

Sweden: Volvo succeeds when Made by Sweden was Made in Bad Faith

Kluwer Trademark Blog

September 28, 2018

David Leffler (Cirio Law Firm) and My Byström (Synch)

Please refer to this post as: David Leffler and My Byström, 'Sweden: Volvo succeeds when Made by Sweden was Made in Bad Faith', Kluwer Trademark Blog, September 28, 2018, <http://trademarkblog.kluweriplaw.com/2018/09/28/sweden-volvo-succeeds-made-s-weden-made-bad-faith/>

In February this year, the Swedish Patent and Market Court (“PMD”) ruled in favour of Volvo in a bad faith case regarding the mark “MADE BY SWEDEN” registered by Green Stapler. The mark Made by Sweden had been the centre of a campaign starring Swedish superstar football player Zlatan Ibrahimović and world-renowned Swedish artist Robyn that had rejuvenated the Volvo brand in Sweden. Volvo had initiated their campaign in January 2014, which had large exposure and featured in various media.

Green Stapler, a small Stockholm based company, applied for registration of “MADE BY SWEDEN” in November 2014 as a trademark in Sweden and submitted an international application in a number of classes, including goods and services encompassing transport and vehicles. The Swedish application was made around 10 months after the start of Volvo’s campaign. When a Swedish television channel launched the television series “MADE BY SWEDEN”, a collaboration between Volvo, the Swedish Olympic Committee and a production company, Green Stapler sent a warning letter to the Swedish Olympic Committee and the production company, claiming that they did not have the right to use the title “MADE BY SWEDEN” and demanded a license for the continued use of the mark. Volvo responded with a warning letter sent to Green Stapler, demanding Green Stapler to immediately

cease in any use of the mark. Volvo then proceeded to apply for national, EU and international trademark registrations of “MADE BY SWEDEN”, and initiated invalidity proceedings against Green Stapler’s registrations. In November 2017, Green Stapler submitted an application of summons to the PMD, filing for an injunction forbidding Volvos use of the mark.

Volvo’s invalidity claim was based on both likelihood of confusion with Volvo’s unregistered trademark rights to “Made by Sweden” as well as bad faith on the part of Green Staplers. Volvo brought forward evidence of the extensive marketing campaign, showing that the campaign had had great impact in Sweden. Though the PMD found that the campaign had an exceptionally wide range, they considered that one should proceed with great caution when considering evidence made up by advertising material, referencing the Eurocermex-judgement (T-399/02). The PMD did, therefore, not consider the evidence to be conclusive that the mark had become established on the market in Sweden at the time of Green Staplers registration and, therefore, did not accept Volvo’s claim to rights in an unregistered trademark at the time of filing of Green Stapler’s mark.

The PMD proceeded in examining Volvo’s claim that Green Stapler had acted in bad faith when applying for their trademark registration. Pursuant to Chapter 2 Article 8 Paragraph 4 of the Swedish Trademarks Act, a trademark shall not be registered if it can be confused with a symbol which, at the time of the application, was being used by a third party in Sweden or abroad and is still in use, if the applicant was acting in bad faith at the time of the application. When assessing if Green Stapler acted in bad faith, the PMD took into consideration Volvo’s evidence of the extensive marketing campaign, and that as the first trademark application took place during Volvo’s the campaign it was improbable that Green Staler had no knowledge of Volvo’s use at the time of filing. Additionally, the PMD took into consideration that Green Stapler had applied for goods and services relating to transport and vehicles while the company was not active in that industry, and, that Green Stapler had not made any use of the trademark. The PMD found that these circumstances were an indication that the trademark registrations were not a normal and legitimate step in Green Stapler’s business. When making an overall assessment of these factors, the PMD found that Green Stapler had acted in bad faith, entailing nullity in its entirety of the marks at issue.

This decision is a good example on the necessity of bad faith provisions in trademark law and how apply them. It is also a good reminder that filing for

trademark protection early is always recommended as this can avoid potential pitfalls when launching a new marketing campaign.