

O-036-18

The Rolls Building
7 Rolls Buildings
Fetter Lane
London EC4A 1NL.

Monday, 18th December 2017

An Appeal to the Appointed Person
(from a Decision of Mr Allan James acting on behalf of the Registrar of Trade Marks)

Before:

THE APPOINTED PERSON

Mr Geoffrey Hobbs QC

In the Matter of:

The Trade Marks Act 1994

-and-

In the matter of:

Trade Mark Application No. UK00003146477 by CKL HOLDINGS NV

-and-

Opposition No. OP000406941 by PAPER STACKED LIMITED

Written submissions were filed by Trademarkers Merkenbureau C.V. on behalf of CKL Holdings NV (the Appellant)

Written observations were filed by Mr Raoul Colombo on behalf of the Registrar

DECISION (AS APPROVED)

Transcript of the Shorthand Notes of Marten Walsh Cherer Ltd.,
1st Floor, Quality House, 6-9 Quality Court, Chancery Lane, London WC2A 1HP.
Telephone: 020 7067 2900

O-036-18

email: *info@martenwalshcherer.com*)

Mr Geoffrey Hobbs QC:

1. This is an appeal from the decision of Mr Allan James issued on behalf of the Registrar of Trade Marks under reference BL O/442/17 on 19th September 2017 in opposition proceedings brought by Paper Stacked Limited under no. 406941 in relation to trade mark application no. 3146477 filed in the name of CKL Holdings NV on 27th January 2016.
2. CKL initially sought by means of that application to register the name **ALEXANDER** as a trade mark for use in relation to a range of goods in classes 18, 20 and 25, but ultimately for use in relation only to mirrors and picture frames in class 20. The opposition succeeded and registration was refused under section 3(6) of the Trade Marks Act 1994, which provides (consistently with the provisions of Art 3(2)(d) of the Trade Marks Directive: Directive 2008/95/EC; and symmetrically with the provisions of Arts 59(1)(b) and (3) of the EU Trade Mark Regulation: Regulation (EU) 2017/1001) that: “A trade mark shall not be registered if or to the extent that the application is made in bad faith”. Paper Stacked’s objection under s. 3(6) was pleaded in its Notice and Statement of Grounds of Opposition in the following terms:

“The applicant has no bona fide intention to use the mark. The Applicant has filed several hundred trade mark applications in numerous territories (mostly within the European Union), the majority of which comprise of common first names. There is no commercial logic for the present trade mark application and the purpose of this application therefore appears to be solely for the purpose of preventing third parties from entering the market or registering genuine trade marks in the United Kingdom or the European Union. The Applicant’s conduct and trade mark filing activity (including the present application) depart significantly from the accepted principles of ethical behaviour or honest commercial and business practices. In particular, the trade mark covers goods for which the full name of the designer or producer is used as a trade mark, and where there are numerous legitimate designers/producers with the forename **ALEXANDER** already on the market.”

3. It is relevant to note in this connection that the contested application for registration contained a declaration pursuant to the statutory requirement in s.32(3) of the 1994 Act that:

“The application shall state that the trade mark is being used, by the applicant or with his consent, in relation to those goods or services, or that he has a *bona fide* intention that it should be so used.”

This required CKL to be a person who could truthfully claim to have a bona fide intention that **ALEXANDER** should be used (by it or with its consent) as a trade mark for goods of the kind listed in the application.

4. CKL filed a counterstatement denying that its application for registration was objectionable under s. 3(6). It maintained that it had acted lawfully and entirely properly with regard to the filing of the application. It specifically contended that “The bona fide intention to make use of the subject mark if and when it achieves registration can, according to UK law, only be evaluated in the course of a revocation action due to non-use after five years of registration” and appears thereby to have been claiming that it was entitled, notwithstanding the provisions of s.3(6) of the Act, to obtain and retain registration of the trade mark **ALEXANDER** for as long as it might take for the five year period of immunity from revocation on the ground of non-use to begin and end.
5. Paper Stacked filed evidence in support of its opposition in the form of two witness statements from its professional representative, Mr Reddington of Messrs Williams Powell. The first of these was a witness statement with nine exhibits dated 3rd January 2017. The second was a witness statement with two exhibits dated 13th April 2017. The exhibits to the witness statements were voluminous. The Hearing Officer summarised the evidence in his decision in the following terms (with footnotes omitted):

“9. The opponent’s evidence consists of two witness statements by Mr John Reddington who is a trade mark attorney at Williams Powell. Mr Reddington’s first statement shows that the applicant is incorporated in Holland. The company is trading and its main activities are recorded as ‘*motion picture, video and television programme activities.*’ I note that until 20-13 the company was called ‘Bigfoot Properties (Europe)’. The sole director of the company is Mr Michael Gleissner.

10. Mr Reddington’s evidence also shows that Mr Gleissner is a director of over 1200 UK companies, which I note include Trump Internation Ltd and EUPIO International Ltd.

11. According to an extract from the Wikipedia in evidence, Mr Gleissner is an entrepreneur who established an e-commerce business called Telebuch which he later sold to Amazon. In 2002, he established Bigfoot Entertainment to finance and develop features films, documentaries and reality TV shows for the US Market. In 2010 he co-founded Fashion One TV, an international channel that broadcasts all around the world.

12. Although the applicant only holds 8 UK trade marks it holds hundreds of marks in the US, Benelux and elsewhere. Many of the marks applied for or registered by the applicant consist of common names, such as ANNA, JESSICA, JULIA, ALAN, HOWARD, CHRISTINE, ELIZABETH, RYAN, PAUL, PETER or other words, such as the names of colours, BLUE, SAND, EBONY, EMERALD. I note that 6 of the 8 applications applied for in the UK (including the subject application, were opposed by third parties. This contrasts with a usual opposition rate of 4.5% of published marks.

13. The applicant has also registered more distinctive names, such as EUIPO and TESLA in the Benelux and holds an international registration for BAIDU, which is the name of the largest web services company in China. Other companies controlled by Mr Gleissner are reported to have applied to register marks which are well known in the US or Europe, such as THE HOME DEPOT, ENRON, THE LEARNING CHANNEL and PAN AM.

14. Mr Reddington exhibits the results of a Google search he conducted which failed to reveal any use of the marks applied for by the applicant in the UK, or around 50 similar (forename) marks applied for in the US.

15. Mr Reddington also provides examples of the applicant using trade marks consisting of a forename in order to oppose third party marks consisting of a full name including the same forename. Two of these involve oppositions at the EUIPO to applications to register ALEXANDER SMITH and ALEXANDER BENNETT.

16. The cancellation division of the EUIPO appears to have cancelled the applicant's registration of BAIDU as an EU trade mark. I note that the EUIPO held that the applicant must have known about the well known identical Chinese trade mark, that the applicant's website contained reports indicating that when approached the applicant expected to sell the mark to the Chinese company, that the applicant had no intention of using the trade mark in accordance with its essential function, and had registered the trade mark in bad faith.

17. Mr Reddington draws attention to my own decision in case BL O-015-17 in which I struck out applications filed by three companies owned by Mr Gleissner to revoke 68 of Apple Inc.'s UK trade marks for non-use on the grounds that the applications for revocation were an abuse of process. In relation to this point, Mr Reddington provided copies of articles from, inter alia, World Trade Mark Review, IPKat and DomainNameWire about Mr Gleissner, which speculate as to the reasons Mr Gleissner has registered thousands of companies and trade marks in the UK, US, EU, Benelux, Portugal and elsewhere. One of the theories being that he is a trader in domain names and uses registered trade marks to obtain ownership of them.

18. In this connection, Mr Reddington provides some evidence about attempts by companies controlled by Mr Gleissner to obtain domain names corresponding to third party trade marks. In *Compania Mexicana de Aviacion, S.A. de C.V. v Bigfoot Ventures LLC* (another of Mr Gleissner's companies), a UDRP panel found (in 2008) that the respondent had obtained the domain name vtp.com in bad faith. According to the panel's

findings, VTP was a trade mark of a Mexican airline which had been in use for 75 years. The respondent was using the domain name to direct traffic to a parking website which contained links to travel offers from competitors of the complainant. It also contained a link to another site which offered the domain name for sale for \$148k. The panel directed that the domain name should be transferred to the complainant.

19. In a more recent case Bigfoot Ventures LLC has been held to have engaged in attempted ‘reverse domain name high jacking.’ That is using the Uniform Domain Name Dispute Resolution system in an attempt to acquire the domain name slized.com. The report of the case indicates that Bigfoot Ventures LLC claimed, without justification, that its registered trade mark SLIZED had a reputation as a ‘*global brand*.’ The adjudication panellist upheld the respondent’s complaint that the applicant had misrepresented its use of the trade mark and was trying to hijack the domain name.

20. Finally, according to an article published on worldtrademarkreview.com on 18th November 2016, the Trademarks Manager at Bigfoot Entertainment Pte Ltd (another of Mr Gleissner’s companies) who is called Marco Notarnicola, once listed his job responsibilities on LinkedIn as including ‘*manipulating trademarks to reverse hijack domain names through UDRP*’, although this comment was subsequently removed. A copy of the original post is in evidence. I note that Mr Notarnicola also recorded his duties as ‘*personally filing, prosecuting and supporting litigation for -20 per month oppositions and cancellation action based n non-use, invalidity at all procedural stages, including appeals*’ and ‘*exploitation of legal instruments such as “priority chains” in country members of the Paris Convention*’.

21. I note that the applicant’s counterstatement in this case was signed by Marco Notarnicola.”

6. CKL filed no evidence in answer to the opponent’s evidence. It responded by way of written submissions filed on 3rd March 2017 in which it stated (with paragraph numbering as per the document as filed, which goes awry between the second and third pages of the document):

“4. The Opponent has submitted a counterstatement and a number of Exhibits in relation to this ground of Opposition. Unfortunately, the Witness Statement submitted by the Opponent, although referring to the attached exhibits, does not explain their relevance to the case at hand.

5. We reiterate that there is a presumption of good faith unless the contrary is proven. In the case at hand, the evidence submitted by the Opponent has not provided sufficient

arguments or evidence to show that the application of the subject mark was made in anything other than good faith.

12. In the case at hand the Opponent claims that the Applicant has no commercial logic in its trade mark filings. The Applicant refutes this claim in its entirety.

13. We reiterate that the Applicant is the registered owner of only eight trade mark applications at the Office. All of these applications are for trademarks of distinctive character, which will be used as the commercial badge of origin for the goods and services laid out in their specifications. Attempting to register eight trade marks in one territory does not 'fall short of the standards of acceptable commercial behaviour'. It is simply the aim of the Applicant to achieve protection of their brands in the relevant territory. This cannot be in any way construed as an attempt to deceive the Office or any third party, none of the information provided to the Office has been untrue or misleading and the marks of the Applicant are all intended to protect the brands of the Applicant in the relevant territory of the United Kingdom.

14. Furthermore, it must be noted that according to the law of the UK, the owner of a trade mark is not expected to make genuine use of the mark while examination or opposition proceedings are pending or, under any circumstance, before the five-year 'grace period' has begun.

Considering the above, there is no requirement for the Applicant to show intent to use the subject mark, as the registration is pending and the application is under opposition proceedings. In any case, a registered proprietor is entitled to make use of a trade mark at any point during the five-year grace period; there is no strict requirement to prove the intent to put a mark to use immediately before or after the registration. In certain cases, according to the UK law, an owner is not required to put its trade mark to use until 1 day before the expiration of the 'grace period' granted by the Act upon registration. The *bona fide* intention to make use of the subject mark if and when it achieves registration can, according to UK law, only be evaluated in the course of a revocation action due to non-use after 5 years of registration. Accordingly, and in any other circumstances, the present application for registration was made in good faith and the claims of the opponent to the contrary should be dismissed."

7. CKL's case as presented in these submissions was that the evidence tendered by the opponent established no basis sufficient in point of fact or in point of law to justify rejection of the contested application for registration on the ground of bad faith. Having chosen to file no evidence directed to the specifics of the facts and matters relied on by the opponent, CKL was, in essence, asking the Registrar to say that it had no case to answer.

8. The key questions for determination by the Hearing Officer were: (1) what, in concrete terms, was the objective that CKL had been accused of pursuing? (2) was that an objective for the purposes of which the contested application could not properly be filed? (3) was it established that the contested application was filed in pursuit of that objective? The first question serves to ensure procedural fairness and clarity of analysis. The second question requires the decision taker to apply a moral standard which, in the absence of any direct ruling on the point from the CJEU, is taken to condemn not only dishonesty but also ‘*some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined*’: see *Gromax Plasticulture Ltd v. Don & Low Nonwovens Ltd* [1999] RPC 367 at 379 (Lindsay J). The third question requires the decision taker to give effect to the principle that innocence must be presumed in the absence of evidence sufficient to show that the applicant has acted improperly as alleged.

9. The Hearing Officer addressed the first question in paragraph 30 of his decision:

“The opponent’s case appears to be based on the following factors. Firstly, that the sole director of the applicant, Mr Gleissner, owns a very large international network of companies through which he has acquired and holds a wide portfolio of trade marks. Secondly, that the only evidence of use of these marks is in legal proceedings in order to oppose or cancel third party trade marks and/or to acquire domain names. Thirdly, that the present application forms part of a pattern of behaviour whereby applications are made to register trade marks consisting of common words which are most likely to come into conflict with the trade marks of third parties. Fourthly, that this is part of a wider strategy to register multiple trade marks and companies in numerous jurisdictions in order to gain commercial benefit from blocking the use of identical or similar trade marks by third parties and/or acquiring domain names with commercial value. In short, the application is said to be part of a systematic abuse of the trade mark registration system.”

10. That appears to me to be an accurate encapsulation of the objection raised for determination under s.3(6). CKL does not appear to suggest otherwise on this appeal.

11. With regard to the second question, the Hearing Officer directed himself as to the applicable principles of law by reference to the judgment of Arnold J. in *Red Bull GmbH v Sun Mark Ltd* [2012] EWHC 1929 (Ch) and by reference to the judgment of the General Court in Case T-82/14 *Copernicus-Trademarks v EUIPO* EU:T:2016:396.

12. Arnold J. summarised the law relating to bad faith filing at paragraphs 130 to 138 of his judgment in the *Red Bull* case in the following terms:

“130. A number of general principles concerning bad faith for the purposes of section 3(6) of the 1994 Act/Article 3(2)(d) of the Directive/Article 52(1)(d) of the Regulation are now fairly

well established. (For a helpful discussion of many of these points, see N.M.Dawson, 'Bad faith in European trade mark law' [2011] IPQ 229.)

131. First, the relevant date for assessing whether an application to register a trade mark was made in bad faith is the application date: see *Case C-529/07 Chocoladenfabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH* (2009) ECR I-4893 at [35].

132. Secondly, although the relevant date is the application date, later evidence is relevant if it casts light backwards on the position as at the application date: see *Hotel Cipriani Srl v Cipriani (Grosvenor Street) Ltd* [2009] EHW 3032 (Ch), [2009] RPC 9 at [167] and cf. *Case C-259/02 La Mer Technology Inc v Laboratoires Goemar SA* [2004] ECR I-1159 at [31] and *Case C-192/03 Alcon Inc v OHIM* [2004] ECR I-8993 at [41].

133. Thirdly, a person is presumed to have acted in good faith unless the contrary is proved. An allegation of bad faith is a serious allegation which must be distinctly proved. The standard of proof is on the balance of probabilities but cogent evidence is required due to the seriousness of the allegation. It is not enough to prove facts which are also consistent with good faith: see *BRUTT Trade Marks* [2007] RPC 19 at [29], *von Rossum v Heinrich Mack Nachf. GmbH & Co KG* (Case R 336/207-2, OHIM Second Board of Appeal, 13 November 2007 at [22] and *Funke Kunststoffe GmbH v Astral Property Pty Ltd* (Case R 1621/2006-4, OHIM Fourth Board of Appeal, 21 December 2009 at [22]).

134. Fourthly, bad faith includes not only dishonesty, but also 'some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined': see *Gromax Plastics Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 at 379 and *DAAWAT Trade Mark* (Case C000659037/1, OHIM Cancellation Division, 28 June 2004 at [8]).

135. Fifthly, section 3(6) of the 1994 Act, Article 3(2)(d) of the Directive and Article 52(1)(b) of the Regulation are intended to prevent abuse of the trade mark system: see *Melly's Trade Mark Application* [2008] RPC 20 at [51] and *CHOOSI Trade Mark* (Case R 633/2007-2, OHIM Second Board of Appeal, 29 February 2008 at [21]). As the case law makes clear, there are two main classes of abuse. The first concerns abuse vis-à-vis the relevant office, for example where the applicant knowingly supplies untrue or misleading information in support of his application; and the second concerns abuse vis-à-vis third parties: see *Cipriani* at [185].

136. Sixthly, in order to determine whether the applicant acted in bad faith, the tribunal must take an overall assessment, taking into account all the factors relevant to the particular case: see *Lindt v Hauswirth* at [37].

137. Seventhly, the tribunal must first ascertain what the defendant knew about the matters in question and then decide whether, in the light of that knowledge, the defendant's conduct is dishonest (or otherwise falls short of the standards of acceptable commercial behaviour) judged by ordinary standards of honest people. The applicant's own standards of honesty (or acceptable commercial behaviour) are irrelevant to the enquiry: see *AJIT WEEKLY Trade Mark* [2006] RPC 25 at [35]-[41], *GERSON Trade Mark* (Case R 916/2004-1, OHIM First Board of Appeal, 4 June 2009 at [53] and *Campbell v Hughes* [2011] RPC 21 at [36].

138. Eighthly, consideration must be given to the applicant's intention. As the CJEU stated in *Lindt v Hauswirth*:

‘41. ...in order to determine whether there was bad faith, consideration must also be given to the applicant's intention at the time when he files the application for registration.

42. It must be observed in that regard that, as the Advocate General states in point 58 of her Opinion, the applicant's intention at the relevant time is a subjective factor which must be determined by reference to the objective circumstances of the particular case.

43. Accordingly, the intention to prevent a third party from marketing a product may, in certain circumstances, be an element of bad faith on the part of the applicant.

44. That is in particular the case when it becomes apparent, subsequently, that the applicant applied for registration of a sign as a Community trade mark without intending to use it, his sole objective being to prevent a third party from entering the market.

45. In such a case, the mark does not fulfil its essential function, namely, that of ensuring that the consumer or end-user can identify the origin of the product or service concerned by allowing him to distinguish that product or service from those of different origin, without any confusion (see, inter alia, Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 48).”

13. In the *Copernicus Trademarks* case, the General Court upheld an objection on the ground of bad faith in relation to an application for registration which evidently formed part of a strategy of systematically filing and re-filing applications simply for the purpose of providing the organisers of the scheme with blocking positions in respect of the relevant trade marks which they could assert against third parties for as long as it might take for the applicable five year period of immunity from revocation on the ground of non-use to begin and end.
14. The Court reviewed the relevant legislation and case law in paragraphs [26] to [34] of its judgment as follows:

“26. The European Union trade mark registration system is based on the ‘first-to-file’ principle, laid down in Article 8(2) of Regulation No 207/2009. In accordance with that principle, a sign may be registered as a European Union trade mark only in so far as that is not precluded by an earlier mark (see Judgment of 11 July 2013 in *SA.PAR. v OHIM — Salini Costruttori (GRUPPO SALINI)*, T-321/10, EU:T:2013:372, paragraph 17 and the case-law cited).

27. However, the application of that principle is qualified, inter alia, by Article 52(1)(b) of Regulation No 207/2009, under which, following an application to EUIPO or on the basis of a counterclaim in infringement proceedings, a European Union trade mark is to be declared invalid where the applicant was acting in bad faith when it filed the application for a trade mark (see judgment of 11 July 2013 in *GRUPPO SALINI*, T-321/10, EU:T:2013:372, paragraph 18 and the case-law cited).

28. The concept of bad faith referred to in Article 52(1)(b) of Regulation No 207/2009 relates to a subjective motivation on the part of the trade mark applicant, namely a dishonest intention or other ‘sinister motive’. It involves conduct which departs from accepted principles of ethical behaviour or honest commercial and business practices (see, to that effect, judgment of 14 February 2012 in *Peeters Landbouwmachines v OHIM – Fors MW (BIGAB)*, T-33/11, EU:T:2012:77, paragraphs 35 to 38, and the Opinion of Advocate General Sharpston in *Chocoladefabriken Lindt & Sprüngli*, C-529/07, EU:C:2009:148, paragraph 60).

29. In order to assess whether a depositor is acting in bad faith, it is necessary inter alia to examine whether he intends to use the mark applied for. In that context, it should be noted that the essential function of a trade mark is to ensure that the consumer or end-user can identify the origin of the product or service concerned by allowing him to distinguish that product or service from those of different origin, without any confusion (judgment of 11 June 2009 in *Chocoladefabriken Lindt & Sprüngli*, C-529/07, EU:C:2009:361, paragraph 45).

30. The intention to prevent the marketing of a product may, in certain circumstances, be an element of bad faith on the part of the applicant. That is in particular the case when it becomes apparent, subsequently, that the latter applied for registration of a European Union trade mark without intending to use it, solely with a view to preventing a third party from entering the market (judgments of 11 June 2009 in *Chocoladefabriken Lindt & Sprüngli*, C-52907, EU:C:2009:361, paragraphs 43 and 44, and of 8 May 2014 in *Simca Europe v OHIM – PSA Peugeot Citroën (Simca)*, T-327/12, EU:T:2014:240, paragraph 37).

31. The intention of the applicant at the relevant time is a subjective factor which must be assessed by taking into consideration all the relevant factors specific to the particular case which pertained at the time of filing the application for registration of a sign as a European Union trade mark. Those grounds are normally established by reference to objective criteria, including, in particular, the commercial logic underlying the filing of the application for registration (see, to that effect, judgment of 11 June 2009 in *Chocoladefabriken Lindt & Sprüngli*, C-529/07, EU:C:2009:361, paragraphs 37, 42 and 53).

32. In the context of the overall analysis undertaken pursuant to Article 52(1)(b) of Regulation No. 207/2009, account may also be taken of the origin of the contested sign and its use since its creation, the commercial logic underlying the filing of the application for registration of that sign as a European Union trade mark, and the chronology of events leading up to that filing (see, to that effect, judgment of 14 February 2012 in *BIGAB*, T-33/11, EU:T:2012:77, paragraphs 21 to 23).

33. Where the applicant for a declaration of invalidity seeks to rely on that ground, it is for that party to prove the circumstances which substantiate a finding that the European Union trade mark proprietor had been acting in bad faith when it filed the application for registration of that mark (judgment of 11 July 2013 in *GRUPPO SALINI*, T-321/10, EU:T:2013:372, paragraph 18).

34. The applicant's arguments must be examined in the light of that legislation and that case-law."

15. In paragraph [52] it went on to observe:

52. Therefore, it must be noted that not only the filing strategy practiced by Mr A. is incompatible with the objectives pursued by Regulation No 207/2009, but that it is not unlike the cases of 'abuse of law', which are characterised by circumstances in which, first, despite formal observance of the conditions laid down by European Union rules, the purpose of those rules has not been achieved, and, secondly, there exists an intention to

obtain an advantage from those rules by creating artificially the conditions laid down for obtaining it (judgments of 14 December 2000 in *Emsland-Stärke*, C-110/99, EU:C:2000:695, paragraphs 52 and 53, and of 21 July 2005 in *Eichsfelder Schlachtbetrieb*, C-515/03, EU:C:2005:491, paragraph 39).”

16. I note that the judgment of the General Court is the subject of a pending appeal to the CJEU in case C-101/17P *Verus Eood v EUIPO*. The Grounds of Appeal and main arguments as published in the Official Journal of the EU at OJ C 195, 19.6.2017 p.10 are terse and quite uninformative. The paragraphs I have quoted from the judgment of the General Court appear to me to provide relevant guidance in orthodox terms and I see no reason to discount them on the basis that they form part of a judgment which is under appeal.
17. CKL does not appear to contest the legal principles I have referred to. It nonetheless maintains that the focus of attention must be upon the particular application to register the particular mark for the particular goods specified in the case at hand. It points out that the trade mark should, for present purposes, be regarded as a registrable trade mark for such goods and more especially so in view of the findings made in paragraphs 26 and 27 of the Hearing Officer’s decision:

“26. Firstly, there is no evidence that ALEXANDER is currently used by third parties in relation to mirrors or picture frames or similar goods. Secondly, the fact that ALEXANDER is used or registered by third parties as a trade mark, or as part of a trade mark, is irrelevant to the distinctiveness of the contested mark. If anything, this suggests that the name is capable of functioning as a trade mark.

27. Although ALEXANDER is a common forename (and a surname) I see no reason why, as a matter of principle, it is not capable of distinguishing the trade source of mirrors and picture frames. Absent any relevant evidence to the contrary, I find that the opposition under s.3(1)(b) fails.”
18. It contends that the law relating to bad faith filing must recognise and give effect to the concept of legitimate self-interest. In that connection, it maintains that it should be seen to have had a legitimate interest in doing what it did for its own benefit and on its own account. It further maintains that s. 32(3) of the 1994 Act should not be taken to establish a requirement for an intention to use a mark prior to the beginning or end of the five year period of immunity from revocation for non-use.
19. At this point I must emphasise that s. 3(6) proceeds upon the premise that the right to apply for registration of a trade mark cannot validly be exercised in bad faith. The invalidity of the application is not conditional upon the trade mark itself being either registrable or unregistrable in relation to any goods or services of the kind specified. The objection is absolute in the sense that it is intended to prevent abusive use of the system for acquiring title to a trade mark by registration. Any natural or legal person with the capacity to sue and be sued

may pursue an objection on this ground: see the judgment of the CJEU in Case C-408/08P *Lancôme parfums et beauté & Cie SNC v OHIM*, EU:C:2010:92 at paragraph [39] and the Opinion of Advocate General Ruiz-Jarabo Colomer in that case EU:C:2009:634 at paragraphs [63] and [64]. Since there is no requirement for the objector to be personally aggrieved by the filing of the application in question, it is possible for an objection to be upheld upon the basis of improper behaviour by the applicant towards persons who are not parties to the proceedings provided that their position is established with enough clarity to show that the objection is well-founded.

20. I do not doubt that any attempt to establish bad faith must allow for the fact that there is nothing intrinsically wrong in a person exercising “*the right to apply the rules of substantive and procedural law in the way that is most to his advantage without laying himself open to an accusation of abuse of rights*” as noted in paragraph [121] of the Opinion delivered by Advocate General Trstenjak in Case C-482/09 *Budejovicky Budvar NP v Anheuser-Busch Inc* EU:C:2011:46. See also the observations of Arnold J in paragraph [189] of his judgment at first instance in *Hotel Cipriani SRL v. Cipriani (Grosvenor Street) Ltd* [2009] EWHC 3032 (Ch), which were not called into question in the judgment of the Court of Appeal in that case: [2010] EWCA Civ 110. They were re-affirmed by Arnold J. in *Och-Ziff Management Europe Ltd v. Och Capital LLP* [2010] EWHC 2599 (Ch) at paragraph [37].
21. The line which separates legitimate self-interest from bad faith can only be crossed if the applicant has sought to acquire rights of control over the use of the sign graphically represented in his application for registration in an improper manner or for an improper purpose. I accept that the provisions of s.32(3) of the Act should not be interpreted and applied so as to establish a more onerous requirement for use than that which is substantively imposed and regulated by the provisions of the legislative scheme relating to revocation of trade mark registrations for non-use.
22. However, that does not detract from the proposition that a declaration made pursuant to the requirements of s.32(3) can be false by reason of the absence of any bona fide intention to use a mark, with that in fact being indicative or symptomatic of the relevant mark having been put forward for registration in relation to goods or services of the kind specified in an improper manner or for an improper purpose, such as to justify refusal of the relevant application for registration on the ground of bad faith.
23. In agreement with the Hearing Officer, I consider that the objective which CKL was accused of pursuing was an objective for the purposes of which the contested application for registration could not properly be filed.
24. When assessing the evidence for the purpose of answering the third question, the Hearing Officer was entitled to draw inferences from proven facts provided that he did so rationally and without allowing the assessment to degenerate into an exercise in speculation. The CJEU has confirmed that there must be an overall assessment which takes into account all factors relevant to the particular case. As part of that assessment, it is necessary to consider the intention of the applicant at the time when the application was filed, with intention being

regarded as a subjective factor to be determined by reference to the objective circumstances of the particular case. I note that the concept of assessing intention objectively when determining the propriety of a person's conduct was recently considered in *Ivey v Genting Casinos (UK) Ltd t/a Crockfords* [2017] UKSC 67. The Supreme Court confirmed that although a dishonest state of mind is a subjective mental state, the standard by which the law determines whether it is dishonest is objective and if by ordinary standards a person's mental state would be characterised as dishonest, it is irrelevant that the defendant judges by different standards: see paragraphs [62] and [74] per Lord Hughes JSC. This appears to me to accord with treating intention as a subjective factor to be determined by reference to the objective circumstances of the particular case, as envisaged by the judgments of the CJEU relating to the assessment of objections to registration on the ground of bad faith. Bad faith, for these purposes, is, in any event, an independent concept of EU law.

25. The Hearing Officer concluded as follows in paragraphs [34], [35] and [38] of his Decision:

“34. In my judgment, the opponent has presented a *prima facie* case that the contested mark is part of a blocking strategy intended to obtain financial benefit from third parties who are likely to be already using, or who are likely in the future to wish to use, trade names including, in this case, the name ALEXANDER in order to distinguish their goods or services.

35. Taken together with the opponent's evidence that (1) none of the marks applied for in the UK (or US) appear to have been used, (2) the absence of any apparent commercial logic for the filing pattern of the applicant and/or Mr Gleissner's other companies, and (3) the evidence that companies controlled by Mr Gleissner have been found to have abused legal systems, I find that opponent has also made out a *prima facie* case that, at the time of filing the application, the applicant had no intention of using the mark in accordance with its essential function. That is to say using the mark to distinguish the goods/services of the applicant from those of other traders.

...

38. The applicant has not really answered the opponent's *prima facie* case. In these circumstances I accept the opponent's case and reject the applicant's denials. Consequently, the opposition based on s.3(6) succeeds and the application will be refused.”

26. I am satisfied that it was open to the Hearing Officer to come to the conclusion he did on the basis of the evidence and materials before him. I am not persuaded otherwise by the criticisms of the evidence which CKL has raised in support of its appeal. I am reinforced in my view that the Hearing Officer's decision should be upheld by the following matters identified in the written observations filed on behalf of the Registrar (without objection from the appellant) for the purpose of the present appeal:

“(i) As at 30th November 2017, various legal entities of which Mr Michael Gleissner is a director, and which communicate from the same email address as the appellant in these proceedings, were a party to 97 live contested trade mark cases before the UK IPO. This is about 5% of all the live contested trade mark cases before the UK IPO.

(ii) The volume and proportion of cases involving Mr Gleissner’s companies has reduced over recent months. At one point they accounted for 8% of all the contested UK trade mark cases.

(iii) Although the various legal entities communicating from the above email address rarely file any factual evidence before the UK IPO, an unusually high proportion proceed to a final decision. The registrar issued 42 final decisions in contested trade mark cases in November 2017. The various legal entities communicating from the appellant’s email address were a party to 8 (nearly 20%) of those decisions.”

27. The appeal is dismissed for the reasons I have given. I have no reason to believe that Paper Stacked has incurred any significant costs in connection with the appeal. I therefore dismiss the appeal with no order as to costs.