

DECISION
of the Fourth Board of Appeal
of 20 October 2020

In Case R 351/2020-4

44IP Limited

Bourse, 140 Labour Avenue
NXR9021 Naxxar
Malta

Cancellation Applicant / Appellant

represented by Beck Greener LLP, Fulwood House, 12 Fulwood Place, London
WC1V 6HR, United Kingdom

v

Hamilton International AG

Mattenstrasse 149
2503 Biel/Bienne
Switzerland

EUTM Proprietor / Defendant

represented by Despacho González-Bueno, S.L.P., Calle Velázquez 19, 2º dcha.,
28001 Madrid, Spain

APPEAL relating to Cancellation Proceedings No 17 968 C (European Union trade
mark registration No 13 496 013)

THE FOURTH BOARD OF APPEAL

composed of D. Schennen (Chairman and Rapporteur), E. Fink (Member) and
L. Marijnissen (Member)

Registrar: H. Dijkema

gives the following

Decision

Summary of the facts

- 1 By an application filed on 25/11/2014 and registered on 05/05/2015, Hamilton International AG ('the EUTM proprietor') obtained registration of the word mark

HAMILTON

as a European Union trade mark for the following list of goods:

Class 9 – Apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers; recording discs; compact discs; DVDs and other digital recording media; devices for converting compressed sound files (MP3); calculating machines and equipment for the processing of information; software; computer games software for mobile devices; computer and digital music players; electronic game software for mobile phones, computers and digital music players; computers; laptops; palmtops; mobile computers; personal computers; computers worn on the wrist, tablet computers; mobile radios; mobile telephones; mobile computers; mobile telecommunications apparatus and terminals; mobile data apparatus and receivers; wearable mobile phones; digital music players; mobile phones and advanced mobile phones with extended functionality (smartphones); telecommunications apparatus and instruments; apparatus for recording, transmission or reproduction of sound or images, including cell phones and mobile phones with advanced extended features (smartphones); smartphones in the shape of a watch; electronic handheld devices for accessing the Internet and sending, receiving, recording and storing short messages, e-mails, phone calls, faxes, images, sounds, music, text and other digital data, and for video conferencing; handheld electronic devices for receiving, storing and the wireless transmission of data or messages; electronic handheld devices to monitor and organize personal information; electronic handheld devices for universal search [GPS] and display of maps and navigation information; electronic handheld devices for detecting, storing, tracking, monitoring and transmission of data on the activity of the user, namely position, route, distance, heart rate; covers for computers, mobile phones and laptops; optical apparatus and instruments including eyeglasses, sunglasses, lenses, spectacle cases, cases for sunglasses and magnifiers; batteries for computers and electronic equipment; batteries and batteries for watches and chronological instruments.

Class 14 – Precious metals and their alloys and goods made of these materials or plated therewith included in this class, namely figurines, trophies; jewellery, namely rings, earrings, cufflinks, bracelets, charms, brooches, chains, necklaces, tie pins, jewelry boxes, cases; precious stones; semi-precious stones (gemstones); horological and chronometric instruments, namely watches, watches that communicate data to smartphones, watchbands that communicate data to smartphones, chronographs, clocks, watch bracelets, clocks, alarm clocks and parts and fittings for the aforesaid goods, namely needles, anchors, rockers, barrels, watch cases, watch straps, watch dials, clockworks, watch chains, watch movements, watch springs, watch glasses, cases for watch-making.

- 2 On 29/11/2017, 44IP Limited ('the cancellation applicant') filed an application for a declaration of invalidity against all the goods of the EUTM on the grounds laid down in Article 59(1)(b) EUTMR, bad faith, and Article 59(1)(a) EUTMR in conjunction with Article 7(1)(f) EUTMR, registration of the contested mark contrary to public policy. The cancellation request was accompanied by eSearch database printouts of (i) the contested mark (Annex 1) and (ii) the earlier EUTM No 103 200 for the word mark 'HAMILTON' of the EUTM proprietor (Annex 2; hereinafter referred to as 'earlier registration') and a printout of the website <http://www.hamiltonwatch.com/> displaying 'HAMILTON' watches (Annex 3).

- 3 The cancellation applicant explained that it is a company holding the intellectual property rights relating to the racing driver Lewis Hamilton and it filed the EUTM application No 14 365 837 ‘LEWIS HAMILTON’ for goods and services in Classes 14 and 35, which is the subject of the opposition proceedings initiated by the EUTM proprietor based on the contested mark. It basically argued that the EUTM proprietor is also the proprietor of the EUTM No 103 200 registered on 05/06/1998 (‘earlier registration’) for the word mark ‘HAMILTON’ registered for goods in Class 14, which, according to the cancellation applicant, covers a larger scope in comparison to the goods in Class 14 of the contested mark. The registration of the contested mark constituted an attempt ‘to extend the grace period for non-use’ of the earlier registration for the goods covered by the contested mark and therefore, it had been filed in bad faith and it impedes fair competition. The cancellation applicant admitted that the EUTM proprietor used the contested mark ‘in respect of wrist watches in Class 14’ as it results from the website of the EUTM proprietor (Annex 3). In addition, it recalled that a request for revocation for non-use had been filed against the earlier registration. Alternatively, the cancellation applicant invoked the ground for invalidity of Article 7(1)(f) EUTMR as the contested sign was registered contrary to the public policy and such a registration ‘improperly impedes fair competition and the free movement of goods’ in the EU.
- 4 On 11/04/2018, the EUTM proprietor replied to the arguments of the cancellation applicant and concluded that there was no bad faith when filing the contested mark since the earlier registration had been genuinely used as it results from the evidence submitted. The list of goods in Class 14 of the contested mark was updated due to (i) the technological development in the horological field, such as smartwatches and (ii) following the ‘IP Translator’ judgment, the general indications of the class headings of the Nice Classification are no longer recommendable as the terms are to be interpreted literally. In any case, the list of goods of the contested mark is not identical to the list of goods of the earlier registration. As regards the revocation proceedings No 17 967 C initiated by the cancellation applicant against the earlier registration on the grounds of Article 58(1)(a) EUTMR, the EUTM proprietor submitted evidence on genuine use of this mark on 11/04/2018 that includes a list of stores selling ‘HAMILTON’ products, catalogues and invoices. The EUTM proprietor filed, inter alia, the following evidence:

Annex	Short description
Annex 1	A witness statement of Mr S. D., CEO of the EUTM proprietor of 06/04/2018 in English and French, stating that ‘Hamilton’ had been established in the USA in 1892 and it is well-known for its watches that have been sold in the EU since at least 1950s
Annex 2	Press clippings from Germany, Spain, France, Italy and the United Kingdom, dated between 2012 - 2017, showing watches bearing the sign displayed as <div data-bbox="785 1839 1222 1951" style="text-align: center;">  </div> ‘HAMILTON’, or

	
Annex 3	 <p>A photograph of a bracelet bearing the sign 'HAMILTON':</p>
Annex 4	A list of 12 invoices comprised in Annex 5 dated between 2012 - 2014
Annex 5	12 invoices dated between 2012 - 2014, bearing the sign 'HAMILTON' on the top, invoicing some items in connection with 'HAMILTON' watch products and jewellery for the customers in Switzerland, Kuwait, Singapore and the Russian federation

- 5 On 09/10/2018, the cancellation applicant referred to the request for a preliminary ruling pending before the Court of Justice in case C-371/18, SkyKick, relevant for the outcome of the current proceedings. It further made a breakdown of the goods for which the contested mark is registered that are identical to the goods of the earlier registration (Annex 4). As regards bad faith, according to the cancellation applicant, it should be on the EUTM proprietor 'to demonstrate its intentions with proper evidence'. The evidence on use provided by the EUTM proprietor 'at most demonstrates use of the mark for wrist watches in Class 14'. It argues against the claim of the EUTM proprietor that the contested mark is related to the update of the product portfolio for protecting new innovations like smartwatches, however, there is no indication that the EUTM proprietor tries to expand in that area. It concluded that the EUTM proprietor has no intention to use the contested mark in relation to the goods registered for except for the wrist watches. The EUTM proprietor had no proper justification to obtain the contested registration and this is in direct contravention of the public and general interest. The cancellation applicant submitted the following evidence:

Annex	Short description
Annex 4	A comparison of the list of the goods in Class 14 of the contested mark and the earlier registration of the EUTM proprietor
Annex 5	A judgment of the English High Court of Justice of 06/02/2018, Case No HC-2016-001587 concerning the reference to the Court of Justice of the EU in relation to the dispute between (1) SKY PLC, (2) SKY INTERNATIONAL AG, (3) SKY UK LIMITED and (1) SKYKICK UK LIMITED, (2) SKYKICK INC

- 6 On 08/02/2019, the EUTM proprietor replied that there is no reason to suspend the proceedings in relation to the SkyKick case. The EUTM proprietor intends to use the mark for all the goods registered for in the future. The EUTM proprietor submitted the following additional evidence of genuine use of the contested mark:

Annex	Short description
Annex 1	A list of stores selling 'HAMILTON' products

Annex 2	Several invoices, bearing the sign 'HAMILTON' on the top, invoicing some items in connection with 'HAMILTON' watch products and jewellery in Germany, France, Italy and the United Kingdom from 2013 to 2017
---------	--

- 7 By decision of 12/12/2019 ('the contested decision'), the Cancellation Division rejected the application for a declaration of invalidity in its entirety and ordered the cancellation applicant to bear the costs.
- 8 The Cancellation Division reasoned in essence as follows:
- The request for suspension of the proceedings regarding the case C-371/18, SkyKick is rejected as the questions at issue are different from the present case.
 - The contested mark and the earlier registration of the EUTM proprietor are the identical word marks 'HAMILTON'. The Cancellation Division analysed the terms of the two lists of goods and services and reasoned that taking into account the specific terms used in the list of goods of the contested mark, reflecting the technological innovation in the market in comparison with the time of filing of the earlier registration, the contested mark cannot be regarded as a mere repeat application made in bad faith for the sole purpose of avoiding the consequences of revocation of the earlier registration.
 - The present proceedings are not concerned with revocation for non-use; the EUTM proprietor bears no burden to prove that it used the contested mark or the earlier registration for any of the goods registered. Nevertheless, the EUTM proprietor provided evidence of use of the contested mark. However, it is for the cancellation applicant to prove that an application for registration of the contested mark had been filed in bad faith, the good faith of the EUTM proprietor being presumed until proven otherwise.
 - The revocation proceedings No 17 967 C in relation to the earlier registration, initiated by the cancellation applicant, is not relevant for the current proceedings as (i) it concerns another marks of the EUTM proprietor and (ii) it does not show the intention of the EUTM proprietor when filing the contested mark.
 - In relation to the IP rights of the racing driver 'Lewis Hamilton', the fact that the contested mark consists merely of the element 'Hamilton' that happens to be the surname of Lewis Hamilton, could not show dishonest intention. Furthermore, a prior right to a name is not a right that could be a ground under Article 59(1)(b) EUTMR, but it concerns Article 60(2) EUTMR, which had not been invoked by the cancellation applicant.
 - Filing a notice of opposition *per se* is not an indicator of possible bad faith on the part of the EUTM proprietor.

- The cancellation applicant failed to prove its allegation that the EUTM proprietor had been acting in bad faith when filing the contested mark on the grounds of Article 59(1)(b) EUTMR.
 - As regards the absolute ground for invalidity based on Article 59(1)(a) EUTMR in conjunction with Article 7(1)(f) EUTMR, the claimed behaviour of the EUTM proprietor in terms of unfair competition and breach of free movement of goods within the EU had not been proven by the cancellation applicant and therefore, it has to be dismissed.
- 9 On 12/02/2020, the cancellation applicant filed an appeal against the contested decision, followed by a statement of grounds received on 18/05/2020. It requested the Board to annul the contested decision in its entirety.
- 10 The arguments raised in the statement of grounds may be summarised as follows:
- The list of goods in Class 14 of the contested mark was wrongly interpreted as being sufficiently different from the goods of the earlier registration. The term ‘semi-precious stones (gemstones)’ of the contested mark was not included within the list of the goods of the earlier registration. The inclusion of one new term does not exclude that a repetitive filing of the contested mark had been made in bad faith to artificially extend the grace period.
 - The assertions of good faith given by the EUTM proprietor were wholly unsupported and inconsistent with the evidence provided. In particular, the alleged plans of the EUTM proprietor of expanding into all the new product areas listed in the contested mark would be ‘commercially unrealistic’. There is a clear contradiction between (i) the assertion of the EUTM proprietor on the recent development of new smartwatches on one hand and (ii) statements of the CEO of the EUTM proprietor on the strategy based on the traditional wrist watches (see Annex 1 to the statement of grounds and Annex 1 to the motion of the EUTM proprietor of 11/04/2018, see paragraph 4 above). The cancellation applicant should have been granted an opportunity to present the additional evidence in reply to the submissions of the EUTM proprietor, in particular to the failure to explain intentions of the EUTM proprietor to use the contested mark for goods other than mechanical watches. The burden of proof regarding these intentions shall be shifted on the EUTM proprietor.
 - The fact that the earlier registration had never been used for certain categories of goods, strongly indicates a dishonest motive of the EUTM proprietor at the time of filing the contested mark and it contradicts a commercial logic as the protection of the goods other than mechanical watches is unnecessary for the EUTM proprietor.
 - The Cancellation Division did not take into account the corresponding revocation proceedings related to the earlier registration and had to suspend the current proceedings.

- The consequences of the expected judgment of the Court in the case C-371/18, SkyKick, were not taken into account and the proceedings had to be suspended in relation to the third and fourth question referenced therein.
 - While considering bad faith on the part of the EUTM proprietor, the further indications should be taken into account:
 - (i) In the US, on 24/11/2014, the EUTM proprietor filed a trade mark application No 86 463 505 for the same sign and essentially the same goods in Classes 9 and 14. However, as it was required to prove use, the goods were divided into a separate application and the original application comprising all the goods in Class 9 and the goods in Class 14 except watches and their parts. Finally, the original application was abandoned on 11/07/2019;
 - (ii) In 2012, the EUTM proprietor had filed an opposition based on the earlier registration against the UK application of a Scottish jeweller for the trade mark ‘HAMILTON & INCHES’, case No O-090-17. The opposition was initially based on a number of the earlier goods in Class 14, however, after the proof of use request of the applicant, the opponent limited the base of the opposition only to ‘watches’.
- 11 On 20/07/2020, the EUTM proprietor filed its observations in reply. It entirely supported the conclusions of the contested decision. It emphasized (i) the differences between the lists of the goods of the contested mark and the earlier registration and (ii) the fact that the burden of proof in the current proceedings bears the cancellation applicant that had not provided any evidence of the commercial intent of the EUTM proprietor. It argued that the EUTM proprietor used the contested mark as well as the earlier registration for the goods registered for. Therefore, the claimed bad faith of the EUTM proprietor based on the avoidance of the consequences of non-use was not applicable in the present case.

Reasons

- 12 The appeal is not well-founded.

Article 59(1)(b) EUTMR

- 13 It is common ground that the cancellation applicant has the burden of proof for the facts establishing bad faith (13/12/2012, T-136/11, Pelikan, EU:T:2012:689, § 57). It is commonly said that good faith is presumed until proven otherwise (23/05/2019, T-3/18 & T-4/18, ANN TAYLOR, EU:T:2019:357, § 34) but what is actually meant by this is that an applicant for an EUTM does not have to give legitimate reasons for the filing of an application or to justify his actions or omissions. The cancellation applicant needs to prove that there was bad faith on the part of the EUTM proprietor at the time of filing the EUTM, for example, that the EUTM proprietor has had the sign registered with no intention of using it but

with the sole objective of preventing a third party from entering the market (Pelikan, § 48, 56, 57).

- 14 For that reason already, all grounds for appeal based on an alleged obligation of the proprietor of the contested EUTM to show use or an intention to use, or to explain why the list of goods and services differs from the one of the earlier registration, must be set aside. It is not for the cancellation applicant to intervene in the marketing strategy of the EUTM proprietor concerning the actual or intended use of the mark.
- 15 Bad faith can be considered as meaning ‘dishonesty which would fall short of the standards of acceptable commercial behaviour’. The condition requiring use of the trade mark to be made in accordance with honest practices in industrial or commercial matters must be regarded as constituting in substance the expression of a duty to act fairly in relation to the legitimate interests of trade mark owners (07/01/2004, C-100/02, Gerri, EU:C:2004:11, § 24).
- 16 The principal argument of the cancellation applicant was based on the assertion that the registration of the contested mark constituted an attempt ‘to extend the grace period for non-use’ of the earlier registration for the goods covered by the contested mark and therefore, it had been filed in bad faith and it impedes fair competition.
- 17 Furthermore, the Court of Justice (11/06/2009, C-529/07, Lindt Goldhase, EU:C:2009:361, § 53) has held that in order to determine whether the applicant is acting in bad faith within the meaning of Article 59(1)(b) EUTMR, all the relevant factors specific to the particular case have to be taken into consideration, in particular:
 - firstly, the fact that the applicant knows or should know that a third party is using, in at least one Member State, an identical or similar sign for an identical or similar product liable to be confused with the sign for which registration is sought;
 - secondly, the applicant’s intention of preventing that third party from continuing to use such a sign;
 - thirdly, the degree of legal protection enjoyed by the third party’s sign and by the sign for which registration is sought.
- 18 It is apparent from the wording used in that judgment, 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 for registration of a trade mark was acting in bad faith at the time of filing the application (in the same vein: 14/02/2012, T-33/11, Bigab, EU:T:2012:77, § 20; 13/12/2012, T-136/11, Pelikan, EU:T:2012:689, § 26; 11/07/2013, T-321/10, Gruppo Salini, EU:T:2013:372, § 22).
- 19 In the case at hand, none of the factors raised by the cancellation applicant, alone or in combination, prove that this was the case.

- 20 First of all, the Board notes that the cancellation request is not based on the absence of genuine use according to Article 58(1) EUTMR, as correctly observed by the Cancellation Division. The examination of the application for a declaration of invalidity must be confined to the grounds for invalidity permissibly claimed in the application for a declaration of invalidity. In accordance with the second sentence of Article 95(1) EUTMR, in invalidation proceedings pursuant to Article 59 EUTMR, the Office shall limit its examination solely to the grounds and arguments submitted by the parties. Therefore, the Cancellation Division was precluded from examining further grounds for invalidity which were not invoked by the cancellation applicant (08/05/2017, R 879/2016-4, Device of a snowman, § 15, 16; 25/11/2015, T-223/14, VENT ROLL, EU:T:2015:879, § 57; 13/09/2013, T-320/10, Castel, EU:T:2013:424, § 28). Once the cancellation request is filed, the earlier rights on which it is based and the goods and services against which it is directed cannot be extended. Even less can such an extension be allowable in view of the fact that the pendency of cancellation proceedings prevents parallel proceedings before EUTM Courts and they result in decisions with res iudicata effect, Article 128(2) and (4) EUTMR.
- 21 The filing date of the contested mark, 25/11/2014, is the relevant point of time for assessing whether the EUTM proprietor acted in bad faith.
- 22 As regards the earlier registration, EUTM No 103 200 for the word mark 'HAMILTON', invoked by the cancellation applicant as the basis for a potential abuse of the grace period, it was filed on 01/04/1996, registered on 05/06/1998 and renewed until 01/04/2026. On 29/11/2017, the cancellation applicant initiated the revocation proceedings No 17 967 C against this trade mark on the grounds of non-use (Article 58(1)(a) EUTMR).
- 23 The Board has inspected the actual status of the revocation proceedings and found out that the EUTM proprietor submitted a significant amount of evidence on use of the earlier registration on 12/04/2018, 13/04/2018 and 12/02/2019. On 06/08/2020, the EUTM proprietor filed observations in reply that were notified to the cancellation applicant on 25/08/2020 and no further reply was requested. Any decision on the merits has not yet been issued and the earlier registration is on the Register and is valid.
- 24 Basically, the cancellation applicant explicitly and repeatedly admitted that the earlier registration as well as the contested mark were used by the EUTM proprietor, in particular:
- In the cancellation request, the cancellation applicant stated that the EUTM proprietor used the contested mark 'in respect of wrist watches in Class 14' by making, itself, express reference to the website of the EUTM proprietor (Annex 3);
 - In the submission of 09/10/2018, it commented that the evidence on use provided by the EUTM proprietor 'at most demonstrates use of the mark for wrist watches in Class 14';

- In the statement of grounds to the appeal, it stated: ‘It seems incredible that a company which had sold only wrist watches since 1892, would so radically change its plans on 25 November 2014 (...)’.
- 25 Moreover, in the present proceedings, the EUTM proprietor has provided ample evidence that the mark ‘HAMILTON’ was in fact genuinely used by the EUTM proprietor for watches.
 - 26 Article 18 EUTMR stipulates the basic requirement for the obligation of the EUTM proprietor to put the EUTM to use in the EU within a period of five years following the registration. The five years in question allow 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). The EUTM proprietor is not required to indicate or even to know precisely on the date on which his or her application for registration of a mark is filed or of the examination of that application, the use he or she will make of the mark applied for and he or she has a period of five years for beginning actual use consistent with the essential function of that trade mark (29/01/2020, C-371/18, SkyKick, EU:C:2020:45, § 76).
 - 27 In the present case, the contested mark as well as the earlier registration were genuinely used, as it was admitted by the cancellation applicant. Therefore, the allegation that the contested mark is a repetitive filing of the earlier registration filed with an aim to ‘extend’ the grace period within which the mark must be put to genuine use has no factual basis from the outset. There can be no bad faith for non-use if there is use. No dishonest intention based on non-use of the contested mark existed on the part of the EUTM proprietor.

SkyKick judgment (C-371/18)

- 28 In relation to the arguments of the cancellation applicant concerning the judgment of the Court in the case C-371/18, SkyKick, the Board notes that the judgment of the Court was rendered on 29/01/2020.
- 29 It follows that all grounds for appeal regarding the possible suspension of the present case in view of that preliminary ruling are moot. It is not comprehensible why the statement of grounds filed on 18/05/2020, after the judgment was issued, does not address this point. In fact, all the theories on which the cancellation request, and the present appeal, were based have been dismissed by the Court.
- 30 On substance, the Court held that ‘the lack of clarity and precision of the terms used to designate the goods or services covered by the registration of a national trade mark or a European Union trade mark cannot be considered a ground for invalidity of the national trade mark or European Union trade mark concerned’ (29/01/2020, C-371/18, SkyKick, EU:C:2020:45, § 60). This conclusion is at no

assistance to the cancellation applicant since the list of goods of the contested mark is sufficiently clear and precise.

- 31 The Court moreover held that ‘in accordance with its usual meaning in everyday language, the concept of “bad faith” presupposes the presence of a dishonest state of mind or intention, regard must be had, for the purposes of interpreting that concept, to the specific context of trade mark law, which is that of the course of trade. (...) Admittedly, the applicant for a trade mark is not required to indicate or even to know precisely on the date on which his or her application for registration of a mark is filed or of the examination of that application, the use he or she will make of the mark applied for and he or she has a period of five years for beginning actual use consistent with the essential function of that trade mark. (...) Such bad faith may, however, be established only if there is objective, relevant and consistent indicia tending to show that, when the application for a trade mark was filed, the trade mark applicant had the intention either of undermining, in a manner inconsistent with honest practices, the interests of third parties, or of obtaining, without even targeting a specific third party, an exclusive right for purposes other than those falling within the functions of a trade mark’ (29/01/2020, C-371/18, SkyKick, EU:C:2020:45, § 74, 76, 77).
- 32 Taking into account these conclusions, no bad faith can be found on the part of the EUTM proprietor. Firstly, it had no duty to demonstrate the use it will make of the mark applied for at the time of filing its application for the contested mark. Secondly, no objective relevant and consistent indicia on bad faith had been proved by the cancellation applicant. In fact, the EUTM proprietor demonstrated a significant economic activity in the horological field since 1892.
- 33 The Board did not find any dishonest or speculative purpose of the EUTM proprietor also in the period after filing the EUTM application of the contested mark.
- 34 Although, after all having been said above, it was not even required to do so, the EUTM proprietor has demonstrated a legitimate interest in the registration of the contested mark and its intention to register the contested sign falls within a normal commercial strategy on how to protect the intellectual property rights of the designation ‘HAMILTON’.
- 35 For the sake of completeness, the Board notes that the argumentation of the cancellation applicant regarding the comparison of the list of goods of the contested mark and the earlier registration fails. The contested mark covers only two classes. At any rate, bad faith cannot be found merely on the basis of the length of the list of goods and services set out in the application for registration (07/06/2011, T-507/08, 16PF, EU:T:2011:253, § 88). Even a large variety of goods and services applied for is a rather common practice of companies trying to obtain an EUTM registration. As a rule, it is legitimate for an undertaking to seek registration of a mark not only for the categories of goods and services that it markets at the time of filing the application but also for other categories of goods and services it intends to market in the future (14/02/2012, T-33/11, Bigab, EU:T:2012:77, § 25).

- 36 Since there is a commercial logic to the filing of the contested mark and it can be assumed that the EUTM proprietor intended to use the sign as a trade mark, there is no dishonest intention on the part of the EUTM proprietor.
- 37 In the same vein, it is not up to the cancellation applicant to comment on the marketing strategy or business decisions of the EUTM proprietor, in particular, if it decides to produce only the traditional wrist watches or to update its product portfolio.
- 38 Of course, the proprietor of a duly registered EUTM is entitled to invoke it against younger applications of third parties, e.g. in opposition proceedings initiated by the EUTM proprietor against the EUTM application of the cancellation applicant No 14 365 837 'LEWIS HAMILTON' (see 04/05/2011, R 1354/2010-1, yello, § 17). It is up to the EUTM proprietor if it decides to protect its trade mark rights, including filing an opposition and defending the rights provided by the EUTMR.
- 39 Also the argument relating to the IP rights of the racing driver 'Lewis Hamilton' fails.
- 40 Firstly, the contested mark consists solely of one word 'HAMILTON', and not 'LEWIS HAMILTON'. It is a rather common surname in English-speaking countries. There is no 'natural right' for a person to have his or her own name registered as a trade mark, when that would infringe third parties' rights (25/03/2019, R 406/2018-4, ARRIGO CIPRIANI/CIPRIANI, § 63). Article 14(1)(a) EUTMR contains an exception to the exclusive rights of the proprietor of an EUTM, but that provision operates only in infringement proceedings and not in opposition or invalidity proceedings.
- 41 Secondly, a prior right to a name is not a right that could be the basis on the grounds invoked by the cancellation applicant, but it concerns Article 60(2) EUTMR, which had not been invoked by the cancellation applicant (see paragraph 19 above).
- 42 Thirdly, even the cancellation applicant explicitly accepted that the contested mark 'HAMILTON' had been used since 1892, i.e. even before the date of birth of 'Lewis Hamilton' as a natural person.
- 43 Fourth, the cancellation applicant is a company named 44IP Limited and the reference to the natural person Lewis Hamilton remains totally unsubstantiated. It has not even been explained under which legal concept a company could invoke personality rights of an individual person.
- 44 As regards the prior trade mark registrations of the EUTM proprietor in the United States and opposition proceedings in the United Kingdom, the Board notes that they are not relevant to the resolution of the present dispute, since the European Union trade mark regime is an autonomous system with its own set of rules and objectives peculiar to it, which applies independently of any national

system (23/10/2007, T-405/04, Caipi, EU:T:2007:315, § 53; 17/07/2014, C-141/13, Walzer Taum, EU:C:2014:2089, § 36) and has to be assessed on the basis of the relevant EU legislation alone. In addition, no relevant evidence confirming the assertions of the cancellation applicant has been provided.

Request to submit additional evidence in reply to the submissions of the EUTM proprietor

- 45 The cancellation applicant had the opportunity to present its arguments and evidence three times. However, (i) it did not submit any evidence on intentions of the EUTM proprietor and (ii) it had an opportunity to reply to the submissions of the EUTM proprietor. Therefore, this ground for appeal has to be dismissed.

Article 59(1)(a) EUTMR in conjunction with Article 7(1)(f) EUTMR

- 46 Article 7(1)(f) EUTMR prohibits the registration of trade marks which are contrary to public policy or accepted principles of morality. A trade mark must be considered as contrary to public policy if it insults or discriminates the public addressed by the relevant goods and services or if the trade mark discriminates against individuals or groups of persons.
- 47 The wording of Article 7(1)(f) EUTMR is very broadly formulated and allows considerable room for interpretation. In order for a judicious application of this provision, the right of companies freely to use words and images in the signs which they wish to have registered as trade marks must be weighed up against the right of the general public not to be confronted with disturbing, offensive, insulting or even threatening trade marks. The cancellation applicant has failed to state in what way the trade mark could be contrary to public policy and accepted principles of morality. The sign protected thereby is neither offensive nor insulting.
- 48 The cancellation applicant merely based its argumentation on bad faith on the part of the EUTM proprietor and the blanket declaration that the sign was registered contrary to public policy and such a registration ‘improperly impedes fair competition and the free movement of goods’ in the EU without any further substantiation. However, the Board notes that no bad faith on the part of the EUTM proprietor was proved (see paragraphs 13 to 44 above) so the ground for appeal based on the application of Article 7(1)(f) EUTMR is baseless.
- 49 The application for a declaration of invalidity based on Article 52(1)(a) in conjunction with Article 7(1)(f) EUTMR is unfounded.

Request for suspension of the appeal proceedings

- 50 According to Article 71(1)(b) EUTMDR, the Board may suspend the appeal proceedings at the reasoned request of one of the parties where a suspension is

appropriate under the circumstances of the case, taking into account the interests of the parties and the stage of the proceedings.

- 51 Suspension remains optional for the Board, which shall do so only if it considers it appropriate (16/09/2004, T-342/02, Moser Grupo Media, S.L, EU:T:2004:268, § 46). Proceedings before the Board of Appeal are therefore not automatically suspended as a result of a request for suspension made by a party before it. In that regard, it is apparent from the case-law that, in exercising its discretion with respect to the suspension of proceedings, the Board of Appeal must comply with the general principles governing procedural fairness within a European Union governed by the rule of law. It follows that, in exercising that discretion, the Board of Appeal must take into account not only the interests of the defending party but also those of the other parties (21/10/2015, T-664/13, PETCO / PETCO, EU:T:2015:791, § 31 - 33; 08/09/2017, T-572/15, Gourmet, EU:T:2017:591, § 23) and it must take into account the circumstances of the case.
- 52 As regards the request of the cancellation applicant to suspend the present proceedings since the earlier registration is subject of revocation proceedings, it suffices to note that these revocation proceedings relate to a trade mark different from the contested mark. The Board agrees with the conclusion of the Cancellation Division not to suspend the cancellation proceedings for that very same reason.
- 53 It is recalled that the cancellation applicant explicitly admitted that the earlier registration as well as the contested mark were genuinely used for watches.
- 54 Actually, the outcome of the revocation proceedings is irrelevant for the present proceedings as any revocation of the earlier registration would have no direct effect on the validity of the contested EUTM.

Conclusion

- 55 The contested decision rejecting the application for a declaration of invalidity is confirmed and the appeal is dismissed.

Costs

- 56 The cancellation applicant (appellant) is the losing party in the cancellation and appeal proceedings and is ordered to bear the costs incurred by the EUTM proprietor (defendant) in accordance with Article 109(1) EUTMR.

Fixing of Costs

- 57 In accordance with Article 109(1) and (7) EUTMR and Article 18(1)(c)(ii) and (iii) EUTMIR, the Board fixes the amount of representation costs to be paid by

the appellant to the defendant with respect to the appeal proceedings at EUR 550 and for the cancellation proceedings at EUR 450, in total EUR 1 000.

Order

On those grounds,

THE BOARD

hereby:

- 1. Dismisses the appeal;**
- 2. Orders the appellant to bear the costs of the proceedings;**
- 3. Fixes the total amount to be paid by the appellant to the defendant for the cancellation proceedings and the appeal proceedings at EUR 1 000.**

Signed

D. Schennen

Signed

E. Fink

Signed

L. Marijnissen

Registrar:

Signed

p.o. P. Nafz

