



Reports of Cases

Case C-371/18

Sky plc and Others

v

SkyKick UK Ltd

and

SkyKick Inc.

(Request for a preliminary ruling from the High Court of Justice (England & Wales), Chancery Division)

Judgment of the Court (Fourth Chamber), 29 January 2020

(Reference for a preliminary ruling — Approximation of laws — Community trade mark — Regulation (EC) No 40/94 — Articles 7 and 51 — First Directive 89/104/EEC — Articles 3 and 13 — Identification of the goods or services covered by the registration — Failure to comply with the requirements of clarity and precision — Bad faith of the applicant — No intention to use the trade mark for the goods or services covered by the registration — Total or partial invalidity of the trade mark — National legislation requiring the applicant to state that he or she intends to use the trade mark applied for)

1. *Approximation of laws — Trade marks — Interpretation of Regulation No 40/94 and of Directive 89/104 — Surrender, revocation and invalidity — Absolute grounds for invalidity — Identification of the goods or services concerned by the trade mark — Failure to comply with the requirements of clarity and precision — Not included (Council Regulation No 40/94, Art. 7 and Art. 51; Council Directive 89/104, Art. 3)*

(see paragraphs 56-60, 71, operative part 1)

2. *Approximation of laws — Trade marks — Interpretation of Regulation No 40/94 and of Directive 89/104 — Identification of the goods or services concerned by the trade mark — Use of the general indications in the headings of the classes of the Nice classification — Extent of the resulting protection — Obligation on the applicant to specify the products or services covered by his or her application — Obligation laid down by a judgment of the Court — Effects — Temporal limitation (Council Regulation No 40/94; Council Directive 89/104)*

(see paragraph 61)

3. *Approximation of laws — Trade marks — Interpretation of Regulation No 40/94 and of Directive 89/104 — Signs of which a trade mark may consist — Graphic representation that*

is sufficiently clear and precise — Concept — Identification of the goods or services concerned by the trade mark — Requirements of clarity and precision — Not included
(Council Regulation No 40/94, Arts 4 and 7(1)(a); Council Directive 89/104, Arts 2 and 3(1)(a))

(see paragraph 64)

4. *Approximation of laws — Trade marks — Interpretation of Regulation No 40/94 and of Directive 89/104 — Surrender, revocation and invalidity — Absolute grounds for invalidity — Trade marks which are contrary to public policy or to accepted principles of morality — Public policy — Concept — Identification of the goods or services concerned by the trade mark — Failure to comply with the requirements of clarity and precision — Not included*
(Council Regulation No 40/94, Art. 7(1)(f); Council Directive 89/104, Art. 3(1)(f))

(see paragraphs 66, 67)

5. *Approximation of laws — Trade marks — Interpretation of Regulation No 40/94 and of Directive 89/104 — Surrender, revocation and invalidity — Absolute grounds for invalidity — Applicant in bad faith when filing the trade mark application — Concept of bad faith — Scope — No intention to use the trade mark in respect of the goods or services covered by the registration — Included — Effects — Invalidity limited to the goods and services concerned by the absence of the intention to use*
(Council Regulation No 40/94, Art. 51(1)(b) and (3); Council Directive 89/104, Arts 3(2)(d) and 13)

(see paragraphs 73-78, 81, operative part 2)

6. *Approximation of laws — Trade marks — Directive 89/104 — National legislation requiring the applicant to state that he or she intends to use the trade mark applied for — Whether permissible — Limits — Obligation constituting a ground for invalidity*
(Council Directive 89/104)

(see paragraph 87, operative part 3)

Résumé

In the judgment *Sky and Others* (C-371/18), delivered on 29 January 2020, the Court held, first of all, that a Community trade mark or national trade mark, falling within the scope of Regulation No 40/94¹ or First Directive 89/104,² cannot be declared invalid on the ground that terms used to designate the goods and services in respect of which that trade mark was registered lack clarity

¹ Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1), as amended by Council Regulation (EC) No 1891/2006 of 18 December 2006 (OJ 2006 L 386, p. 14), repealed and replaced by Council Regulation (EC) No 207/2009 of 26 February 2009 on the European Union trade mark (OJ 2009 L 78, p. 1) and subsequently by Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark (OJ 2017 L 154, p. 1).

² First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1) was repealed and replaced by Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks (OJ 2008 L 299, p. 25) and subsequently by Directive (EU) 2015/2436 of the European Parliament and of the Council of 16 December 2015 to approximate the laws of the Member States relating to trade marks (OJ 2015 L 336, p. 1).

and precision. Next, the Court clarified the conditions under which a trade mark application made without any intention to use the trade mark in relation to the goods and services covered by the registration constitutes bad faith. Lastly, the Court held that First Directive 89/104 did not preclude a provision of national law which requires the applicant for registration of a trade mark to state that he or she intends to use that trade mark in respect of the goods and services for which it is sought to register the trade mark.

In the present case, the Sky companies, the proprietors of several Community marks and one United Kingdom trade mark which include the word ‘Sky’, brought an action for infringement against the SkyKick companies. In the context of those proceedings, the SkyKick companies filed a counterclaim for a declaration that the trade marks at issue in the main proceedings are invalid. In support of that counterclaim, they contended that those trade marks were registered in respect of goods or services that are not specified with sufficient clarity and precision. The High Court of Justice (England & Wales), hearing the case, asked the Court of Justice whether such a lack of clarity and precision constitutes a ground for invalidity of a registered trade mark. In addition, the SkyKick companies contended that the trade marks at issue were registered in bad faith because the Sky companies did not intend to use them in relation to all of the goods and services covered by the registration. The referring court then enquired as to the scope of the concept of ‘bad faith’. It also asked whether the obligation of the proprietor to state that he or she intends to use the trade mark applied for, laid down under United Kingdom law,³ was compatible with EU law.

First, after finding that the trade marks at issue fell within the scope, *ratione temporis*, of Regulation No 40/94 and First Directive 89/104, the Court pointed out that Articles 7(1) and 51(1) of that regulation and Article 3 of that directive listed exhaustively the absolute grounds for invalidity of a Community trade mark and of a national trade mark. However, the lack of clarity and precision of the terms used to designate the goods or services covered by the trade mark registration is not included among those grounds. Consequently, the Court held that such a lack cannot be considered a ground for total or partial invalidity, within the meaning of the abovementioned provisions. In any event, the Court added that the judgment of 19 June 2012, *Chartered Institute of Patent Attorneys* (C-307/10, EU:C:2012:361) cannot be interpreted as recognising additional grounds for invalidity, not mentioned in Regulation No 40/94 and First Directive 89/104. In subsequent judgments,⁴ the Court has stated that that judgment in *Chartered Institute of Patent Attorneys* did not apply to trade marks already registered at the date of that judgment’s delivery, but provided clarifications only on the requirements relating to new EU trade mark registration applications.

In addition, the Court held that the lack of clarity and precision of the terms designating the goods or services referred to by a trade mark registration cannot be considered as contrary to public policy.⁵ The concept of ‘public policy’ cannot be construed as relating to characteristics concerning the trade mark application itself, regardless of the characteristics of the sign for which the registration as a trade mark is sought.

³ Section 32(3) of the [United Kingdom] Trade Marks Act 1994.

⁴ Judgments of 16 February 2017, *Brandconcern v EUIPO and Scooters India* (C-577/14 P, EU:C:2017:122, paragraphs 29 and 30), and of 11 October 2017, *EUIPO v Cactus* (C-501/15 P, EU:C:2017:750, paragraph 38).

⁵ Within the meaning of Article 7(1)(f) of Regulation No 40/94 and Article 3(1)(f) of First Directive 89/104.

Secondly, the Court adjudicated on whether a trade mark application made without any intention to use the trade mark in relation to the goods and services covered by the registration constitutes bad faith.⁶ In that regard, it held that such an application constitutes bad faith if the applicant for registration of that mark 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. Furthermore, the Court clarified that when the absence of the intention to use the trade mark in accordance with the essential functions of a trade mark concerns only certain goods or services referred to in the application for registration, that application constitutes bad faith only in so far as it relates to those goods or services. However, the Court stressed that such bad faith cannot be presumed and is established only if there is objective, relevant and consistent indicia to support this.

Thirdly, the Court concluded that First Directive 89/104 must be interpreted as not precluding a provision of national law under which an applicant for registration of a trade mark must state that the trade mark is being used in relation to the goods and services in relation to which it is sought to register the trade mark, or that he or she has a bona fide intention that it should be so used, in so far as the infringement of such an obligation does not constitute, in itself, a ground for invalidity of a trade mark already registered.

⁶ Within the meaning of Article 51(1)(b) of Regulation No 40/94 and Article 3(2)(d) of First Directive 89/104.