

# The devil is in the details: actual or constructive knowledge?

**Kluwer Trademark Blog**

February 21, 2017

[Erica Vaccarello \(De Simone & Partners S.P.A.\)](#) and [Fabio Angelini \(Bugnion S.p.A\)](#)

*Please refer to this post as: Erica Vaccarello and Fabio Angelini, 'The devil is in the details: actual or constructive knowledge?', Kluwer Trademark Blog, February 21 2017,*

*<http://trademarkblog.kluweriplaw.com/2017/02/21/the-devil-is-in-the-details-actual-or-constructive-knowledge/>*

---

We all know that acquiescence is an absolute defense against infringement which occurs when a proprietor of an earlier mark has acquiesced, for a period of five successive years, to the use of a later registered trademark while being aware of such use. However, neither EU nor Italian (or, to our knowledge, any other national) trademark laws clarify how the proprietor of the later mark can prove acquiescence. How do you prove knowledge by another party?

Generally speaking, burden of proof is a matter of civil procedure, not of trademark law. Nonetheless as also indicated by the CJ, *"if [apportioning the burden of proof] were a matter for the national laws of the Member States, the consequence for trade mark proprietors could be that protection would vary according to the legal system concerned. The objective of 'the same protection under the legal systems of all the Member States' set out in the ninth recital in the preamble to the Directive, where it is described as fundamental, would not be attained (C-405/03 Class International, [2005] ECR I-8735, at § 73).* Thus, we have a problem that needs to be solved uniformly for all EU Member States.

In Italy, courts have held that acquiescence may be proved by presumptions, that is, by any factual situation that "makes it reasonable to believe that the earlier right owner was aware of -or could not reasonably have not known - the use of the later mark". The evidence to show an "implied/constructive knowledge" must nonetheless be compelling, specific and concurring (Court of Rome, Publi Show vs

Academy Of Motion Picture Arts and Sciences, 16585/2013; Court of Milan, David Mayer Naman vs Daniel&Mayer, 2011). More specifically, widespread presence on the Italian market of products bearing the later mark, products' exhibition at trade fairs, the distribution of catalogues, products' advertising, has been held to be admissible (and credible) evidence of acquiescence.

The Italian courts' position somewhat reflects the view of academics. For instance, A. Vanzetti, and C. Galli also proposed that, as in other cases where a party is not able to proffer facts because it does not have access to them, the later right owner requests the earlier right owner to swear to its "ignorance" (so called *giuramento decisorio*, "decisive oath"). If the earlier right owner so swears, it wins the case. The effectiveness of the "decisive oath" is based on the fact that a false oath is criminally prosecutable under Italian law.

Is the Italian legal practice a sound one? Possibly no longer, in view of the recent decision by the EGC in the case T-77/15, Sky/Skytec. In this case, Tonios Group International BV registered the European Union trade mark SKYTEC, but the owner of the earlier EUTM for SKY - (British Sky Broadcasting Group Plc, "BSkyB") filed an application for invalidity claiming likelihood of confusion.

Tonios' defense, based on acquiescence, was rejected by the cancellation division and this was confirmed by the Board of Appeal. Tonios went to the General Court, which confirmed the Board's decision holding that BSKyB had not actually been aware of the use of Tonios' mark.

Although Tonios had proved use of its mark SKYTEC in the EU during a period of at least five successive years, the evidence was not sufficient to prove that BSKyB actually knew about this. Tonios only showed BSKyB's potential knowledge. This even though the evidence included a reference to a previous opposition by BSKyB against an application for the same mark in South Africa (although by a different entity at that time). Thus, differently from Italian courts and doctrine, the General Court is not satisfied with implied/constructive knowledge but requires full evidence that the invalidity applicant actually knew about the use of the later mark.

The GC decision was in the context of an EUTM registration and does not legally bind national courts dealing with national registrations or infringement actions. However, it is hard to deny that constructive v. actual knowledge is and remains a

matter which may independently (and as seen for Italy) also be dealt with differently by national courts. Thus, as the CJ held in *Class International*, the consequence for trademark owners is that “protection shall be different vary according to the legal system concerned, and the objective of ‘the same protection under the legal systems of all the Member States’ will not be reached.” So, it would be desirable that the CJ weighs in to clarify this issue once and for all.