

# Kluwer Trademark Blog

## EU: General Court holding UK evidence to be irrelevant post-Brexit: disagreement with earlier General Court decision(s)

Verena von Bomhard (BomhardIP) · Monday, November 7th, 2022

On 12 October 2022, the General Court decided on the invalidity action by Shopify, Inc. against the EUTM



for a number of goods and services in classes 9, 35, and 38 (T<sup>222</sup>/21). The GC confirmed the EUIPO Board of Appeal's finding that there was no likelihood of confusion, essentially because "shop" is descriptive and will be understood throughout the EU. Not very spectacular – although relieving as we have seen too many decisions on EU level overemphasizing descriptive elements of mark and finding confusion only because somewhere in the EU someone does not understand the descriptive (mostly) English term which is then held to be the dominant element (too many examples for that to cite them without cringing).

What is **spectacular** about this judgment, however, are the GC's comments on the relevance – or lack thereof – of evidence relating to reputation or enhanced distinctiveness of the earlier relevant SHOPIFY mark in the UK, in the context of **Brexit** – or, more generally, on the relevant point in time for substantive requirements to be assessed. In order to overcome the inherent weakness of its core mark, Shopify had argued that this had acquired an enhanced distinctiveness (inter alia) in the UK. The GC considered this irrelevant and very clearly set out that the **requirements for a declaration of invalidity** had to be fulfilled not only at the time of the application for the contested trademark, but also at the **time of the decision**. Therefore, where the decision was made after Brexit rendered its effects also in trademark law (i.e. after 31 December 2020), as was the case here (the Board of Appeal decision was from February 2021), facts and circumstances pertaining purely to the UK had no bearing on the outcome. The Board of Appeal not only need not but 'was obliged not to take into account' such circumstances (para. 102).

This is of course contrary to the judgment in APE TEES (T<sup>281</sup>/21), where the GC held that the sole decisive date for the registrability of an EU trademark was its filing date, and that subsequent facts could not be taken into account – with the result that, also after Brexit, EUTMs could be refused or declared invalid based on earlier UK rights (see in this blog [here](#) and [here](#)). What is more, while APE TEES concerned opposition proceedings and SHOPPI an invalidity action, the GC left no doubt that in both types of proceedings, the decisive date was that of the decision

(para. 99).

The GC referred to the ‘fundamental **principle of territoriality** of intellectual property rights’ (para. 103) and emphasized that what mattered was ‘**enforceability**’ (para. 104): if the earlier right, at the time of the decision, was not enforceable, it should not be held against the junior EUTM – whether an application or a registration.

This is to be applauded, although it would have been even better had the GC drawn the ultimate consequence accepting that the earlier right must be enforceable at the time of the last decision on the “life or death” of the EUTM (application) rather than distinguishing between situations where the Board of Appeal decided before or after the Brexit date. This position, namely, that there should be no refusal or invalidity of an EUTM where there is no legitimate interest at the time of the ultimate decision, was taken by the EUIPO in its appeal in BASMATI (which has been admitted to proceed, C-801/12 P). Also in APE TEES, the EUIPO appealed; this has been pending since 23 May 2022 (C-337/22 P) and it is likely that the CJEU will allow also this appeal to proceed given the parallelism with the BASMATI case. For more background on APE TEES and BASMATI, see the May 2022 blog entry “[Gone with the Wind](#)”).

In a perfect (trademark) world, **trademarks get the protection that they deserve** – all of it, but only this! Oppositions and invalidity actions should not succeed where the earlier rights could not be held against the use of the later trademark. Let’s see what the CJEU makes of this all...

---

*To make sure you do not miss out on regular updates from the Kluwer Trademark Blog, please [subscribe here](#).*

## **Kluwer IP Law**

The **2022 Future Ready Lawyer survey** showed that 79% of lawyers think that the importance of legal technology will increase for next year. With Kluwer IP Law you can navigate the increasingly global practice of IP law with specialized, local and cross-border information and tools from every preferred location. Are you, as an IP professional, ready for the future?

Learn how **Kluwer IP Law** can support you.

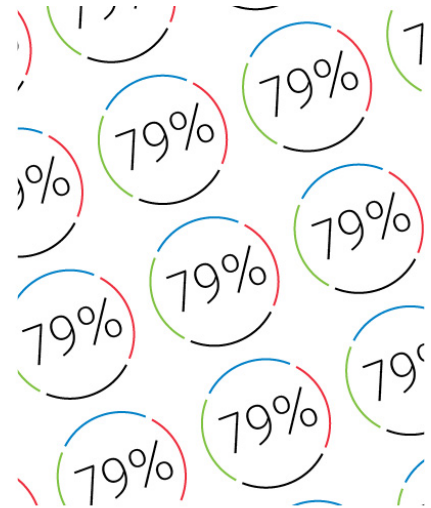
79% of the lawyers think that the importance of legal technology will increase for next year.

**Drive change with Kluwer IP Law.**

The master resource for Intellectual Property rights and registration.



2022 SURVEY REPORT  
The Wolters Kluwer Future Ready Lawyer  
Leading change



Experience how the renewed **Manual IP** enables you to work more efficiently



[Learn more →](#)



This entry was posted on Monday, November 7th, 2022 at 4:44 pm and is filed under [Brexit](#), [EUIPO](#), [The EU is an economic and political association of certain European countries as a unit with internal free trade and common external tariffs.](#)“>[European Union](#)

You can follow any responses to this entry through the [Comments \(RSS\)](#) feed. You can leave a response, or [trackback](#) from your own site.