

Newsletter

PA IP

Banksy's victory on the the registrability of his works as trademarks: euipo board of appeal reforms the decision issued by cancellation division

A new brick in the Banksy vs. Full Color Black Limited saga was recently added following the decision issued last October 25 by the EUIPO Board of Appeal in Case R 1246/2021-5.

The case in question traces its origins when, on June 8, 2019, the well-known street artist - through Pest Control Office Limited ("**Pest Control Office**" or the "**Trademark Owner**"), the company through which the artist manages and protects his interests - decided to register the European Trademark No. 17 981 629 (the "**Trademark**"), depicted below:



The Trademark corresponds to the artist's famous artwork (called "Laugh now"), portraying a monkey, i.e., one of the subjects most frequently used by Banksy to ironize on the nature and on the condition of humankind (a monkey that in the work itself, but not in the trademark, also wears a billboard bearing the words "*Laugh now, but one day we'll be in charged*").

The Trademark, at the outcome of the proceedings brought by Full Color Black Limited ("**Full Color Black**" or the "**Cancellation Applicant**", a greeting card company specializing in images reproducing street art works), had been declared invalid by the Cancellation Division of the EUIPO on May 18, 2021.

More specifically, in the above mentioned proceedings, the Cancellation Applicant requested the Trademark declaration of invalidity on the grounds that the relative registration had been filed in bad faith, pursuant to Article 59(1)(B), EUTMR¹. In support of the bad faith, Full Colour Black had argued that the artist had solely created the image for the purpose of making a work of art, registering it only at a later stage as a trademark, having however no intention of using it for the goods and services belonging to the classes identified in the application form. According to the Cancellation Applicant's perspectives, the Trademark essentially represented an attempt to overcome the application of copyright provisions and obtain exclusive protection under the relevant trademark law potentially in perpetuity.

In its determination, the EUIPO - finding the Cancellation Applicant's arguments to be well-founded - came to the conclusion that Banksy had indeed registered the Trademark in bad faith, since the distinctive sign at issue would have never actually be used to distinguish goods and/or services belonging to the classes of the Nice Classification for which it was registered (*i.e.*, classes number 9, 16, 25, 28 and 41).

On October 25, 2022, however, the EUIPO Board of Appeal reversed the decision issued by the Cancellation Division.

In an articulate ruling, the EUIPO Board of Appeal affirmed that the arguments, facts and reasoning provided by the Cancellation Applicant, taken as a whole, cannot justify or explain clearly a dishonest behaviour from the Trademark Owner at the time of filing the Trademark.

In the opinion of the EUIPO Board of Appeal, contrary to the Cancellation Applicant's claim, a work of art can enjoy both the protection granted by copyright law, if the requirement of originality is met, and the protection arising from trademark law. Accordingly, the fact that the challenged Trademark may be protected as a work of art, does not *per se* constitute an obstacle for it to be also protected as a registered trademark.

That being said, the Board of Appeal, further clarified that:

- contrary to the Cancellation Applicant's claim, the Trademark possesses distinctive character, reproducing an unusual and particular combination of elements, which will easily remain impressed in the consumer's mind. The Cancellation Applicant has not provided sufficient arguments in support of the claim that such Trademark was devoid of distinctiveness: simply stating that the Trademark at stake would only be a decorative work and not in itself distinctive, merely reflects the subjective opinion of the Cancellation Applicant and cannot actually ground the relevant objection;
- the Cancellation Applicant has failed to show that the Trademark Owner had no intention of using the Trademark at the time of its filing; for this purpose, it is not worth considering that the work, substantially reproduced in the mark, was placed by the artist in a public place and that Banksy substantially allowed its reproduction by means of photographs or downloads from his own website, since such "permissiveness" appears to be limited to third-party non-commercial uses, or uses that are difficult for the Trademark Owner to

¹ Art 59(1)(B) EUTMR: "1. An EU trade mark shall be declared invalid on application to the Office or on the basis of a counterclaim in infringement proceedings: (a) where the EU trade mark has been registered contrary to the provisions of Article 7; (b) where the applicant was acting in bad faith when he filed the application for the trade mark. 2. Where the EU trade mark has been registered in breach of the provisions of Article 7(1)(b), (c) or (d), it may nevertheless not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered. 3. Where the ground for invalidity exists in respect of only some of the goods or services for which the EU trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only."

prevent, and in any case pertaining only to his own free sphere of decision - all the more so considering that the 5-year grace period has not yet to date fully elapsed;

- the argument that the filing of the challenged Trademark was made in order to circumvent copyright provisions, an institution notoriously criticized by the artist through its famous alleged statement “*copyright is for losers*”, must be rejected. The Board of Appeal in fact affirms that such symbolic and critical standpoint only reflects the artist’s free opinion, which does not prevent him from seeking protection of its works as trademarks where such protection is deemed to be a more effective and suitable instrument to safeguard the artist’s interests, even considering the fact that Banksy is determined to remain anonymous and as a consequence he would encounter several difficulties to be granted actual protection under copyright law. Moreover, although the protection afforded by copyright law is temporally limited to 70 years *post mortem auctoris* - as opposed to the protection granted by trademark law, which can in principle be temporally unlimited - this circumstance does not automatically imply that the filing of a trademark consisting of a work of art protected by copyright law is necessarily illegal and aims at circumventing the latter legislation;
- the argument that the Trademark Owner registered the Trademark with the intention of prohibiting and/or restricting its use by third parties, a use that had previously been consciously permitted, equally needs to be rejected. The EUIPO stated that this circumstance appears to be fully in line with a commercial rationale freely pursued by the Trademark author/Owner, without incurring in any abuse trademark law provisions.

In light of the above, recalling that it was the Cancellation Applicant's burden to prove the alleged bad faith of the Trademark Owner when filing the Trademark, the EUIPO Board of Appeal held that such burden had not been met considering the arguments, facts, and reasons provided by the Cancellation Applicant. Accordingly, since the Cancellation Applicant failed to prove otherwise, the presumption of good faith in favour of the Trademark Owner is still valid².

This is an undoubtedly significant victory for Banksy, or more precisely for Pest Control Office (opposite to those previously issued by the EUIPO in similar cases: see the decision of the Cancellation Division of the EUIPO concerning the trademark “Flower Thrower”, which we previously commented - <https://www.chiomenti.net/public/files/0/Newsalert---Bansky---1792020--ENG.pdf>): the artist still remains free to conceal his identity while managing to legitimately protect his interests through the tools provided for by the law.

² C. R 1246/2021-5, par. 95: “*The Cancellation applicant who invoked the ground of invalidity based on bad faith was under the obligation to show that the EUTM proprietor acted on bad faith when it filed the contested mark. However, all the arguments, facts and reasonings provided by the Cancellation applicant taken as a whole cannot justify or explain clearly a dishonest behaviour from the EUTM proprietor when he filed the contested mark and consequently, the presumption of good faith is still valid and the Cancellation applicant failed to prove the contrary.*”

Contacts

Paolo Bertoni
Of Counsel - Chiomenti
IP
T. +39.02.72157679
paolo.bertoni@chiomenti.net

Anna Gardini
Counsel - Chiomenti
IP
T. +39.0272157758
anna.gardini@chiomenti.net

Sara Molina
Senior Associate - Chiomenti
IP
T. +39.0272157476
sara.molina@chiomenti.net
