

***GUIDELINES FOR EXAMINATION OF
EUROPEAN UNION TRADE MARKS***

***EUROPEAN UNION
INTELLECTUAL PROPERTY OFFICE
(EUIPO)***

PART C

OPPOSITION

SECTION 3

***UNAUTHORISED FILING
BY AGENTS OF THE TM PROPRIETOR
(ARTICLE 8(3) EUTMR)***

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1 Preliminary Remarks

According to Article 8(3) EUTMR, upon opposition by the proprietor of an earlier trade mark, a trade mark will not be registered:

where an agent or representative of the proprietor of the trade mark applies for registration thereof in his own name without the proprietor's consent, unless the agent or representative justifies his action.

1.1 Origin of Article 8(3) EUTMR

Article 8(3) EUTMR has its origin in Article 6*septies* of the Paris Convention (PC), which was introduced into the convention by the Revision Conference of Lisbon in 1958. The protection it affords to trade mark proprietors consists of the right to prevent, cancel, or claim as their own unauthorised registrations of their marks by their agents or representatives, and to prohibit use thereof, where the agent or representative cannot justify its acts. Article 6*septies* PC reads as follows:

(1) If the agent or representative of the person who is the proprietor of the mark in one of the countries of the Union applies, without such proprietor's authorization, for the registration of the mark in his own name, in one or more countries of the Union, the proprietor shall be entitled to oppose the registration applied for, or demand its cancellation or, if the law of the country so allows, the assignment in his favour of the said registration, unless such agent or representative justifies his action.

(2) The proprietor of the mark shall, subject to the provisions of paragraph (1), above, be entitled to oppose the use of his mark by his agent or representative if he has not authorized such use.

(3) Domestic legislation may provide an equitable time limit within which the proprietor of a mark must exercise the rights provided for in this Article.

Article 8(3) EUTMR implements this provision only to the extent it gives the rightful proprietor the right to oppose applications filed without its authorisation. The other elements of Article 6*septies* of the PC are implemented by Articles 13, 21 and Article 60(1)(b) EUTMR. Article 60(1)(b) EUTMR gives the proprietor the right to cancel unauthorised registrations, whereas Articles 13 and 21 EUTMR enable the proprietor to prohibit the use thereof and/or to request the transfer of the registration to its own name.

Since Article 46 EUTMR provides that an opposition may only be based on the grounds provided for in Article 8, the additional rights conferred on the proprietor by the above provisions may not be invoked in opposition proceedings. Hence, any request by the opponent, either for the prohibition of use of the agent's mark, or for an assignment of the application to itself, will be dismissed as inadmissible.

In view of the specific subject matter for protection under Article 8(3) EUTMR, while the use or lack of use made of the earlier rights may have a bearing on arguments regarding the justification for applying for the EUTM, the opponent cannot be obliged to provide proof of use under Article 47(3) EUTMR for any earlier rights thereby relied upon (see the Guidelines, Part C, Opposition, Section 6, Proof of Use, paragraph 1.2.1.2). This practice of the Office is also justified by the fact that

Article 47(2) and (3) EUTMR refer to the ‘earlier mark’ in the meaning of Article 8(2) EUTMR, which does not apply to Article 8(3) EUTMR.

1.2 Purpose of Article 8(3) EUTMR

The unauthorised filing of the proprietor’s trade mark by its agent or representative is contrary to the general obligation of trust underlying commercial cooperation agreements of this type. Such a misappropriation of the proprietor’s mark is particularly harmful to its commercial interests, as the applicant may exploit the knowledge and experience acquired during its business relationship with the proprietor and, thus, improperly benefit from the proprietor’s effort and investment (confirmed by judgment of 06/09/2006, T-6/05, First Defense Aerosol Pepper Projector, EU:T:2006:241, § 38 and subsequent references in, inter alia, decisions of 19/05/2011, R 85/2010-4, LINGHAMS’S (fig.) / LINGHAMS’S (fig.), § 14; 03/08/2010, R 1231/2009-2, BERIK (fig.) / BERIK et al., § 24; 30/09/2009, R 1547/2006-4, Powerball / Powerball, § 17).

Therefore, the purpose of Article 8(3) EUTMR is to safeguard the legitimate interests of trade mark proprietors against the arbitrary appropriation of their trade marks, by granting them the right to prohibit registrations by agents or representatives that are applied for without their consent.

Article 8(3) EUTMR is a manifestation of the principle that commercial transactions must be conducted in good faith. Article 59(1)(b) EUTMR, which allows for the declaration of invalidity of an EUTM on the ground that the applicant was acting in bad faith, is the general expression of this principle.

However, the protection granted by Article 8(3) EUTMR is narrower than the one afforded by Article 59(1)(b) EUTMR, because the applicability of Article 8(3) EUTMR is subject to the fulfilment of a number of additional conditions laid down in this provision.

2 Entitlement of the Opponent

According to Article 46(1)(b) EUTMR, the right to file an opposition on the grounds of Article 8(3) EUTMR is reserved only for the proprietors of the earlier trade marks. This is in contrast both to Article 46(1)(a) EUTMR, which stipulates that oppositions based on Articles 8(1) or (5) EUTMR may also be filed by authorised licensees, and to Article 46(1)(c) EUTMR, which stipulates that for oppositions based on Article 8(4) EUTMR, the right to file an opposition is also extended to persons authorised by national law to exercise the relevant rights.

It follows that since the right to oppose an EUTM application on the grounds of Article 8(3) EUTMR belongs exclusively to the proprietors of the earlier trade marks, oppositions filed in the name of third persons, be they licensees or otherwise authorised by the relevant national laws, will be dismissed as inadmissible due to lack of entitlement.

| Case No | Comment |
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| Decision of 30/09/2009, R 1547/2006-4, Powerball / Powerball (confirmed by judgment of 16/11/2011, T-484/09, Powerball) | The Board confirmed OD’s decision rejecting the opposition based on Article 8(3) EUTMR to the extent that the opponent was not the proprietor of the earlier right but merely claimed to be the licensee of the company Nanosecond Technology Co. Ltd. |

| Case No | Comment |
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| Decision of 14/06/2010, R 1795/2008-4, ZAPPER-CLICK (on appeal, order of 03/10/2012, T-360/10, ZAPPER-CLICK, EU:T:2012:517) | The respondent failed to meet the requirement regarding ownership of the trade mark, namely of the ownership of the registered mark ZAPPER-CLICK. On appeal, the Court did not address this point. |

Likewise, if the opponent fails to prove that it was the rightful proprietor of the mark when the opposition was filed, the opposition will be dismissed without any examination of its merits due to lack of substantiation. The evidence required in each case will depend on the kind of right relied upon. The current proprietor may also invoke the rights of its predecessor in title if the agency/representation agreement was concluded between the previous proprietor and the applicant, but this needs to be duly substantiated by evidence.

3 Scope of Application

3.1 Kinds of mark covered

Article 8(3) EUTMR applies to earlier ‘trade marks’ that have been applied for as EUTMs without their proprietor’s consent. However, Article 8(2) EUTMR does not apply to oppositions based on this ground, as it only enumerates the kinds of earlier rights on which an opposition may be entered under paragraphs (1) and (5) of the same article. Therefore, the kinds of rights on which an opposition based on Article 8(3) EUTMR may be entered needs to be determined in more detail, both as regards their nature and their geographical origin.

In the absence of any restriction in Article 8(3) EUTMR and in view of the need to provide effective protection to the legitimate interests of the real proprietor, the term ‘trade marks’ should be interpreted broadly and must be understood as including **pending applications**, since there is nothing in this provision restricting its scope exclusively to registered trade marks.

For the same reasons **unregistered marks or well-known marks** within the meaning of Article 6*bis* PC also fall within the term ‘trade marks’ within the sense of Article 8(3) EUTMR. Consequently, both registered and unregistered trade marks are covered by this provision, to the extent, of course, that the law of the country of origin recognises rights of the latter kind.

In contrast, the express reference to ‘trade marks’ means that Article 8(3) EUTMR **does not apply to mere signs used in the course of trade**, *other* than unregistered trade marks. Likewise, **other kinds of intellectual property rights** that could be used as a basis for an invalidity action cannot be invoked in the context of Article 8(3) EUTMR either.

| Case No | Comment |
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| Decision of 08/06/2010, B 1 461 948 | As Article 8(3) EUTMR refers only to earlier trade marks, the evidence filed by the opponent with regard to rights in respect of copyright law in the territory of China was not relevant. This is another kind of intellectual property right that is excluded as a result of the express reference in the article to ‘trade marks’. |

It is clear from the wording of Article 8(3) EUTMR that the trade mark on which the opposition is based must be **earlier** than the EUTM application. Hence, the **relevant point in time** that should be taken into account is the **filing or priority date** of the contested application. The rules according to which the priority should be determined depend on the kind of trade mark relied upon. If the earlier mark has been acquired by registration, it is its filing or priority date that should be taken into account for assessing whether it precedes the contested EUTM application, whereas if it is a use-based right, the relevant conditions for protection through use must have been fulfilled before the filing date (or if appropriate, the priority date) of the contested EUTM application. In the case of earlier well-known marks, the mark must have become well known before the filing or priority date of the contested EUTM application.

| Case No | Comment |
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| Decision of 21/12/2009, R 1621/2006-4, D-Raintank | The Board noted that the trade mark applications filed by the cancellation applicant in 2003 were all later than the filing date of the contested EUTM and even later than its date of registration, and could not serve to establish that the cancellation applicant owned a 'mark' in the sense of a registered mark, be it anywhere in the world, for the sign at issue when the EUTM was filed. It went on to affirm that, 'Obviously, nobody can base a claim on relative grounds for refusal or declaration of invalidity on rights which are younger than the contested EUTM' (para. 53). |
| Decision of 19/06/1999, B 3 436 | The period to be taken into account in order to determine the applicability of Article 8(3) EUTMR starts on the date on which the EUTM application in question came into force, i.e. 26/10/1995. This was the priority date in Germany, claimed by the applicant, granted by the Office and subsequently published, and not the filing date of the EUTM application at the Office. |

3.2 Origin of the earlier mark

As Article 8(2) EUTMR does not apply to oppositions based on Article 8(3) EUTMR, it cannot serve to define the territorial extent of protection granted by Article 8(3) EUTMR. In the absence of any other reference in Article 8(3) EUTMR to a 'relevant territory', it is **immaterial whether the earlier trade mark rights reside in the European Union or not**.

The practical importance of this provision lies precisely in the legal capacity it confers on holders of trade mark rights **outside the European Union** to defend these rights against fraudulent filings, since proprietors of trade mark rights within the European Union may rely on the other grounds provided for in Article 8 EUTMR to defend their earlier rights from such acts. Of course, EUTMs or national marks, which provide a basis for opposition pursuant to Article 8 EUTMR, also qualify as earlier marks that can be invoked as a basis for an Article 8(3) EUTMR opposition.

| Case No | Comment |
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| Decision of 19/12/2006, B 715 146 | For the purpose of Article 8(3) EUTMR, it is immaterial where in the world the rights of proprietorship reside. Indeed, if in the Paris Convention the proprietorship in a Paris Union member country is required, in the absence of any reference in the EUTMR to any territory in which such proprietorship shall exist, one must conclude that it is sufficient that the opponent complies with the requirements of Article 5 EUTMR concerning 'Persons who can be proprietors of European Union trade marks'. In the present case, the opponent complied with such a requirement, as it was a company based in the USA. |
| Decision of 10/01/2011, 3 253 C, (fig.). Cancellation proceedings | The fact that the earlier registrations were from non-EU countries has no bearing on the invalidity ground at issue, since Article 8(2) EUTMR, imposing this territorial condition, does not apply to proceedings based on Article 8(3) EUTMR and cannot serve to define the territorial extent of protection granted by that article. 'In the absence of any reference to a "relevant territory" in Article 8(3) EUTMR, the Cancellation Division must presume that earlier trade marks registered in countries outside the EU may constitute the basis for an invalidity request based on Article 8(3) EUTMR' (para. 33). |
| Decision of 26/01/2012, R 1956/2010-1, Heatstrip / Heatstrip (confirmed by T-184/12) | The opposition was based on an unregistered mark protected, inter alia, in Australia. The Board considered that the evidence submitted by the opponent supports that it has been using the mark in Australia to a substantial extent (paras 3 and 34 respectively). |
| Decision of 19/05/2011, R 85/2010-4, LINGHAMS'S (fig.) / LINGHAMS'S (fig.) | The opposition was based on a registered mark protected in Malaysia. By filing the Malaysian registration certificate, it was proven that the opponent is the owner of the Malaysian trade mark. |

4 Conditions of Application

Article 8(3) EUTMR entitles trade mark proprietors to oppose the registration of their marks as EUTMs, provided the following substantive cumulative requirements are met (judgment of 13/04/2011, T-262/09, First Defense Aerosol Pepper Projector, EU:T:2011:171, § 61).

1. The applicant is or was an agent or representative of the proprietor of the mark;
2. The application is in the name of the agent or representative;
3. The application was filed without the proprietor's consent;
4. The agent or representative fails to justify its acts;
5. The signs and the goods and services are identical or closely related.

4.1 Agent or representative relationship

4.1.1 Nature of the relationship

In view of the purpose of this provision, which is to safeguard the legal interests of trade mark proprietors against the misappropriation of their trade marks by their commercial associates, the terms 'agent' and 'representative' should be **interpreted broadly** to cover all kinds of relationships based on any business arrangement (governed by written or oral contract) where one party is representing the interests of another, regardless of the *nomen juris* of the contractual relationship between the principal-proprietor and the EUTM applicant (confirmed by judgment of 13/04/2011, T-262/09, First Defense Aerosol Pepper Projector, EU:T:2011:171, § 64).

Therefore, it is sufficient for the purposes of Article 8(3) EUTMR that there is some agreement of commercial cooperation between the parties of a kind that gives rise to a **fiduciary relationship** by imposing on the applicant, whether expressly or implicitly, a general duty of **trust and loyalty** as regards the interests of the trade mark proprietor. It follows that Article 8(3) EUTMR may also extend, for example, to licensees of the proprietor, or to authorised distributors of the goods for which the mark in question is used.

| Case No | Comment |
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| Judgment of 09/07/2014, T-184/12, Heatstrip | The Court concluded that, although there was no written cooperation agreement between the parties, their relationship on the date of the application for the EUTM was, in view of the business correspondence between them, more than that of merely buyer and seller. There was, rather, a tacit cooperation agreement that led to a fiduciary obligation on the part of the EUTM applicant (para. 67). |
| Decision of 21/11/2014, R 1958/2013-1, СЛОБОДА (fig.) | The Board found that the contents of the exchanged information lead to the conclusion that 'the CTM proprietor was, in effect, acting as an agent or distributor of the Invalidity applicant. Even if the relationship was not explicitly defined as such, the parties appeared to be business partners, which would require a certain level of trust. The CTM proprietor was regularly reporting and consulting the marketing strategy with the Invalidity Applicant, which on its part, allowed a certain level of control, to the CTM proprietor' (para. 46). |
| Decision of 29/02/2012, B 1 818 791, HoverCam (fig.) | The Opposition Division found that the evidence submitted by the opponent showed that the relationship and its ultimate purpose constituted an example of commercial cooperation, through which a general duty of trust and loyalty was imposed on the applicant and was the type of relationship envisioned under Article 8(3) EUTMR (para. 5). |

Given the variety of forms that commercial relationships may acquire in practice, a **case-by-case approach** is applied, focusing on whether the contractual link between the proprietor-opponent and the applicant is only limited to a series of occasional transactions, or if, conversely, it is of such a duration and content to justify the application of Article 8(3) EUTMR (as regards the points in time that are crucial for the relationship, see, paragraph 4.1.4 below). The material question should be whether it was the cooperation with the proprietor that gave the applicant the possibility to get to know and appreciate the value of the mark and incited the applicant to subsequently try to register the mark in its own name.

Nevertheless, some kind of cooperation agreement has to exist between the parties. If the applicant acts completely **independently**, without having entered into any kind of fiduciary relationship with the proprietor, it cannot be considered an agent within the meaning of Article 8(3) EUTMR (confirmed by judgment of 13/04/2011, T-262/09, First Defense Aerosol Pepper Projector, EU:T:2011:171, § 64).

| Case No | Comment |
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| Decision of 16/06/2011, 4 103 C, (fig.). Cancellation proceedings | The Cancellation Division found that rather than an agent or representative relationship, at the time of filing the EUTM the parties held parallel and independent rights to the marks in the USA and Japan. For these reasons, Article 8(3) EUTMR was not applicable. |

| Case No | Comment |
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| Decision of 17/03/2000, B 26 759 | A mere desire to establish a commercial relationship with the opponent cannot be considered as a concluded agreement between the parties regarding the use of the contested trade mark. |

Therefore, a **mere customer or a client** of the proprietor cannot amount to an ‘agent or representative’ for the purposes of Article 8(3) EUTMR, since such persons are under no special obligation of trust to the trade mark proprietor.

| Case No | Comment |
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| Judgment of 13/04/2011, T-262/09, First Defense Aerosol Pepper Projector | The opponent did not submit any evidence showing the existence of an agent-principal relationship with the applicant. The opponent provided invoices and order forms addressed to itself, on the basis of which the existence of a business agreement between the parties could, in other circumstances, be assumed. However, in the present case, the General Court concluded that the evidence does not show that the applicant acted on behalf of the opponent, but merely that there was a seller-customer relationship which could have been established without a prior agreement between them. Such a relationship is not sufficient for Article 8(3) EUTMR to be applicable (para. 67). |
| Decision of 26/06/2009, B 955 528 (fig.) | The Office considered that the evidence on the kind of commercial link between the opponent and the applicant was inconclusive, that is, it could not be established whether the applicant was really an agent or representative or a mere purchaser of the opponent’s goods. Accordingly, the Office was unable to hold that Article 8(3) EUTMR applied. |

It is irrelevant for the purposes of Article 8(3) EUTMR whether an **exclusive** agreement exists between the parties, or just a simple, non-exclusive commercial relationship. Indeed, a commercial cooperation agreement entailing an obligation of loyalty can exist even in the absence of an exclusivity clause (judgment of 09/07/2014, T-184/12, Heatstrip, EU:T:2014:621, § 69).

Article 8(3) EUTMR also applies to **analogous** forms of business relationships that give rise to an obligation of trust and confidentiality between the trade mark proprietor and the professional, as is the case with legal practitioners and attorneys, consultants, trade mark agents, etc. However, the legal representative or manager of the opponent’s company cannot be considered as an agent or representative within the meaning of Article 8(3) EUTMR, given that such persons are not business associates of the opponent. The purpose of this provision is not to protect the proprietor from infringing acts coming from within its company. It may well be that such acts can be sanctioned under the general bad faith provision in Article 59(1)(b) EUTMR.

| Case No | Comment |
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| Decision of 20/03/2000, B 126 633, Harpoon (fig.) | In this case, the applicant was a legal representative of the opponent’s company. The opposition was rejected. |

The **burden of proof** regarding the existence of a cooperation relationship lies with the opponent (judgment of 13/04/2011, T-262/09, First Defense Aerosol Pepper Projector, EU:T:2011:171, § 64, 67).

4.1.2 Form of the agreement

It is not necessary that the agreement between the parties assumes the form of a written contract. Of course, the existence of a formal agreement between the parties will be of great value in determining exactly what kind of relationship exists between them. As mentioned above, the title of such an agreement and the terminology chosen by the parties should not be taken as conclusive. What counts is the kind of commercial cooperation established in substance and not its formal description.

Even in cases where a written contract does not exist, it may still be possible to infer the existence of a commercial agreement of the kind required by Article 8(3) EUTMR by reference to indirect indications and evidence, such as the commercial correspondence between the parties, invoices and purchase orders for goods sold to the agent, or credit notes and other banking instruments (always bearing in mind that a mere customer relationship is insufficient for Article 8(3) EUTMR). Even dispute resolution agreements may be relevant to the extent they give sufficient information about the past relationship between the parties.

| Case No | Comment |
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| Decision of 07/07/2003, R 336/2001-2, GORDON SMITH (fig.) / GORDON & SMITH | The Opposition Division was correct to conclude that there was an agency relationship between the applicant and the opponents, on the basis of correspondence indicating that the two parties had a long and close commercial relationship. The applicant company acted as a distributor of the opponents' goods (para. 19). |

Furthermore, circumstances such as sales targets imposed on the applicant, or payment of royalties, or production of the goods covered by the mark under licence or help in the setting up of a local distribution network, will be strong indications in the direction of a commercial relationship of the type covered by Article 8(3) EUTMR.

The Court also decided that active cooperation between an EUTM applicant and an opponent in the advertising of the product, in order to optimise the marketing thereof, could give rise to the fiduciary relationship required under Article 8(3) EUTMR.

| Case No | Comment |
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| Decision of 26/01/2012, R 1956/2010-1, Heatstrip / Heatstrip (appealed confirmed by T-184/12) | The Court confirmed the findings of the Board, who considered that a binding contractual relationship could be established by means of business letters exchanged by the parties, including by email. The Board examined the email correspondence between the parties to determine what each party asked from the other (para. 50). The Board concluded that the emails showed that both parties were actively cooperating in the promotion of the product, by advertising it in brochures and exhibiting it at a fair, in order to create the best conditions for its successful marketing: the opponent supplied the material for these purposes and the applicant adapted it to the German market (para. 54). The Board thus concluded that the email correspondence denoted an agreement of commercial cooperation between the parties of a kind that gives rise to a fiduciary relationship (para. 56). The Court dismissed the applicant's arguments that there was no cooperation between the parties (because the applicant was not integrated in the opponent's sales structure, was not subject to a no-competition clause and had to bear the costs of sale and promotion) and confirmed the Board's decision (para. 67 et seq.). |

On the other hand, the mere desire of the applicant to enter into a commercial relationship with the opponent cannot be considered as a concluded agreement between the parties. Prospective agents or representatives are not covered by Article 8(3) EUTMR (see B 26 759 cited above).

4.1.3 Territorial scope of the agreement

Even though the wording of Article 8(3) EUTMR does not refer to the territorial scope of the agreement between the trade mark proprietor and its agent or representative, **an inherent limitation to relationships covering the EU or a part thereof must be read in this provision.**

This is more in line with the economic considerations underlying Article 8(3) EUTMR, which are to prevent agents or representatives from unduly exploiting a commercial relationship covering a given territory, by filing an unauthorised application for the principal's mark precisely in that territory, that is, in the territory where the applicant will be more able to benefit from the infrastructure and know-how it possesses as a result of its prior relationship with the proprietor. Therefore, as the filing prohibited by Article 8(3) EUTMR is an application for the acquisition of trade mark rights in the EU, the agreement must also concern the same territory.

Hence, a purposive interpretation must be followed in this regard, according to which Article 8(3) EUTMR only applies to agreements that cover the territory of the EU, whether in whole or in part. In practice, this means that worldwide or pan-European agreements are covered by this provision, as are agreements extending to one or more Member States, or only covering part of their territory, irrespective of whether they also include third territories. Conversely, agreements exclusively applying to third territories are not covered.

4.1.4 Relevant points in time

The agent-representative relationship must have been established **prior to the filing date** of the EUTM application. Therefore, it is immaterial whether after that time the applicant entered negotiations with the opponent, or made unilateral proposals with the purpose of becoming a representative or agent of the latter.

| Case No | Comment |
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| Decision of 19/05/2011, R 85/2010-4, LINGHAMS'S (fig.) / LINGHAMS'S (fig.) | <p>The opponent granted the applicant a special power of attorney (PoA), consenting to the applicant's filing of trade mark applications. Subsequent to this PoA, the applicant filed an EUTM. After the filing, the opponent revoked the PoA and filed the opposition.</p> <p>The Board considered that the relevant point in time is the filing date. At that moment, the owner's consent was present. The revocation had effects <i>ex nunc</i> (and does not affect the validity of actions performed under the PoA) and not <i>ex tunc</i> (as if the PoA had never existed) (para. 24).</p> |
| Judgment of 06/09/2006, T-6/05, First Defense Aerosol Pepper Projector | The Board of Appeal ought to have examined whether, on the day of the application for registration of the mark, the intervener was still bound by the consent (para. 50). |

However, even if the agreement between the parties was formally concluded **after the filing date** of the application, it may still be possible to deduce from the evidence that the parties were already in some form of commercial cooperation before the signature of the relevant contract and that the applicant was already acting as the opponent's agent, representative, distributor or licensee.

On the other hand, the agreement between the parties **does not have to be technically still in force** when the application is filed. The reference to a filing made by an 'agent or representative' should not be understood as a formal requirement that must be present at the time the EUTM application is filed. Article 8(3) EUTMR also applies to **agreements that expired before the filing date of the EUTM application**, provided that the time that has lapsed is of such duration that it can be reasonably assumed that the obligation of trust and confidentiality was still present when the EUTM application was filed (confirmed by judgment of 13/04/2011, T-262/09, First Defense Aerosol Pepper Projector, EU:T:2011:171, § 65).

Article 8(3) EUTMR and Article 6*septies* PC do not protect a trade mark proprietor that is careless and makes no efforts to secure trade mark protection on its own. Post-contractual fiduciary obligations mean that none of the parties may use the termination of an agreement as a pretext for getting rid of its obligations, for example by terminating an agreement and immediately afterwards filing a trade mark. The rationale of Article 8(3) EUTMR and Article 6*septies* PC is to prevent a situation where a representative in country A of a principal who owns trade marks in country B, and who is meant to market the trade-marked goods and observe the interests of the latter in country A, uses the filing of a trade mark application in country A as a weapon against the principal, for example to force the principal to continue with the representative and to prevent the principal from entering the market in country A. This rationale likewise applies if an agreement exists but the representative terminates it to take advantage and file a trade mark for the same reasons. However, this does not create absolute rights for the principal to obtain trade mark protection in other countries. The mere fact that the principal holds a trade mark in country B does not give the principal an absolute right to obtain trade marks in all other countries; the trade marks registered in different countries are in principle independent from each other and may have different proprietors, in accordance with Article 6(3) PC. Article 6*septies* PC is an exception to this principle and only to the extent that the contractual or de facto obligations of the parties involved justify this. Only to that extent is it justified that the ensuing EUTM would 'belong' to the principal under Article 21 EUTMR (decision of 19/11/2007, R 73/2006-4, Porter (fig.) / PORTER (fig.) et al., § 26).

This should be assessed on a case-by-case basis, and the decisive factor should be whether it is still possible for the applicant to take commercial advantage of its expired relationship with the trade mark proprietor by exploiting the know-how and contacts it acquired because of its position.

| Case No | Comment |
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| Decision of 19/11/2007, R 73/2006-4, Porter (fig.) / PORTER (fig.) et al. | The contested application was not filed during the validity of the agreements between Gallant (owner of shares in Porter, the applicant) and Yoshida (opponent) which allowed Gallant to file an EUTM, but nearly one year after the termination of the last agreement (para. 25). The Board noted that post-termination fiduciary obligations are not meant to last forever but for a certain transitional period after the termination of the agreement in which the parties may redefine their commercial strategies and concluded, inter alia, that any post-contractual relationship between Yoshida and Gallant was phased out at the time of the filing of the EUTM (para. 27). |
| Decision of 21/02/2002, B 167 926 | In this case, it was considered that less than three months after the expiry of a contract relationship such as a licence agreement, the fiduciary relationship between the parties still exists imposing on the applicant a duty of loyalty and confidence. |

4.2 Application in the agent's name

According to Article 8(3) EUTMR, the trade mark applied for will not be registered where the agent or representative applies for registration thereof in its own name. It will usually be easy to assess whether this requirement has been fulfilled, by comparing the name of the applicant with that of the person appearing in the evidence as the agent or representative of the proprietor.

However, there may be cases where the agent or representative will try to **circumvent** this provision by arranging for the application to be filed by a third person, whom it either controls, or with whom it has entered into some form of understanding to that effect. In such cases adopting a more flexible approach is justified. Therefore, if it is clear that because of the nature of the relationship between the person filing the application and the agent, the situation is effectively the same as if the application had been filed by the agent personally, it is still possible to apply Article 8(3) EUTMR, notwithstanding the apparent discrepancy between the applicant's name and the name of the proprietor's agent.

Such a case could arise if the application is filed not in the name of the agent's company, but in the name of a natural person that **shares the same economic interests** as the agent, as for example its president, vice-president or legal representative. Given that in this case the agent or representative could still benefit from such a filing, it should be considered that the natural person is bound by the same limitations as the company.

| Case No | Comment |
|--------------------------------------|---|
| Decision of 21/02/2002, B 167 926 | The Opposition Division considered that, even though the EUTM application was applied for in the name of the natural person Mr Costahaude instead of directly in the name of the legal person STYLE'N USA, INC., the situation was effectively the same as if it had been filed in the name of the legal person. |
| Decision of 28/05/2003, B 413 890 | If it is clear that because of the nature of the relationship between the person filing the application and the agent, the situation is effectively the same as if the application had been filed by the agent personally, it is still possible to apply Article 8(3) EUTMR, notwithstanding the apparent discrepancy between the applicant's name and the name of the owner's agent. |

Moreover, if the person filing the contested application had also **signed the agency agreement** on behalf of the company, this would have to be considered a strong argument in favour of the application of Article 8(3) EUTMR, since in such a case the applicant cannot possibly deny direct knowledge of the relevant prohibitions. Similarly, if an agency agreement contained a **clause** holding the management of the company personally responsible for the observance of the contractual obligations undertaken by the agent, this would also have to be considered a further indication that the filing of the application is covered by the prohibition of Article 8(3) EUTMR.

| Case No | Comment |
|-----------------------------------|--|
| Decision of 21/02/2002, B 167 926 | <p>Bearing in mind the position of the authorised representative of the licensee company, the Office considered that despite the fact that the EUTM application was made in the name of this natural person, the situation was effectively the same as if it had been filed by the legal person, i.e. the licensee company. The EUTM application in the name of the former could have a direct effect on the latter due to their professional relationship, and, furthermore, the president or vice-president of a company should be considered obliged by the same limitations as their company, or at least temporarily obliged in the case of the expiry of their professional relationship.</p> <p>This position is strengthened by the fact that in the present case there is a clause in the renewed agreement that establishes the licensor's immediate termination right in the case that '... control of STYLE'N (the licensee) is transferred and the management thereby changed', which shows that the management of the licensee company was also bound by the terms of the agreement.</p> |

A similar case arises where the agent or the representative and the applicant are distinct legal entities, but the evidence shows that they are **controlled, managed or run** by the same natural person. For the reasons given above it is appropriate to 'lift the corporate veil' and apply Article 8(3) EUTMR also to these cases.

4.3 Application without the proprietor's consent

Even though the absence of the proprietor's consent is a **necessary condition** for the application of Article 8(3) EUTMR, the **opponent does not have to submit evidence that shows that the agent was not permitted** to file the EUTM application. A mere **statement** that the filing was made without its consent is generally **sufficient**. This is because the opponent cannot be expected to prove a 'negative' fact, such as the **absence** of consent. In these cases the **burden of proof is reversed** and it is up to the applicant to prove that the filing was authorised, or to give some other justification for its acts.

In view of the need to provide effective protection to the legitimate proprietor from unauthorised acts of its agents, the application of Article 8(3) EUTMR should be denied only where the proprietor's consent is sufficiently **clear, specific and unconditional** (see, for example, judgment of 06/09/2006, T-6/05, First Defense Aerosol Pepper Projector, EU:T:2006:241, § 40).

Therefore, even if the proprietor has expressly authorised the filing of the EUTM application, its consent cannot be considered sufficiently clear if it has not also explicitly specified that the application may be in the name of the agent.

| Case No | Comment |
|--|--|
| Decision of 07/07/2003, R 336/2001-2, GORDON SMITH (fig.) / GORDON & SMITH | 'In view of its serious effect in extinguishing the exclusive rights of the proprietors of the trade marks in issue in the main proceedings (rights which enable them to control the initial marketing in the EEA), consent must be so expressed that an intention to renounce those rights is unequivocally demonstrated' (para. 18). |

Likewise, even if the proprietor has expressly authorised the filing of an EUTM application, its consent cannot be considered specific enough for the purposes of Article 8(3) EUTMR if there is no indication of the specific signs for which the applicant has permission to file as an EUTM.

It will be generally easier to assess whether the filing was authorised by the proprietor where the conditions under which an agent or representative may apply for an EUTM application are adequately regulated by **contract**, or are given by other kinds of **direct evidence** (letters, written representations, etc.). In most cases, such evidence will be sufficient to demonstrate whether the proprietor has given its express consent, or if the applicant has exceeded the limits of its authorisation.

In other cases, a contract will either not exist or it will be inadequate on the subject. Although the wording of Article 8(3) EUTMR is in principle broad enough to include cases of **tacit or implied consent**, such consent should only be inferred if the evidence is sufficiently clear as to the intentions of the proprietor. If the **evidence is completely silent** as to the existence of an express or implied authorisation, **lack of consent should be generally presumed**.

Notwithstanding **indirect indications** and evidence pointing to implied consent, any **ambiguity or doubt** should be **interpreted in favour of the opponent**, as it will usually be quite difficult to assess whether such consent is sufficiently clear and unequivocal.

For example, the mere fact that the proprietor tolerated unauthorised applications in the name of the agent in third jurisdictions cannot alone create legitimate expectations on the part of the applicant that the proprietor will not object to the filing of an EUTM application either.

| Case No | Comment |
|--|--|
| Decision of 31/01/2001, B 140 006, GORDON SMITH (fig.). Confirmed by decision of 07/07/2003, R 336/2001-2. | The mere fact that the opponents failed to immediately oppose the applicant's action to register the trade mark after they received notice of the fact did not constitute consent. |

The fact that the proprietor tolerates conduct outside the boundaries of a contract (such as use of the sign) cannot lead to the conclusion that filing the EUTM did not breach the established fiduciary duty if consent is not clear, specific and unconditional.

| Case No | Comment |
|--|--|
| <p>Joined cases T-537/10 and T-538/10, Fagumit</p> | <p>The applicant (the EUTM owner in cancellation proceedings) focused her line of argument on the consent allegedly granted by the proprietor of the mark. The Court held (like the Board of Appeal) that the consent for the purposes of the registration of the mark in the name of the representative or agent must be clear, specific and unconditional (paras 22 to 23).</p> <p>The document relied upon by the EUTM owner does not show consent within the meaning of Article 8(3) EUTMR (para. 28). The EUTM owner was not mentioned in the document and it did not refer to the possibility of registration of the sign as a trade mark. The EUTM owner cannot rely on the fact that the cancellation applicant did not object to the use of the sign by companies other than those referred to in the document. Use of the marks occurred during the course of marketing the goods produced by the cancellation applicant. However, such use is the logical consequence of the cooperation between the cancellation applicant and the distributors of its goods and does not show any abandonment of the sign, which would enable anyone to make an application for the registration of that sign — or its dominant element — as an EUTM (para. 27)</p> |

Even where consent of the proprietor has been deemed to be clear, specific and unconditional, it will be a question of fact to determine if such consent survives a **change of proprietor** by way of an asset sale.

| Case No | Comment |
|---|---|
| <p>Judgment of 06/09/2006, T-6/05, First Defense Aerosol Pepper Projector</p> | <p>The General Court remitted a case of this nature back to the Boards of Appeal in order to determine whether the consent obtained by the EUTM applicant had survived the purchase of the assets of the former trade mark holder and whether, on the day of the application for registration of the mark, the new holder of the trade mark in the USA (the opponent) was still bound by that consent.</p> <p>If the opponent was no longer bound by the consent, the General Court indicated that the Board ought then to determine whether the applicant had a valid justification which could offset the lack of such consent.</p> |

4.4 Absence of justification on the part of the applicant

As mentioned above, since it is not possible for the opponent to prove the absence of consent, the burden of proof is reversed and it is up to the applicant to show that the filing of the application was authorised by the proprietor. Although Article 8(3) EUTMR treats the lack of the proprietor’s consent and the absence of a valid justification on the part of the applicant as two separate conditions, these requirements largely overlap to the extent that if the applicant establishes that the filing of the application was based on some agreement or understanding to this effect, then it will also have provided a valid justification for its acts.

In addition, the applicant may invoke any other kind of circumstance showing that it was justified to file the EUTM application in its own name. However, in the absence of evidence of direct consent, only exceptional reasons are accepted as valid justifications, in view of the need to avoid a violation of the proprietor’s legitimate

interests without sufficient indications that its intention was to allow the agent to file the application in its own name.

For example, it could be possible to infer that the proprietor has tacitly consented to the filing of the application if it does not react within a reasonable period of time after having been informed by the applicant that it intends to apply for an EUTM in its own name. However, even in such a case it will not be possible to assume that the application has been authorised by the proprietor if the agent had not made it sufficiently clear to the proprietor in advance in whose name it would file the application.

Another case of valid justification could be if the proprietor causes its agent to believe that it has abandoned the mark, or that it is not interested in obtaining or maintaining any rights in the territory concerned, for example, by suspending the use of the mark over a relatively long period of time.

The fact that the proprietor does not want to spend money on a registration of its trade mark does not give the agent a right to act on its own initiative, as the proprietor might still have an interest in using its trade mark in the territory although it is not registered. Such a business decision cannot be taken in itself as a sign that the proprietor has given up the rights in its mark.

Justifications exclusively linked to an applicant's economic interests, such as the need to protect its investment in setting up a local distribution network and promoting the mark in the relevant territory, cannot be considered valid for the purposes of Article 8(3) EUTMR.

Nor can the applicant successfully argue in its defence that it is entitled to some financial remuneration for its efforts and expenditure in building-up goodwill for the mark. Even if such remuneration were well deserved or is expressly stipulated in the agency agreement, the applicant cannot use the registration of the mark in its own name as a means of extracting money from the opponent or in lieu of financial compensation, but should try to settle its dispute with the proprietor either by way of agreement or by suing for damages.

Finally, if the applicant does not provide any justification for its actions, it is not for the Office to make any speculations in that regard (judgment of 09/07/2014, T-184/12, Heatstrip, EU:T:2014:621, § 73-74).

| Case No | Comment |
|---------------------------------|--|
| Decision of 04/10/2011, 4 443 C | As to the justificatory argument that the EUTM application was filed in order to protect the goodwill of the mark in the EU, which had been established solely as a result of its trading activities, the Cancellation Division considered that the fact that a distributor, exclusive or otherwise, develops the goodwill of the trade mark of the owner in its allocated territory forms part of the usual duties of a distributor and cannot constitute, in itself and in the absence of other circumstances, a valid justification for the appropriation of the owner's mark by the distributor. |

| Case No | Comment |
|--|--|
| Decision of 10/01/2011, 3 253 C, MUSASHI (fig.) | As regards justification concerning economic claims of the party filing the EUTM and its arguments that it is entitled to some financial remuneration for permitting the sign to enjoy protection at EU level, and that it could be transferred to the cancellation applicant, it was held that this could not be valid justification within the meaning of Article 8(3). 'Even if remuneration were well deserved, the EUTM proprietor cannot use the registration of a mark in its own name as a means of receiving payment' (from the cancellation applicant) (para. 47). |
| Decision of 07/07/2003, R-336/2001-2, GORDON SMITH (fig.) / GORDON & SMITH | An act which compromises the interests of the trade mark proprietor, such as the filing of a trade mark application in the agent's or a representative's name without the proprietor's consent, and is driven solely by an intention to safeguard the agent's or a representative's own interests, is not considered justifiable for the purposes of Article 8(3) EUTMR. The same applies to the applicant's second argument, that is, that it was justified in doing so because it bore the registration costs. The interests of the trade mark proprietor cannot be subordinate to an agent's or a representative's financial expenses. The fact that an opponent might be unwilling to incur any financial expenses to register a trade mark does not automatically grant a right to the agent or representative to proceed with the registration of the trade mark in its own name. This would constitute a violation of the agent's or representative's duty of trust and loyalty towards the trade mark proprietor (para. 24). |

4.5 Applicability beyond identical signs — goods and services

Article 8(3) EUTMR provides that an EUTM application will not be registered where 'an agent or representative of the proprietor of the mark applies for **registration thereof** in his own name'. Such an explicit reference to the principal's trade mark gives the prima facie impression that the EUTM applied for must be the same as the earlier mark.

Hence, a literal interpretation of Article 8(3) EUTMR would lead to the conclusion that its application is only possible where the agent or representative intends to register a mark identical to that of the proprietor.

Moreover, the text of Article 8(3) EUTMR does not refer to the goods and services for which the application has been filed and for which the earlier mark is protected and, thus, gives no guidance as to what the exact relationship between the respective goods and services should be for the Article to apply.







However, applying Article 8(3) EUTMR exclusively to identical signs for identical goods or services would render this provision largely ineffective, as it would allow the applicant to escape its consequences by merely making slight modifications either to the earlier mark or to the specification of goods and services. In such a case, the proprietor's interests would be seriously prejudiced, especially if the earlier mark were already in use and the variations made by the applicant were not significant enough to rule out confusion. What is more, if the application were allowed to proceed to registration despite its similarity to the earlier mark, the applicant would be in a position to prevent any subsequent registration and/or use of the earlier mark by the original proprietor within the EU, by relying on Articles 8(1) or 9(2) EUTMR, or the equivalent provisions of national law.


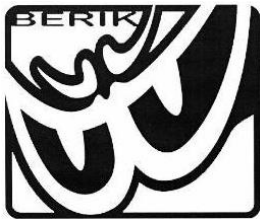


To sum up, in view of the need to effectively protect the legitimate proprietor against unfair practices by its representatives, a restrictive interpretation of Article 8(3) EUTMR must be avoided.

Therefore, Article 8(3) EUTMR must be applied where the respective marks are identical or where there is a relation between them comparable to the examples in the below table; and

- when the goods and services in conflict are closely related or equivalent in commercial terms. The requirement ‘equivalent in commercial terms’ must be interpreted in a narrow sense and does not have the same meaning as ‘similar’ pursuant to Article 8(1)(b) EUTMR (decision of 15/09/2015, R 2406/2014-5, STUDIOLINE / STUDIOLINE et al., § 17). In other words, what finally counts is that the goods or services of the applicant may be perceived by the public as ‘authorised’ products, the quality of which is still somehow ‘guaranteed’ by the opponent, and which it would have been reasonable for the opponent to market in view of the goods and services protected under the earlier mark. If the goods or services, however, are not identical or similar or equivalent, Article 8(3) EUTMR does not apply (decision of the Boards of Appeal of 17/02/2014, R 407/2013-4, WOUXUN / WOUXUN).

The following are examples of conflicting **signs** where the Office considered that Article 8(3) EUTMR is applicable:

| Earlier sign | EUTM application | Case No |
|---|---|--|
| <p>FIRST DEFENSE</p>  <p>(2 US earlier rights)</p> |  | <p>Decision of 04/05/2009, R 493/2002-4, FIRST DEFENSE AEROSOL PEPPER PROJECTOR (fig.)</p> <p>Judgment of 13/04/2011, T-262/09, First Defense Aerosol Pepper Projector</p> |
|  |  | <p>Decision of 03/05/2012, R 1642/2011-2, Maritime Acopafi (fig.) / Maritime Montering as (fig.) et al.</p> |
| <p>BERIK (word mark) (2 earlier rights)</p>  |  | <p>Decision of 03/08/2010, R 1367/2009-2, BERIK DESIGN (fig.)</p> |

| Earlier sign | EUTM application | Case No |
|--|---|--|
|  BERIK (word mark) (2 earlier rights) |  | Decision of 03/08/2010, R 1231/2009-2, BERIK (fig.) / BERIK et al. |
|  | NORAXON | Decision of 19/06/1999, B 3 436, NORAXON |
|  | APEX | Decisions of 26/09/2001, B 150 955 and B 170 789, APEX |

The following are examples of **goods and services** in conflict where the Office considered that Article 8(3) EUTMR is applicable:

| Case No | Comment |
|---|--|
| Decision of 04/05/2009, R 493/2002-4, FIRST DEFENSE AEROSOL PEPPER PROJECTOR (fig.) | <p>The Board held that the contested <i>disabling sprays</i> in Class 13 were covered by the proprietor's <i>non-explosive defense weapons in the nature of an organic irritant packaged in an aerosol (or pressurized spray) canister</i>.</p> <p>However, it considered that protection did not extend to the contested <i>side arms, ammunition, projectiles</i>. These are goods for which commercial activity from the proprietor cannot be reasonably expected. Side arms and ammunition are far too different from pepper sprays to be covered by Article 8(3) EUTMR given that the opponent markets a very specific product (paras 19 to 24).</p> <p>In its judgment of 13/04/2011, T-262/09, the General Court did not examine the arguments of the parties regarding the similarity of the goods.</p> |
| Decision of 03/05/2012, R 1642/2011-2, Maritime Acopafi (fig.) / Maritime Montering as (fig.) et al. | <p>The Board held that the wording suggests only if the mark applied for is essentially identical to the earlier right, in terms of both signs and goods/services, it can be prohibited. On the other hand, a too-literal reading of that provision would fatally weaken its utility by allowing fraudulent agents to register their principals' marks by merely making minor modifications or unimportant additions to them. Despite these considerations, however, the provision must apply only where the signs and the goods/services are essentially the same, or largely equivalent (para. 18).</p> <p>In view of this, the Board upheld OD's findings that the earlier mark's use for <i>installation of marine accommodation</i> was fundamentally different from the applicant's services in Class 42 (<i>scientific and technological services and research and design relating thereto; industrial analysis and research services; design and development of computer hardware and software</i>).</p> |

| Case No | Comment |
|---|--|
| <p>Decision of 03/08/2010, R 1367/2009-2, BERIK DESIGN (fig.)</p> | <p>The Board agreed with the Cancellation Division that the cancellation applicant's goods in Class 25 could not be considered closely related or equivalent in commercial terms to the applicant's goods in Class 18, <i>leather or imitation leather</i>. The latter are raw materials for producers of goods made of leather or imitation of leather and, thus, target a different public and have different distribution channels from the goods covered by the cancellation applicant's marks (paras 30 to 31).</p> <p>It further agreed with the Cancellation Division that the cancellation applicant's goods in Class 25 could not be considered closely related or equivalent in commercial terms to the applicant's goods in Class 16 even if, for example, some of the contested goods could be used as merchandising items for a line of clothing (paras 28 to 30).</p> |
| <p>Decision of 27/02/2012, B 1 302 530</p> | <p>'In view of the necessity to effectively protect the legitimate proprietor against unfair practices by its representatives, a restrictive interpretation of Article 8(3) EUTMR must be avoided. Therefore, this provision must be applied not only where the respective marks are identical, but also where the mark applied for by the representative or agent essentially reproduces the earlier mark with slight modifications, additions or deletions, which do not substantially affect its distinctiveness.</p> <p>In line with the aforementioned reasoning, Article 8(3) EUTMR does not only cover cases where the respective lists of goods and services are strictly identical, but it also applies where the goods and services in conflict are closely related or equivalent in commercial terms. In other words, what finally counts is that the goods or services of the applicant may be perceived by the public as "authorised" products, the quality of which is still somehow "guaranteed" by the opponent' (para. 20).</p> |

In the following example, the **goods and services** in conflict were not considered equivalent in commercial terms:

| Case No | Comment |
|--|---|
| <p>Decision of 15/09/2015, R 2406/2014-5, STUDIOLINE / STUDIOLINE et al.</p> | <p>The Board held that the connection between <i>photographer services</i>, including in the sense of 'organisation of photo-shoot parties', and <i>sporting and cultural activities</i> is too imprecise and vague to be regarded as 'equivalent in commercial terms'. It can be concluded from this that the decision concerned correctly ruled that the opposition was to be refused in relation to <i>sporting and cultural activities</i> (para 18).</p> |