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GC goes ape for UK earlier rights

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The General Court (GC) recently overturned a decision from the EUIPO that an opposition based on earlier UK unregistered rights be rejected as, following the withdrawal of the UK from the EU, opponents could no longer rely upon the rules governing common law actions of passing off in EU oppositions.

In this case, Jungo Ye filed an EU trade mark application in June 2015 for a figurative mark ("**Application**").

Nowhere Co. Ltd filed an opposition against this Application in March 2016, under Article 8(4) of Regulation No. 207/2009 based on their own unregistered marks.

Nowhere Co.'s opposition was dismissed on the basis that, following the withdrawal of the UK from the EU and the expiry of the transitional period on 31 December 2020, Nowhere Co. could no longer rely upon the UK laws of passing off.

The GC recently overturned this decision, stating that, in-line with case law from the Court of Justice (CJEU), it is the filing date of the application for registration of the mark against which an opposition has been brought that is decisive for the purposes of identifying the applicable substantive law. This means when considering an opposition, the existence of a relative ground for refusal must be assessed as at the time the application for the EU trade mark being opposed was filed. The fact that the earlier rights upon which the opposition is based could later cease to be valid is irrelevant.

In this case, the Application was filed before the withdrawal agreement came into force and prior to the expiry of the transition period. As such, the earlier unregistered trade marks owned by Nowhere Co. were in principle capable of forming the basis of an opposition against the Application, and the Board of Appeal should have taken them into account in its assessment. The GC stated it was difficult to comprehend why Nowhere Co.'s unregistered trade marks would have been denied protection during the five and a half year period from the Application filing date and the expiry of the transition period, when a conflict between the Application and the unregistered marks could have existed, meaning that Nowhere Co. had a legitimate interest in the success of its opposition.

This decision is contrary to previous guidance provided by the EUIPO and infers that the EUIPO may have been incorrectly refusing EU oppositions based on earlier UK rights, where the EU trade mark application in question was filed prior to 1 January 2021. It is also interesting, as previously

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this was a point of difference between UK and EU tribunals – in the UK, you needed to establish the right relied upon as at the relevant date (e.g., the filing date) and not at the date of the hearing, but in the EU, you needed a valid right at the hearing also. This GC decision seems to go against that general practice.

It is not clear if this decision is Brexit specific. We wait to see if this case is now appealed to the CJEU, although worth noting that in practice (as the GC pointed out within its judgment) this decision may not have a significant impact, as following the expiry of the transition period, it is open to Jungo Ye to simply file a new trade mark application, which Nowhere Co. will now be unable to oppose based solely on its UK unregistered rights.

This decision is made more interesting as it directly contrasts with the earlier judgment of the GC in June 2021, in relation to an invalidity action filed by the Spanish company, Style & Taste, based on its Spanish design, against The Polo/Lauren Company LP's iconic logo.

Style & Taste's Spanish design was in force at the time its invalidity action was filed but expired prior to a decision being made by the EUIPO. Upon appeal, the GC upheld the EUIPO's decision that an invalidity action could not succeed where based on an expired earlier right, as it held that a conflict needed to be established <u>as at the date the invalidity action was decided</u>. It did not matter that the earlier right was valid at the time the application was brought. As always, this shows the need to be across the detail within these actions and to consider carefully which rights are appropriate to rely upon in each given case.

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