

O/567/21

TRADE MARKS ACT 1994

**IN THE MATTER OF REGISTRATION NO. 3453668
IN THE NAME OF SP/F STANDARD CONSULTING
FOR THE FOLLOWING TRADE MARK:**

Market Standard

IN CLASSES 9, 16, 35 AND 42

AND

**AN APPLICATION FOR A DECLARATION OF INVALIDITY THERETO UNDER
NO. 503401
BY SRS ACQUIOM, INC.**

BACKGROUND AND PLEADINGS

1. Sp/f Standard Consulting (“the proprietor”) is the registered proprietor of UK trade mark number 3453668 for the mark **Market Standard** (“the contested mark”). The application to register the contested mark (“the contested application”) was filed on 23 December 2019 (“the relevant date”). As of 27 March 2020 it stands registered for the following goods and services:

Class 9 Downloadable publications; Downloadable electronic publications; Electronic publications (downloadable); Software testing software.

Class 16 Printed publications; Printed periodical publications; Publications (Printed -).

Class 35 Business information services provided online from a computer database or the internet; Business information services provided online from a global computer network or the internet.

Class 42 Software as a service [SAAS] services; Software as a service [SaaS]; Providing online, non-downloadable software; Software installation.

2. On 20 October 2020, SRS Acquiom, Inc. (“the applicant”) applied to invalidate the contested mark under section 47 of the Trade Marks Act 1994 (“the Act”). The applicant relies upon section 3(6) of the Act and claims that the contested mark was registered in bad faith. The applicant’s pleadings are set out below:

“2. The application was filed without any intention to use the trade mark in relation to any of the goods and services in the application. The owner instead had the intention of undermining, in a manner inconsistent with honest practices, the interests of the invalidity applicant, and of obtaining an exclusive right for purposes other than those falling within the functions of a trade mark, namely for the purposes of obtaining leverage against the invalidity applicant in the owner’s attempts to extract money from it.

[...]

5. Without prejudice to what is said at paragraphs 1-4 above, the invalidity applicant submits in the alternative that the owner of the Registration acted in bad faith at the time of filing the application because the application was filed without any intention to use the trade mark in relation to some of the goods and services in the application. The owner instead had the intention of undermining, in a manner inconsistent with honest practices, the interests of the invalidity applicant, and of obtaining an exclusive right for purposes other than those falling within the functions of a trade mark, namely for the purposes of obtaining leverage against the invalidity applicant in the owner's attempt to extract money from it.

6. The owner deliberately obtained very broad protection regardless of whether this was commercially justified. It obtained the Registration to use it as a legal weapon against the invalidity applicant." (original emphasis)

3. The proprietor filed a counterstatement denying the applicant's ground for invalidation.

4. The applicant is represented by CMS Cameron McKenna Nabarro Olswang LLP. The proprietor is represented by Bird & Bird LLP. Both parties filed evidence in chief. The applicant did not file evidence in reply. Neither party requested an oral hearing, however, both parties filed written submissions in lieu.

EVIDENCE

The applicant's evidence

5. The applicant's evidence consists of three witness statements. The witness statement of Sean Arend, the applicant's Managing Director and in-house General Counsel, is accompanied by nine exhibits (SA1-SA9). The witness statement of Lisa Koenig, Senior Attorney at Perkins Coie LLP, representing the applicant in the US, is accompanied by 13 exhibits (LK1-LK13). The witness statement of Cornelia Schmitt,

Attorney at Grünecker Patent- und Rechtsanwälte PartG mbB, representing the applicant in the EU, is accompanied by six exhibits (CS1-CS6). Filed in conjunction with the applicant's evidence were written submissions. The evidence and submissions mainly contain email correspondence between the applicant and the proprietor between January 2019 and August 2020.¹ The purpose of the emails appears to be to support the applicant's claim that the proprietor attempted to extract money from the applicant before and after the contested application was filed. The evidence and submissions indicate the following timeline of events:

- | | |
|-----------------|---|
| 18 April 2017 | Filing date of the applicant's US registrations. ² |
| 24 April 2018 | Registration date of the applicant's US registrations. ³ |
| 25 January 2019 | The applicant emailed the proprietor to enquire whether the domain name 'www.marketstandard.com' ("the domain name") was for sale. ⁴ |
| 28 January 2019 | The proprietor replied to the applicant's email advising of its potential interest in purchasing a different name, domain and trade mark to replace Market Standard and offering for sale the domain name as part of a deal that would need to be concluded by 11 February 2020. ⁵ The applicant states that during further correspondence (not in evidence), the proprietor sought \$1 million for the domain name and the negotiations ceased as a result. |
| 30 May 2019 | The proprietor emailed the applicant offering to sell the domain name and requesting (i) a decision by the end of the day and (ii) wire transfer of funds the following day. ⁶ |

¹ Where I use 'applicant' and 'proprietor' in summarising the evidence, those titles may refer to the parties themselves or to a director or representative of them.

² Exhibit SA1.

³ Exhibit SA1.

⁴ Exhibit SA2.

⁵ Exhibit SA2.

⁶ Exhibit SA3.

- 31 May 2019 The applicant replied to the proprietor's email to advise their value of the domain name was "too far" from the proprietor's but they would be happy to discuss the following week.⁷
- 31 May 2019 The proprietor replied to the applicant's email wishing to discuss the parties' advertising in each other's territories after it became aware of the applicant's Market Standard advertising in Europe. The proprietor then offered to sell the domain name along with "trade mark rights".⁸
- 31 May 2019 The proprietor applied to register Market Standard at the EU Intellectual Property Office ("EUIPO").
- 3 June 2019 The proprietor emailed the applicant, which reads as follows:
- "Over the weekend, one of our investors sent a clip showing SRS Acquiom Market Standard *European Deals*. SRS Acquiom does not own the trade mark "Market Standard" in Europe, where Sp/f Market Standard has exclusive rights to the trade mark and usage of "Market Standard" in Europe.
- I will give you a call morning your time today, Monday, and hopefully we can come to a solution moving forward (either geo-blocking STS Acquiom from using trade mark "Market Standard" outside United States and removing European deals or we sell you all our IP rights inclusive domain)."⁹
- 4 June 2019 The proprietor emailed the applicant advising it to stop using Market Standard in Europe or purchase the domain name for

⁷ Exhibit SA3.

⁸ Exhibit SA3.

⁹ Exhibit SA3.

Danish Krone (“DKK”) 6 million; attached to the email was an invoice.¹⁰

12 June 2019 The proprietor emailed the applicant stating that the offer of DKK 6 million had been withdrawn and a new invoice was attached for DKK 20 million.¹¹

13-26 June 2019 Various emails in which (i) the proprietor sought to sell the domain name for varying amounts whilst threatening infringement proceedings and (ii) the applicant advised it had no interest in acquiring the domain name, denied the infringement allegations and requested the proprietor refrain from any further contact.¹²

16 July 2019 The EU trade mark (“EUTM”) applied for in May 2019 was granted a filing date.

24 October 2019 The EUTM application is refused.

Oct-Dec 2019 Various emails in which the proprietor offers to sell the domain name to the applicant for varying amounts.¹³ In emails dated 19 November and 2 December 2019, the proprietor stated it had no further use for the domain name or ‘Market Standard’ and wished to sell them.¹⁴

23 December 2019 Filing date of the contested mark.

27 March 2020 Registration date of the contested mark.

30 March 2020 The proprietor emailed the applicant claiming DKK 100 million in damages for infringement of the contested mark or, as settlement,

¹⁰ Exhibits SA4, LK2 and CS1.

¹¹ Exhibits SA5 and LK3.

¹² Exhibits LK4-6 and CS2-5.

¹³ Exhibits SA6, SA7 and LK8-11.

¹⁴ Exhibit LK9.

requesting DKK 50 million for the domain name and the contested mark.¹⁵

The proprietor's evidence

6. The proprietor's evidence consists of the witness statement of Matthew Miceli, sole Director of Sp/f Standard Consulting, and its corresponding six exhibits (MM1-MM6). The purpose of the evidence appears to be to provide background on Mr Miceli's activities, including that he had already applied to register Market Standard as a trade mark in the EU in 2015 and was making preparations to re-start the business in the years leading up to the contested application. Mr Miceli maintains that he did have an intention to use the contested mark on the day the registration was filed for all the goods and services in the application. I do not intend to reproduce Mr Miceli's entire witness statement since I will discuss the activities outlined therein later in this decision. I will, however, list what is contained within each of the six exhibits:

MM1 Extract from Slovene business registry to show incorporation of 'The Market Square' company in September 2015. The document is not in English, but I can decipher the company name and date.

MM2 Extract showing company name change from 'The Market Square' to 'Market Standard' on 17 December 2015. Again, the document is not in English, but the pertinent details are discernible.

MM3 Invoice dated 2 December 2015 showing the sale of the domain name from Graeme Villeret to The Market Square. The purchase price has been redacted.

MM4 Certificate of registration of the mark Market Standard in Monaco on 27 April 2016.

MM5 Letter sent from a retailer in Slovenia to its suppliers encouraging them to register with Market Standard by 1 March 2016.

¹⁵ Exhibits SA8 and LK12.

MM6 Trade mark registrations owned by ALKEMICS (for whom Mr Miceli worked as a consultant) demonstrating their broad specifications.

DECISION

Relevant law

7. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied upon in these proceedings are derived from an EU Directive. That is why this decision continues to refer to EU trade mark law.

8. Section 47 of the Act states:

“47. (1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).”

9. Section 3(6) of the Act states:

“(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

10. Section 32(3) of the Act states:

“(3) 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.”

11. The relevant case law covering trade mark applications made in bad faith can be found in the following cases: *Chocoladefabriken Lindt & Sprüngli*, CJEU, Case C-529/07, *Malaysia Dairy Industries*, CJEU, Case C-320/12, *Koton*, CJEU, Case C-

104/18P, *Sky v Skykick*, CJEU, Case C-371/18, *Hotel Cipriani SRL and others v Cipriani (Grosvenor Street) Limited and others*, [2009] RPC 9 (approved by the Court of Appeal in England and Wales: [2010] RPC 16), *Trump International Limited v DDTM Operations LLC*, [2019] EWHC 769 (Ch), *Copernicus-Trademarks v EUIPO*, General Court of the EU, Case T-82/14, *Daawat Trade Mark, The Appointed Person*, [2003] RPC 11, *Saxon Trade Mark*, [2003] EWHC 295 (Ch), *Mouldpro ApS v EUIPO*, General Court of the EU, Case T-796/17, *Alexander Trade Mark, The Appointed Person*, BL O/036/18, *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch) and *Sky v Skykick* [2020] EWHC, 990 (Ch).

12. The law appears to be as follows:

- (a) While in everyday language the concept of 'bad faith' involves a dishonest state of mind or intention, the concept of bad faith in trade mark law must be understood in the context of trade: *Sky CJEU*.
- (b) Applying to register a trade mark without an intention to use it is not bad faith *per se*. Therefore, it is not necessary for the trade mark applicant to be using, or have plans to use, the mark in relation to all the goods/services covered by the specification: *Sky CJEU*.
- (c) The bad faith of the trade mark applicant cannot, therefore, be presumed on the basis of the mere finding that, at the time of filing his or her application, that applicant had no economic activity corresponding to the goods and services referred to in that application: *Sky CJEU*.
- (d) However, where the trade mark application is filed without an intention to use it in relation to the specified goods and services, and there is no rationale for the application under trade mark law, it may constitute bad faith. Such bad faith may be established where there are objective, relevant and consistent indications showing that the applicant had the intention either of undermining, in a manner inconsistent with honest practices, the interests of third parties, or of obtaining, without even targeting a specific third party, an exclusive right for

purposes other than those falling within the functions of a trade mark: *Sky CJEU*.

- (e) This may be the case where the exclusive right was sought as part of a strategy of using widely cast trade mark registrations as legal weapons for use against others in opposition proceedings and/or for the purposes of blocking applications by third parties: *Sky EWHC* and *Copernicus-Trademarks v EUIPO*.
- (f) A trade mark may be applied for in good faith in relation to some of the goods/services covered by the application, and in bad faith as regards others: *Sky CJEU*.
- (g) This may be the case where the applicant has included a specific term in the specification, such as 'computer games', with no intention of using the mark in relation to any such goods, simply to obstruct third parties from using or registering the same mark, or similar marks. It may also be the case where the applicant has included a broad term, such as 'computer software', with the intention of using the mark in relation to a particular sub-category of such goods/services, but no intention of using the mark in relation to all the other (sometimes very different) sub-categories of goods/services covered by the broad term, with the objective of obstructing third parties from using or registering the mark in relation to such goods/services: *Sky EWHC*.
- (h) In deciding whether there was a rationale for registering the trade mark in relation to any particular term, it is necessary to bear in mind that trade mark proprietors have a legitimate interest in seeking protection in respect of goods or services in relation to which they may wish to use the trade mark in future (even if there were no plans to use the mark in relation to the goods/services at issue at the time of filing the application): *Sky EWHC*. It is therefore relevant to consider whether the goods/services in the contested application are related to those for which the mark has been used, or for which the applicant had plans to use the mark.

13. The following points are apparent from earlier case law about registering trade marks in bad faith:

- (a) Although it may be a relevant factor, the mere fact that the applicant knew that another party was using the trade mark in another territory does not establish bad faith: *Malaysia Dairy Industries*.
- (b) Similarly, the mere fact that the applicant knew that another party used the trade mark in the UK does not establish bad faith: *Lindt, Koton* (paragraph 55). The applicant may have reasonably believed that it was entitled to apply to register the mark, e.g. where there had been honest concurrent use of the marks: *Hotel Cipriani*.
- (c) However, an application to register a mark is likely to have been filed in bad faith where the applicant knew that a third party used the mark in the UK, or had reason to believe that it may wish to do so in future, and intended to use the trade mark registration to extract payment/consideration from the third party, e.g. to lever a UK licence from an overseas trader: *Daawat*, or to gain an unfair advantage by exploiting the reputation of a well-known name: *Trump International Limited*.
- (d) An application may also have been filed in bad faith where the applicant acted in breach of a general duty of trust as regards the interests of another party, including his or her own (ex) company or (ex) partners, or a party with whom there is, or had recently been, a contractual or pre-contractual relationship, such as a licensor, prospective licensor or overseas principal: *Saxon, Mouldpro*; or where a legal agreement prohibits such a filing.

14. The correct approach to the assessment of bad faith claims requires the following points to be taken into account:

- (a) The applicant's intention is a subjective factor which must be determined objectively by the competent authority. An overall assessment is required,

which must take account of all the factual circumstances relevant to the particular case: *Lindt*.

- (b) The matter must be judged at the relevant date, which is the date of the application for registration: *Lindt*.
- (c) It is necessary to ascertain what the applicant knew at the relevant date: *Red Bull*. Evidence about subsequent events may be relevant if it casts light backwards on the position at the relevant date: *Hotel Cipriani*.
- (d) A statement on the application form that the mark is in use, or there is a *bona fide* intention to use it may, if untrue, provide evidence supporting a bad faith case, but is not sufficient by itself to justify the refusal or cancellation of the registration: *Sky* CJEU.
- (e) An allegation of bad faith is a serious allegation which must be distinctly proved, but in deciding whether it has been proved, the usual civil evidence standard applies (i.e. balance of probability). This means that it is not enough to establish facts which are as consistent with good faith as bad faith: *Red Bull*.

15. In this case, the proprietor has a priority date of 16 July 2019. However, since it is the date on which the application was filed that is relevant for a case of bad faith, the relevant date is 23 December 2019.

Assessment

16. The applicant's main contention appears to be that the contested application was filed without an intention to use the mark in relation to any of the goods and services covered by the application; rather, it was filed for the purpose of obtaining leverage against the applicant in an attempt to extract money from it. The applicant's secondary contention is that the proprietor deliberately applied for a very broad specification with no commercial justification. The applicant claims that the proprietor made a false declaration under section 32(3) in order to obtain the registration for the contested mark.

17. The first part of the applicant's case appears to be based on:

- (i) The absence of evidence of use or intended use of the mark in relation to the goods and services covered by the application;
- (ii) The proprietor's numerous attempts to sell the domain name to the applicant prior to the application for the contested mark;
- (iii) The proprietor's knowledge of the applicant's 2017 US registrations;
- (iv) The proprietor's allegation of infringement and request for DKK 100 million in damages; and
- (v) The proprietor's attempt to sell the contested mark and the domain name to the applicant for DKK 50 million.

18. In relation to point (i), I should emphasise that the absence of evidence of use or intended use is not sufficient by itself to justify a finding of bad faith. This is because the teaching from the case law cited above is that:

- (i) Bad faith cannot be presumed on the basis of the mere finding that, at the time of filing the application, the applicant had no economic activity corresponding to the goods and services in the application; and
- (ii) The applicant is not required to know precisely, on the date on which the application is filed, the use he or she will make of the mark applied for. The applicant also has a period of 5 years for beginning actual use consistent with the essential function of a trade mark.

19. However, since an overall assessment is required, I must take account of all the factual circumstances relevant to the case.

20. The applicant's evidence contains emails from Matthew Miceli. The proprietor is Sp/f Standard Consulting, not Matthew Miceli. However, as Professor Ruth Annand, as the Appointed Person, held in *Joseph Yu v Liaoning Light Industrial Products Import and Export Corporation*:¹⁶

“22. [A] claim of bad faith is not avoided by making an application in the name of an entity that is owned or otherwise controlled by the person behind the application.”

21. Mr Miceli is the sole Director of, and therefore controls, the proprietor. Accordingly, Mr Miceli's motives can be attributed to the proprietor.

22. In my judgment, the applicant has presented a *prima facie* case that the contested mark was filed as part of a strategy intended to obtain financial benefit from the applicant. Taken together with (i) the absence of any use in the UK (or anywhere) of the contested mark, (ii) the evidence that the proprietor attempted to sell the domain name and other Market Standard trade marks prior to the contested application and (iii) the evidence that the proprietor attempted to sell the contested application for a significant amount of money just three days after it was registered, I find that the applicant has also made out a *prima facie* case that, at the time of filing the application, the proprietor had no intention of using the contested mark in accordance with its essential function, that is to say using the mark to distinguish the goods and services of the proprietor from those of other traders.

23. Applying to register trade marks in these circumstances may justify an allegation that the mark has been applied for in bad faith. As the case law above indicates, an application to register a mark is likely to have been filed in bad faith where the applicant knew that a third party used the mark in the UK, or had reason to believe that it may wish to do so in future, and intended to use the trade mark registration to extract payment/consideration from the third party.

¹⁶ BL O/013/05

24. Whilst the burden is on the applicant to prove its allegation of bad faith, once a *prima facie* case has been made out, the question of the proprietor's rebuttal (or lack of) becomes relevant.

25. The proprietor's defence appears to be that the following facts, contained in Mr Miceli's witness statement, prove his intention to use the mark and that he did not make a false declaration under section 32(3):

- (i) He applied to the EUIPO for the mark Market Standard in 2015, which was refused;
- (ii) He purchased the domain name in 2015;
- (iii) He met with potential investors in the UK between 2016 and 2019;
- (iv) He set up a new company, Sp/f Market Standard (now Sp/f Standard Consulting, the applicant) in the Faroe Islands in June 2017, intending to re-start the Market Standard business;
- (v) He spent 50% of his time in London trying to raise capital between 2016 and 2019;
- (vi) He established Market Standard branches in Germany, Norway, Croatia and Canada to raise capital to co-invest with UK investors; and
- (vii) He made a second application to the EUIPO for the mark Market Standard in May 2019, which was refused.

26. The proprietor pointed to the fact that the applicant filed no evidence in reply and did not request a hearing to cross-examine Mr Miceli, therefore its evidence is unchallenged.¹⁷ In this regard, the applicant, in its written submissions in lieu, made submissions about the proprietor's previously unchallenged evidence. The applicant

¹⁷ Paragraph 9 of its submissions in lieu.

further submitted that it is open to the Registry to disbelieve Mr Miceli's witness statement in the absence of cross-examination and directed me to two relevant decisions.¹⁸

27. I bear in mind the comments of Mr Richard Arnold QC, sitting as the Appointed Person, in *EXTREME*:¹⁹

“36. Where, however, evidence is given in a witness statement filed on behalf of a party to registry proceedings which is not obviously incredible and the opposing party has neither given the witness advance notice that his evidence is to be challenged nor challenged his evidence in cross-examination nor adduced evidence to contradict the witness's evidence despite having had the opportunity to do so, then I consider that the rule in *Brown v Dunn* applies and it is not open to the opposing party to invite the tribunal to disbelieve the witness's evidence.

37. Despite this, it is not an uncommon experience to find parties in registry hearings making submissions about such unchallenged evidence which amount to cross-examination of the witness in his absence and an invitation to the hearing officer to disbelieve or discount his evidence. There have been a number of cases in which appeals have been allowed against the decisions of hearing officers who have accepted such submissions. Two recent examples where this appears to have happened which were cited by counsel for the proprietor are *Score Draw Ltd v Finch* [2007] EWHC 462 (Ch), [2007] BusLR 864 and *EINSTEIN Trade Mark* (O/199/06). I consider that hearing officers should guard themselves against being beguiled by such submissions (which is not, of course, to say that they should assess evidence uncritically).”

28. I also bear in mind *Williams and Williams v. Canaries Seaschool SLU (CLUB SAIL)* [2010] RPC 32. Geoffrey Hobbs QC, sitting as the Appointed Person, said at [38]:

¹⁸ BL O/372/06 and BL O/677/19.

¹⁹ BL O/161/07.

“...it is not obligatory to regard the written evidence of any particular witness as sufficient, in the absence of cross-examination, to establish the fact or matter (s)he was seeking to establish.”

29. Whilst I am not prepared to disbelieve Mr Miceli, it is still necessary to examine what he has said about the events leading up to the contested application. It is also necessary to assess the proprietor's actions after the relevant date. The proprietor submits that its “acts in March 2020 have no bearing on the Respondent's intentions in December 2019”.²⁰ However, evidence from after the relevant date may cast light backwards: *Hotel Cipriani*.

30. There has been very little supporting documentation filed to bolster Mr Miceli's narrative evidence. He claims to have met with potential investors in the Market Standard business in the UK between 2016 and 2019. He also claims to have set up a new company in the Faroe Islands in June 2017, intending to re-start the Market Standard business, which already has branches in Germany, Norway, Croatia and Canada. These actions appear to be inconsistent with the version of events put forward by the applicant. However, rather than this being a case of conflicting narrative evidence, the applicant has corroborated theirs with documentary evidence; the proprietor has not. Even if I were satisfied that the proprietor's narrative evidence was credible to the extent that Mr Miceli was making preparations for re-starting the Market Standard business, his actions after the relevant date conflict with this, rendering his version of events far less credible.

31. On the other hand, the evidence, though minimal, may indicate an intention to use the Market Standard mark in 2015, particularly the filing of the mark at the EUIPO and the purchase of the domain name in that year. However, the mark was refused registration and no evidence of any use of the mark has been filed. This is despite the proprietor submitting that (i) its EUTM was refused in 2015 for lack of distinctiveness and (ii) the advice given was to reapply once the mark had acquired distinctiveness through use. Similarly, the purchase of the domain name may indicate an intention to use the contested application at that time, but, as filed by the applicant, the proprietor

²⁰ Paragraph 21 of its submissions in lieu.

was attempting to sell that domain name a short time before the relevant date. The proprietor addresses its attempts to sell the domain name as follows:

“[...] attempting to sell the Domain immediately prior to the filing date of the Application is not incompatible with the [proprietor] having an intention to use on the filing date. In fact, it makes perfect sense once the explanation given in Miceli paragraphs 28-36 is considered. Having failed to persuade [the applicant] to buy the Domain the [proprietor] was determined to make use of the MARKET STANDARD name [...]”²¹

32. Whilst this submission by itself may explain the proprietor’s attempts to sell its domain name prior to the relevant date, there is no explanation for its activities after the relevant date. Referring to those activities, the proprietor submitted as follows:

“Once the Registration had been obtained, it made sense for the [proprietor] to be concerned about [the applicant’s] use of the MARKET STANDARD mark in the UK as that could impact on the [proprietor’s] ability to restart its business. As a result, sending a cease and desist letter was a sensible thing to do.”²²

33. The applicant’s evidence demonstrates that the proprietor not only sent a cease and desist letter but attempted to sell the contested mark for a considerable amount of money (DKK 50 million or \$7.4 million) almost immediately after it became registered. The proprietor has offered no reason for this.

34. I bear in mind *Holzer y Cia de CV v EUIPO*, joined cases T-3/18 and T-4/18, in which the General Court held (at paragraph 36 of the judgment) that although there is a presumption of good faith, the objective circumstances of a particular case may lead to the rebuttal of that presumption. In that event, it is for the applicant or proprietor of the trade mark to provide plausible explanations on the objectives and commercial logic pursued by the application for registration of the trade mark.

²¹ Paragraph 14 of its submissions in lieu.

²² Paragraph 21 of its submissions in lieu.

35. The proprietor has not provided a plausible explanation for its attempts to sell the contested mark immediately after it became registered and I see no commercial logic for doing so if there was a *bona fide* intention to use the mark.

36. This is an appropriate point to remind myself that according to *Alexander Trade Mark* it is necessary to determine:

- (a) What, in concrete terms, was the objective that the proprietors have been accused of pursuing?
- (b) Was that an objective for the purposes of which the contested application could not be properly filed? And
- (c) Was it established that the contested application was filed in pursuit of that objective?

37. I have addressed the first question in paragraphs 16 and 17 of this decision.

38. With regard to the second question, I remind myself of the case law to which I have referred in this decision. I also bear in mind that a declaration pursuant to the requirements of section 32(3) can be false by reason of the absence of any *bona fide* intention to use a mark, with that being indicative of the contested mark having been put forward for registration in an improper manner or for an improper purpose. I consider that the objective which the proprietor is accused of pursuing is an objective for the purposes of which the contested application could not properly be filed.

39. When assessing the evidence for the purpose of answering the third question, I have drawn inferences from facts in the parties' witness statements which have been corroborated with exhibits. The conclusion I have reached is that the proprietor's attempts to start the Market Standard business resulted in a failed business venture. It seems to me that when the proprietor was approached by the applicant, it took the opportunity to attempt to sell the domain name and simultaneously became aware of the applicant's potential interest in Market Standard. The proprietor knew of the applicant's US registrations and referred to them in email correspondence. Conscious

of the possible value of the trade mark to the applicant, and since the applicant showed no further interest in purchasing the domain name, it applied to register the contested mark to add worth to its portfolio: a portfolio it then attempted to sell to the applicant. Even if the proprietor applied to register its EUTM (or any other previous trade marks) in good faith, any honest intention had evaporated by the time it filed the contested application.

40. The proprietor has not adequately answered the applicant's *prima facie* case. In these circumstances I accept the applicant's case and reject the proprietor's denials.

41. For the avoidance of doubt, I do not consider it necessary to examine the width of the contested mark's specification, which formed the second part of the applicant's case, since I am satisfied that the contested application in its entirety was filed in bad faith.

CONCLUSION

42. The application for invalidation based on section 3(6) succeeds and the registration will be declared invalid.

COSTS

43. The applicant has been successful and is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016. I assess these as follows:

Official fee	£200
Preparing a statement and considering the proprietor's counterstatement	£300
Preparing evidence and considering the proprietor's evidence	£1,100

Preparing written submissions in lieu of a hearing £350
and considering the proprietor's written submissions

Total £1,950

44. I therefore order Sp/f Standard Consulting to pay SRS Acquiom, Inc. the sum of £1,950. This sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the final determination of the appeal proceedings.

Dated this 28th day of July 2021

E VENABLES

For the Registrar