprietor of an European Union trade mark files a repeat application for the same 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' ('Pelikan', loc. cit., § 27).

Consequently, since the Court admitted that a repeat application for the same EUTM may be considered as a case of bad faith, the question which arises is, at the outset, whether the contested EUTM is 'a repeat application for earlier European Union trade marks filed in order to avoid loss of the rights attaching to those marks' ('Pelikan', loc. cit., § 28). In this regard, two issues must be addressed. The first is whether the contested EUTM is actually a 'repeat trade mark application'. In the affirmative, the second issue is whether the objective circumstances of the filing disclose any dishonest intentions of the EUTM proprietor.

As it is undisputed between the parties, the contested mark and the earlier EUTM are identical, as they both consist of the word sign 'MONOPOLY'.

Moreover, the earlier marks cover the following goods:

No 238 352

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

Class 41: *Entertainment services.*

No 8 950 776

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.*

In the present case, the contested mark 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. The EUTM proprietor argues that with the filing of the contested mark, 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 along with the earlier goods and services included in the previous registrations.

The Cancellation Division considers that applying for a large variety of goods and services is a fairly common practice for companies trying to obtain a (European Union) trade mark registration and does not depart from accepted principles of ethical behaviour or honest commercial and business practices. It is no indication as such that there is no intention to use the contested EUTM for all the goods and services involved or for some of the goods and services specifically (13/12/2012, T-136/11, Pelikan, EU:T:2012:689, § 54).

The second issue to be addressed is whether there was a 'mere' repeat application, made without any commercial logic and with the purpose of extending the 5 year grace period of its previously registered European marks 'MONOPOLY' which are protected for identical goods and in the same territory and to circumvent the use requirement of the marks in opposition proceedings.

For a conclusion on these points to be reached, account should be taken of all the objective circumstances of the particular case and of the chronology of the events. These circumstances and events are, in their chronological order:

- The proprietor applied for the MONOPOLY mark No 238 352 in 1996 for goods and services in classes 9, 25, 28.
- It filed another MONOPOLY mark No 6 895 511 in 2008 for services in class 41.

- It filed another MONOPOLY mark No 8 950 776 on 12/03/2010 for goods in class 16.
- The contested mark was filed in April 2010 for goods and services in Classes 9, 16, 28 and 41.
- On 31/10/2012 the Opposition Division (decision B 1 884 793) upheld the opposition and rejected the international registration designating the European Union 'CARBONOPOLY'. The opposition was based on, inter alia, the contested mark 'MONOPOLY'. The said decision established reputation of the earlier mark 'MONOPOLY' for *board games*.

It has to be recalled, as a preliminary point, that the intentions of the EUTM proprietor must be assessed in the light of the objective circumstances existing at the time of the filing, but facts that are subsequent to the time of filing are also capable of disclosing the intentions of the proprietor at the time of the filing (11/06/2009, C-529/07, Lindt Goldhase, EU:C:2009:361, § 43 and 44).

In the present case, there is no doubt that the EUTM proprietor had been protecting the mark MONOPOLY since 1996 in three different applications for different goods and services and that the contested mark 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 applicant states that had the proprietor based its oppositions on its prior European Union marks 'MONOPOLY', it would have been likely that the applicant would have requested that the proprietor provides proof of use of its prior 'MONOPOLY' marks. However, the Cancellation Division considers that this assertion is a mere speculation of the cancellation applicant about the proprietor's behaviour and intentions.

Furthermore, neither the proprietor's marks are under revocation proceedings nor proof of use was requested for such marks. In the same sense, the previous decision 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 applicant's claim about the proprietor's behaviour, namely that he seeks to evade the use requirement and its sanctions, is unfounded.

Furthermore, the applicant points out that no proof of use was filed in the revocation proceedings of the 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 applicant's claim is unfounded.

The Cancellation Division is of the view that the sequence of events does not demonstrate that the application for the same mark was made in order to avoid the consequences entailed by total or partial revocation of earlier trade marks for reasons of non-use. Furthermore, the circumstances of the case do not clearly establish that the proprietor did attempt to deceitfully expand the grace period granted by the EUTM regulation to put a trade mark to genuine use.

Conclusion

As observed above and taking into account all the evidence and circumstances of the case, the Cancellation Division may not assess the issue of bad faith by assuming that the applicant's unilateral statement is accurate, in the absence of proper documentation supporting the allegation that a repetition of the identical filing was to circumvent the EUTM system. The applicant, as stated above, has the onus to prove its assertions by submitting concrete evidence and cannot expect the Cancellation Division to declare invalid a registered trade mark on the basis of a unilateral statement not corroborated by documents.

In light of the above principles and of the circumstances and facts presented by the applicant, the Cancellation Division is of the view that the applicant failed to prove its allegation that the EUTM proprietor was acting in bad faith when filing the contested EUTM. The applicant confined itself to statements not supported by enough evidence or facts leading to a safe conclusion that the EUTM proprietor acted in fraud when it filed the contested mark. As a consequence, the applicant cannot be considered to have established the EUTM proprietor's dishonest intention or any other unfair practice involving lack of good faith on its part.

Consequently, the Cancellation Division concludes that the application should be rejected.

COSTS

According to Article 85(1) EUTMR, the losing party in cancellation proceedings must bear the fees and costs incurred by the other party.

Since the applicant is the losing party, it must bear the costs incurred by the EUTM proprietor in the course of these proceedings.

According to Rule 94(3) EUTMIR and Rule 94(7)(d)(iv) EUTMIR, the costs to be paid to the EUTM proprietor are the representation costs, which are to be fixed on the basis of the maximum rate set therein.



The Cancellation Division

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According to Article 59 EUTMR, any party adversely affected by this decision has a right to appeal against this decision. According to Article 60 EUTMR, notice of appeal must be filed in writing at the Office within two months of the date of notification of this decision. It must be filed in the language of the proceedings in which the decision subject to appeal was taken. Furthermore, a written statement of the grounds of appeal must be filed within four months of the same date. The notice of appeal will be deemed to be filed only when the appeal fee of EUR 720 has been paid.

The amount determined in the fixation of the costs may only be reviewed by a decision of the Cancellation Division on request. According to Rule 94(4) EUTMR, such a request must be filed within one month from the date of notification of this fixation of costs and shall be deemed to be filed only when the review fee of EUR 100 (Annex I A(33) EUTMR) has been paid.