Is the CJEU back in the game? After some years of somnolence, the CJEU takes another case on trademarks

Sara Parrello, Fabio Angelini (Bugnion S.p.A) · Thursday, August 3rd, 2023

Since the introduction on 2019 of the filtering mechanism according to which the CJEU has to decide whether or not allow an appeal to proceed in cases that have already been considered twice (such as by the EUIPO’s Board of Appeal and by the General Court), only few appeals have been considered treating issues that are significant with respect to the unity, consistency and development of EU law.

Demonstrating that an issue is significant enough for the CJEU, had been almost impossible so far, given that a request must satisfied several requisites, such as it must clearly explain the grounds on which the appeal is based, the issue of law raised by each ground of appeal, specify whether and why that issue is significant with respect to the unity, consistency or development of EU law, the provision of EU law or the case-law that has been infringed, the nature of the error of law, and indicate to what extent that error had an effect on the outcome of the judgment under appeal (C?382/21, The KaiKai Company Jaeger Wichmann, par. n. 2). The result was that for nearly four years the CJEU did not take any trademark case stemming out the EUIPO.

Recently it seems that things are changing, and the CJEU has recently showed a greater willingness to review General Court’s decisions, among which the Shopify case (Case C?751/22 P) (and, on 11 July 2023, Neoperl, C?93/23 P – but we will focus on Shopify here).

Let’s see how and why.

In the case at issue, the appellant, Shopify Inc., appealed the decision of the GC T?222/21, SHOPPI (already commented here), alleging infringement of Article 53(1) of EUTM Regulation
no. 207/2009, in conjunction with Article 8(1)(b). Shopify criticizes that the GC did not take into account reputation in the UK in a decision taken after “Brexit”. The argument is that, as per the second subparagraph of Article 53(1), all the conditions for the success of an invalidity action must be fulfilled at the filing or priority date of the contested mark.

The appellant argues that the GC contradicted itself when it said that in invalidity proceedings, the applicant for invalidity must be able to prohibit the use of the contested mark not only on the date on which that mark was filed, but also on the date on which the decision is taken. While the position of the EUIPO, at least in recent times, about the relevant point in time for evaluating the substantive requirements has been straightforward (the conditions must be fulfilled at the time of the final decision in the relevant proceeding), the GC’s case law on this point has been less than consistent. Indeed, as we already commented here (BASMATI case, T?342/20 and APE TEES case, T?281/21), the GC said that it was enough that the earlier mark was be valid vis-à-vis EUTMs at the time of the application for the contested mark. Appeals against both decisions have been admitted to be heard by the CJEU.

The basic reason why the CJEU allowed the Shopify appeal to proceed was that the “issue arises not only as regards the effects of the Withdrawal Agreement on pending proceedings, which potentially concern a significant number of invalidity and opposition proceedings relating to both earlier EU trade marks and earlier national trade marks, but also in all situations in which the earlier mark or the scope of the protection conferred by it is affected by events occurring after the priority date or the filing date of the contested mark, such as a loss of distinctiveness or reputation, or a change in the law applicable to the proceedings” (§38).

We can conclude that the relevant date for the assessment of the right to invalidate or to oppose a subsequent EUTM, is a hot topic for the CJEU, and one where it clearly saw the need to intervene in the light of the highly inconsistent positions taken by the GC in three similar cases.

We may also speculate that there might be also another hidden reason. The CJEU effectively let the GC be the ultimate ruler of the IP law for three years without interfering, trusting the GC to be able to handle the load without need of supervision, but after three similar cases decided by the GC in different (actually opposite manner), the CJEU has decided is time to pull the reins a little and sending a signal to the GC: get your act together or we’ll intervene more often….

Of course we will report when the CJEU delivers is opinions on BASMATI, APE TEES, and Spotify.

______________________________
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.

This entry was posted on Thursday, August 3rd, 2023 at 12:03 pm and is filed under Appeal, Brexit, CJEU, EU trade mark law
You can follow any responses to this entry through the Comments (RSS) feed. You can leave a response, or trackback from your own site.