Allister McManus, Elkington & Fife

Rice, Rice, Baby: Reviewing the impact of the ‘BASMATI’, ‘NOWHERE’ and ‘SHOPIFY’ CJEU decisions on a major post-Brexit EUIPO headache

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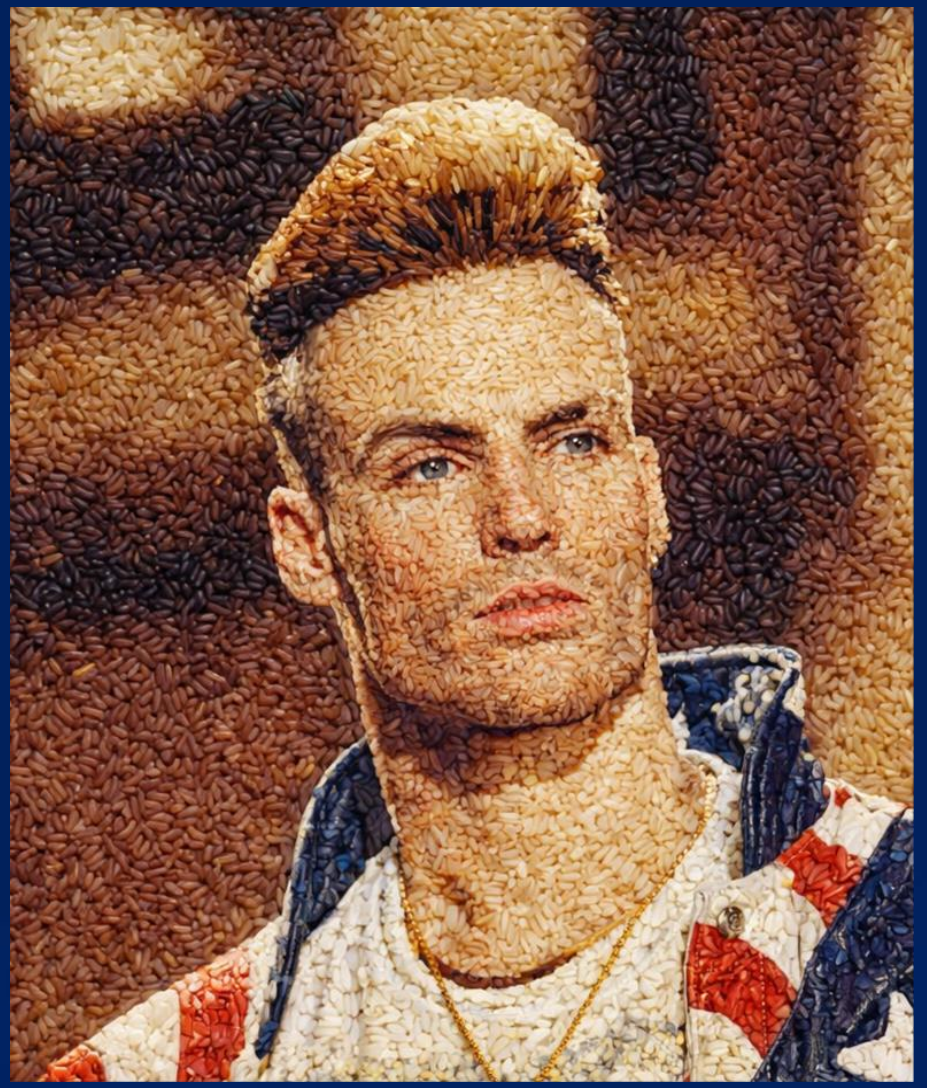
RICE, RICE, BABY.



Reviewing the impact of the ‘BASMATI’, ‘NOWHERE’ & ‘SHOPIFY’ CJEU decisions on a major post-Brexit EUIPO headache.

Allister McManus

19 March 2026

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WHO AM I? REASON FOR GIVING THIS TALK

- UK CTMA with 2 pending GC appeals on this issue.
- Major headache for us post Brexit.
- Trying to make sense of where we are. Share my experiences.
- APE TEES CJEU judgment a major development. Lot to unpack.
- In my two GC appeals, EUIPO threw out large chunks of evidence because it was UK based, even though the evidence was there to support earlier EUTM reputation ground under Art 8(5) & was one of many member states we supplied evidence from.

CITMA's got rhythm: We've created our very own anthem

KEY INFORMATION

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HOW WE GOT HERE: BREXIT BACKGROUND

- **1 February 2020** - "***the Withdrawal Agreement***" concluded in accordance with Art 50(2) TEU (Treaty on European Union) & enters into force.
- **1 February 2020 - 31 December 2020: "Transition period": Art 126 Withdrawal Agreement** read in combination with **Art 127(1)** clearly confirmed that, unless otherwise provided, EU law continued to apply to and in the UK during a transition period starting on 1 Feb 2020 and ending on 31 Dec 2020.
- **31 Dec 2020/1 January 2021:** UK officially left EU. Brexit day.

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HOW WE GOT HERE: BREXIT BACKGROUND

Before that & key to UK rights holders post Brexit issues:

- **10 September 2020: -** EUIPO issued "***Communication No 2/20 of the Executive Director of the Office of 10 September 2020 on the impact of the United Kingdom's withdrawal from the European Union on certain aspects of the practice of the Office***" (the "***September 2020 Communication***")
- Outlined impact of Brexit on EUIPO practices after 31 December 2020. Guidance on how EUIPO would deal with the UK rights & UKTMAs post Brexit.
- Most important: ***Section V 'Earlier rights in inter partes proceedings'*** & interpretation of its wording. EUIPO has relied on this when rejecting UK rights and evidence in post Brexit decisions. Worth a closer look.
- Wording not entirely clear or explicit. Arguable grey areas, ambiguous language. Open to different interpretations.

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Section V ‘Earlier rights in inter partes proceedings’

V. Earlier rights in inter partes proceedings

11. As from 1 January 2021, UK rights cease ex lege to be ‘earlier rights’ for the purposes of inter partes proceedings (opposition, EUTM invalidity, RCD invalidity)[8] . Further, the territory and public of the UK will no longer be relevant for the purposes of assessing a conflict between an earlier EU right and a later EUTM, EUTM application or RCD.

12. Regardless of their procedural status at first instance, actions in inter partes proceedings based solely on UK rights that are still pending on 1 January 2021 will be dismissed for lack of valid basis. Each party will be ordered to pay their own costs.

13. If either party is domiciled (natural persons) or has its seat or establishment (legal persons) in the UK and is without a professional representative as from 1 January 2021, the decision dismissing the action will be notified directly to the party, without raising any admissibility or formality deficiency to remedy the lack of representation (as an exception to Section VI below).

14. As regards the proof of use of earlier EUTMs, evidence relating to the UK and to a period of time prior to 1 January 2021 will be relevant to maintain the rights in the EUTM and will be taken into account. The significance of that use for the overall assessment of genuine use in the EU will progressively decrease – from potentially sufficient to entirely irrelevant – depending upon the extent to which it covers the period for which use has to be established in the case at hand. The same applies to actions for the revocation of an EUTM for non-use.

8 Except if invoked under the opposition ground Article 8(3) EUTMR, the EUTM invalidity ground Article 60(1)(b) EUTMR or the RCD invalidity ground Article 25(1)(b) CDR, where rights protected outside the European Union may also be eligible basis for action

Section V ‘Earlier rights in inter partes proceedings’

15. Conversely, evidence relating to the UK can no longer sustain, or contribute to, the protection of an EUTM (for example, in the context of proving reputation of an EUTM under Article 8(5) EUTMR) as from 1 January 2021, even if that evidence predates 1 January 2021. The EUTM must be reputed ‘in the EU’ at the moment of decision taking. Where the fulfilment of a condition for a ground of action (for example, proof of a link between the marks at issue and any of the risks of injury under Article 8(5) EUTMR) has only been established in the UK, this will not warrant upholding the opposition or the invalidity request.

- **Examine key parts of Section V.**
- **Not ‘flaming’ EUIPO. Academic now.**
- **Nothing about Brexit was straightforward for IP.**
- **More about conflicting approaches between UK & EU**

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Analysing Section V of the 2020 Communication

Section V. 11.: "As from 1 January 2021, UK rights cease ex lege ("as a matter of law") to be 'earlier rights' for the purposes of inter partes proceedings (opposition, EUTM invalidity, RCD invalidity)."

- Could take this to mean you can't rely on UK rights for EUIPO oppositions/invalidity actions after the transition period, i.e., future actions. *Fine*.
- Footnote clarifies n/a to bad faith scenarios or RCD novelty attacks.

"Further, the territory and public of the UK will no longer be relevant for the purposes of assessing a conflict between an earlier EU right and a later EUTM, EUTM application or RCD."

- As of 1 Jan 2021 can't refer to UK public/average consumer for LOC in opposition/invalidity because UK no longer a member state. OK. Again, could read this to mean for any future EUIPO inter partes proceedings.

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Analysing Section V of the 2020 Communication

Section V. 12. (interesting specific language):

"Regardless of their procedural status at first instance…"

- No matter where you are in first instance proceedings

"...actions in inter partes proceedings based solely on UK rights that are still pending on 1 January 2021 will be dismissed for lack of valid basis."

- Clearly says only an opposition/invalidity at first instance where the only basis is a UK right will be dismissed as of 1 Jan 2021.
- Doesn't say that if your basis is earlier EUTM where applicant's filing date is before 1 Jan 2021, all UK evidence relating to your earlier EUTM (e.g., to show reputation where UK is one of various member states) will be dismissed.

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Analysing Section V of the 2020 Communication

Section V. 14. (structurally inconsistent with V.15?):

"As regards the proof of use of earlier EUTMs, evidence relating to the UK and to a period of time prior to 1 January 2021 will be relevant to maintain the rights in the EUTM and will be taken into account."

- **What this says now (thinking of CJEU's confirmed approach):** For maintaining your earlier EUTM for genuine use, UK evidence before 1 Jan 2021 is fine, but for supporting an opposition based on earlier EUTM relying on UK evidence pre 1 Jan 2021, e.g. reputation, it's not.
- Doesn't seem balanced or structurally consistent with section, V.15.
- Withdrawal Agreement didn't cater for that discrepancy.

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Analysing Section V of the 2020 Communication

Section V.15. (last para but important):

"Conversely, evidence relating to the UK can no longer sustain, or contribute to, the protection of an EUTM (for example, in the context of proving reputation of an EUTM under Article 8(5) EUTMR) as from 1 January 2021, even if that evidence predates 1 January 2021."

- Still not that clear? Could say if you oppose from 1 Jan 2021 you can't rely on UK evidence to support your earlier EUTM even if it's before Brexit day.

"The EUTM must be reputed 'in the EU' at the moment of decision taking. Where the fulfilment of a condition for a ground of action (for example, proof of a link between the marks at issue and any of the risks of injury under Article 8(5) EUTMR) has only been established in the UK, this will not warrant upholding the opposition or the invalidity request."

- Doesn't say: If you are showing repute at filing date pre Brexit and this includes UK amongst other EU member states *all* of your UK evidence will be disregarded. Also proof of link concept is not in the EUTMRs.

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Overall thoughts on Section V & Withdrawal Agreement

- **Grey areas. Doesn't account for all scenarios:** E.g. EUIPO's BASMATI argument re losing cause of action halfway through a GC appeal.
- **V.14** (*accepting UK evidence for genuine use of an EUTM prior to 1 January 2021, even when the decision post dates Brexit*) **& V.15** (*categorically excluding UK evidence substantiating reputation or risk of injury*) **seems structurally inconsistent.**
- **EUIPO's approach to post-Brexit decisions not obvious to UK CTMAs. Our understanding & UKIPO's approach is the relevant date in oppositions is ONLY the filing date.**
- **UK registered rights & oppositions backdated to filing date. TMA 1994 clear on this. E.g. S.5(4)(a) (4A)** "*The condition mentioned … is that the rights to the unregistered trade mark … were acquired prior to the date of application … of the trade mark ….*"
- **Not helped by two conflicting strands of GC case law**: 1. filing date is only relevant date; or 2. EUIPO approach of at least two dates - filing & date of final EUIPO decision.

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Overall thoughts on Section V & Withdrawal Agreement

- WA drafting questionable. More concerned with what UK will be doing re EU rights: "***Part Three 'Separation provisions'. Title IV 'Intellectual property' Articles 54 & 59 'Continued protection in the [UK] of registered or granted rights***' - UK clones etc.
- Silent on "*t****reatment of an opposition … brought before the entry into force of the withdrawal agreement, on the basis of an earlier right which was protected in the [UK], against the registration of an [EUTM] which had also been applied for before the entry into force of that agreement***" (GC notes this in APE TEES, T-281/21, para 25)
- So, WA does't cater for issue in APE TEES re after Brexit transition period.
- But WA s.127 clearly says: "***Unless otherwise provided in this Agreement, during the transition period, any reference to Member States in the Union law … shall be understood as including [UK].***"

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POST BREXIT DECISION DRAMA

Typical para EUIPO OD puts in each post Brexit decision:

"Reputation of the earlier trade mark(s): UK "*The opponent has submitted, inter alia, evidence (e.g. Attachment X) relating to the United Kingdom (UK) with a view to demonstrating the enhanced distinctiveness and reputation of the earlier EUTMs. However, it follows from Article 8(5) EUTMR, worded in the present tense, that the conditions for applying it must also be fulfilled at the time of taking the decision. As the UK is no longer a member of the EU, the evidence relating to its territory cannot be taken into account to prove enhanced distinctiveness and reputation 'in the EU' (see Communication No 2/20 of the Executive Director of the Office of 10 September 2020 on the impact of the United Kingdom's withdrawal from the European Union on certain aspects of the practice of the Office, Section V 'Earlier rights in inter partes proceedings')*."

- **Not ideal to report to your client**.
- **EUIPO current approach not explicitly clear from Sep 2020 Communication & doesn't cover every scenario. E.g. disregarding UK to prove repute when it's one of numerous EU member states included**.

CASE C-801/21 P (EUIPO v INDO EUROPEAN FOODS) BASMATI (CJEU) 20 June 2024

- First big Brexit news. Least relevant now.
- Focused on continuing cause of action in GC appeal proceedings post Brexit started before end of Brexit transition period. Didn't answer question of what the relevant date is & whether UK rights/evidence are still valid?

Background:

- 2017: Indo opposed EUTM in classes 30, 31 for fig. mark containing word 'BASMATI'.
- Opposition basis - Art 8(4) EUTMR (*use in course of trade of more than mere local significance*) for earlier UK goodwill in unregistered word mark BASMATI for 'rice' ('extended' passing off-goodwill in general class of goods).

EUIPO 1st instance opposition decision 5 April 2019:

- 5 April 2019: EUIPO OD rejected opposition. Insufficient evidence for PO.
- 16 May 2019: Indo appealed to EUIPO BoA.

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CASE C-801/21 P BASMATI (CJEU) 20 June 2024

BoA decision April 2020:

- BoA decision during transition period. Upheld EUIPO OD 1st instance decision. Indo only satisfied 3 of 4 extended passing off grounds.
- Indo appealed to GC on 2 June 2020.

GC decision (T-342/20) 6 October 2021:

- EUIPO - because GC appeal proceedings occurred before & after transition period (appeal 2 June 2020, response 8 October 2020, hearing 29 June 2021) Indo's UK rights no longer had effect in EU on 31 December 2020 - after Indo filed appeal but before it concluded.
- GC para 15: *"EUIPO submits that…expiry of the transition period deprives … opposition procedure and … present [appeal] of their purpose..."* Side note: Interesting - nothing in 2020 Communication.
- GC dismissed EUIPO procedural argument. Also upheld Indo's appeal as EUIPO/BoA has misapplied law of extended passing off.
- Key paras 17-23 & 27: Indo's action hadn't lost its purpose because the subject matter of the dispute was the decision of 2 April 2020 taken before end of transition period.

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CASE C-801/21 P BASMATI (CJEU) 20 June 2024

GC seems to acknowledge two conflicting strands of case law on relevant point in time to assess existence of relative ground: 1. filing date/publication AND decision date (Beko v EUIPO – Acer/ALTUS T-162/18); or 2. Only appropriate to look at time of filing (GOLDEN BALLS T-8/17)

GC: "17 *The subject matter … is the decision of the Board of Appeal of 2 April 2020, …. According to [GOLDEN BALLS T-8/17], the fact that the earlier sign could lose … status of a non-registered trade mark … at a later date, … following … withdrawal of the Member State … is… irrelevant to the outcome of the opposition* …"

GC: "18 *In the present case, … no need to decide that question [of the relevant point in time]. [the applicant] applied for registration … when the [UK] was a Member State ... The decision of the [BoA] was taken on 2 April 2020, … after the withdrawal of the [UK] from the [EU], but during the transition period*."

GC: "23… *withdrawal of [UK] from [EU] did not render the present dispute devoid of purpose*."

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CASE C-801/21 P BASMATI (CJEU) 20 June 2024

CJEU decision (C-801/21 P) 20 June 2024:

- **17 December 2021: EUIPO appealed to CJEU only on procedural inadmissibility ground.**
- **CJEU agreed that EUIPO's argument of Indo's appeal being inadmissible mid proceedings was wrong. Indo's interest in the appeal proceedings didn't vanish after 31 December 2020. Subject matter was not Indo's unregistered UK rights in BASMATI, it was BoA decision itself. Brexit hadn't caused the dispute to be devoid of purpose.**
- **Key paras: 57, 58, 59, 60 - 62, 82, 94-95 of CJEU judgment:**

CJEU "57 *… the [GC] [had not] confused the question of the continuing interest in bringing proceedings with the date on which the legality of a contested decision must be assessed. … the [GC] confined itself, … to examining the question of whether the purpose of the dispute continued to exist in the light of the end of the transition period which had occurred during the proceedings …"*

CJEU "58 *…according to settled case-law, the purpose of the action must, like the interest in bringing proceedings, continue until the final decision…"*

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BASMATI IMPACT ON UK RIGHTS HOLDERS

- Initial excitement/view was overly broad. Not a huge impact on EUIPO.
- Not confirmation that any UK rights holder who opposed an EUTM pre-Brexit can continue relying on its earlier UK right in those proceedings.
- Limited impact. Very technical point, not on wider relevant date point. Came down to whether an "interest" remains in GC appeal proceedings, i.e., GC decision taken post Brexit but starting before Brexit & whether opponent retained interest in outcome of proceedings based on its UK rights. Impact lessened over 2 years.
- CJEU managed to avoid relevant date question because BASMATI timeline falls within Brexit. Didn't need to distinguish between these moments in time - all came before 1 January 2021.
- Timeline situation in BASMATI differs in APE TEES & SHOPIFY.

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Timeline	BASMATI	APE TEES	SHOPIFY
1. Application contested mark	14 June 2017	30 June 2015	8 May 2017; 4 May 2018 (registered)
2. Initiation opposition / cancellation action	13 October 2017 Opposition (based on earlier non-registered UK right)	8 March 2016 Opposition (based on earlier non-registered UK rights)	22 March 2019 Cancellation (based on EUTM, w/ enhanced distinct. Evidence from UK)
3. Decision OD/CD	5 April 2019	20 September 2017	6 February 2020
4. Appeal to BoA	16 May 2019	17 November 2017	28 February 2020
5. Decision BoA	2 April 2020	8 October 2018 (1st decision) 29 April 2019 (BoA revokes 1st decision) 10 February 2021 (2nd BoA decision) (Post-Brexit)	18 February 2021 (Post-Brexit)
6. Appeal to GC	2 June 2020	7 January 2019 (1st GC appeal). 10 April 2021 (2nd GC appeal) (post Brexit)	18 April 2021 (Post-Brexit)
7. Decision GC	6 October 2021 (Post-Brexit) Opponent sustains legitimate interest in outcome of proceedings	16 March 2022 (Post-Brexit) Can rely on earlier UK rights. Filing date of contested mark is relevant point in time to assess opposition basis. Reversed by CJEU	12 October 2022 (Post-Brexit) Can't rely on earlier UK evidence as filing date of contested mark AND decision are the relevant points in time to assess cancellation basis.

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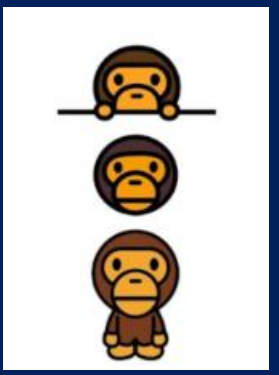
CASE T-281/21 NOWHERE ("APE TEES")/EUIPO



Background:

- 30 June 2015: Applicant (Junguo Ye) applied for device mark with word APE TEES as EUTM (014319578) in classes 3, 9, 14, 18, 25, 35.
- 8 March 2016: Opponent, Nowhere Co. Ltd Japan, ("Nowhere") opposed - Art 8(4) EUTMR (like BASMATI) mainly on basis of 3 earlier unregistered UK marks (passing off) in classes 25 & 35.

EUIPO 1st instance decision 20 September 2017:

- Rejected opposition - Nowhere had not properly set out & substantiated Article 8(4) UK passing off, even though it filed a lot of evidence, which EUIPO still examined.
- 17 November 2017 - Nowhere appealed to BoA.

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CASE T-281/21 NOWHERE ("APE TEES")/EUIPO

BoA decision 1 (8 October 2018) & 1st GC appeal:

- 8 October 2018: BoA dismissed opposition (its 1st decision). Doubled down on EUIPO view that Nowhere only "*resorted to a brief sketch of 'passing off'*" & didn't cite "*the relevant provision*" (?!)
- 7 January 2019: Nowhere appealed to GC (the 1st time).
- 29 April 2019-22 August 2019: Before GC could decide, BoA revoked its original/1st appeal decision "o*n account of an obvious error attributable to EUIPO*" 1st instance decision. 18 December 2019: GC held no need to adjudicate.

BoA decision 2 (10 February 2021)

- 10 February 2021 (after transition period) BoA issued new 2nd decision dismissing opposition again because following Brexit opponents can no longer rely on UK rights. 18 months between 22 August 2019 & adoption of 2nd decision!
- 10 April 2021: Nowhere, again, appealed to GC.

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CASE T-281/21 NOWHERE ("APE TEES")/EUIPO

GC decision (Case T-281/21) 16 March 2022

- Annulled BoA decision. Rejected EUIPO's argument that '*no conflict could arise during 30 June 2015 to 31 December 2020 because from midnight 31 December 2020 all earlier UK rights ceased*.'
- GC 18, 28: Nowhere could rely on earlier UK rights under Art 8(4) because filing date of contested EUTM is the only relevant point in time to assess opposition basis (followed CJEU cases Bimbo, C-591/12 P, Primart, C-702/18 P & GC cases *BROWNIE T-598/18*, *MUSIKISS T-421/18*, *GT RACING T-463/20*, *ZARA T-467/20)*.
- UK still an EU member state when APE TEES application was filed (30 June 2015).
- GC 33-34: Also rejected EUIPO argument that "*Article 8(4) uses the present tense … to establish not only the requirement of an earlier right (Article 8(4)(a)), but also the requirement that that sign 'confers' on its proprietor the right 'to prohibit' the use of a subsequent [TM] (Article 8(4)(b)..*" GC: "*mere use of the present tense in a provision does not make it possible to derive any conclusion as regards its interpretation*."

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CASE T-281/21 NOWHERE ("APE TEES")/EUIPO

GC decision (Case T-281/21) 16 March 2022

- **GC 29-30: Fact that earlier UK mark could lose protection status in a member state after filing date is in principle irrelevant to the outcome of the opposition**
- **GC 31 "*Since the application … was filed before the expiry of the transition period, … before the entry into force of the withdrawal agreement … the earlier non-registered [TMs] were … in principle … capable of forming [opposition] basis* …[BoA] should … have taken them into account…"**
- **GC 41-42: Registration of EUTM is valid from filing date, not only from date an opposition is rejected. A "*conflict could … have existed during the period between the [filing] date … and the expiry of the transition period*", i.e., 30 June 2015 to 31 December 2020 (5 ½ years).**
- **GC 42: Because of overlap, "*...difficult to comprehend why [Nowhere's] earlier non-registered … [UK] marks … would have to be denied protection also during that period, in particular [regarding] the potential use of the mark applied for ... Consequently, … [Nowhere] has a legitimate interest in the success of its opposition [for] that period*"**
- **GC 43: "*... open to [applicant] to file a new EUTM as soon as the transition period … expired … no longer … conflict with [Nowhere's] earlier … marks*" - sensible practical solution.**
- **So: BoA should have taken into account earlier UK non-registered rights relied upon despite contested decision being taken when UK was no longer EU member state. By deciding this, GC considered that the only relevant point in time to assess an opposition is EUTM filing date.**

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CASE C-337/22 P NOWHERE (“APE TEES”)/EUIPO

CJEU APPEAL (C-337/22 P)

- EUIPO appealed GC decision to CJEU. 16 November 2022: CJEU agreed. Issues on fundamental principles of unity, consistency & development of EU law.

C-337/22 P - CJEU ADVOCATE GENERAL'S OPINION

- May 2025: Important development - we received AGs opinion (AG Ćapeta).
- AG agreed with GC that “*the fact that earlier UK rights could lose their status as a [TM] registered in a Member State after the … filing [date] of an [EUTM] … is, in principle, irrelevant. What mattered was that the [EUTM] … was filed before the expiry of the [Brexit] transition period, such that the earlier UK rights were capable of forming the basis of an opposition*." AG couldn’t see why GC “*would have erred in that reasoning*”.
- Conflict unresolved if this ‘Brexit disappearance’ of [Nowhere’s] earlier rights taken into account.
- Regardless of whether Art8(4) suggests a 2nd date, EUIPO can’t just ignore this conflict.
- Everything looked in right direction. GC following its own recent consistent case law spanning 2014-2020 (T 467/20 Inditex, T 463/20 Sony, T 421/18 Bauer Radio, T 598/18 Brownie, T-8/17 Golden Balls, T-510/12 Conrad Electronic)

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CASE C-337/22 P NOWHERE ("APE TEES")/EUIPO

CJEU DECISION (C-337/22 P) 5 February 2026

- Surprisingly, CJEU didn't follow AG's opinion.
- Headline: CJEU has confirmed -re Art 8(4) - that earlier rights relied upon in opposition proceedings must still exist until the moment EUIPO gives its final decision (decision of BoA if appealed).
- So, if final BoA decision is after transition period an earlier UK right relied on under Art 8(4) ceases to be legally relevant for EU opposition proceedings, even though the right continues to exist in UK law & existed in transition period.
- 2 main justifications are: (i) BUDVAR (C-96/09) - need to look at moment of decision & if the right's invalid; and (ii) past & present tense drafting of Art 8(4):
- 8(4)(a) '*rights to that sign were acquired prior to the date of application for registration of the [EU] trade mark …*' [past tense]; and
- 8(4)(b) '*that sign confers on its proprietor the right to prohibit the use of a subsequent trade mark*' [present tense].

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CASE C-337/22 P NOWHERE ("APE TEES")/EUIPO

- Most relevant paragraphs are 103, 106-112, 114-122.
- Key finding - on basis of textual, systematic, & purposive interpretation of Art 8(4), CJEU concludes (para. 122) that the GC wrongly ruled (erred in law) that the date of application for the disputed mark is the only relevant date for assessing the opposition.

CJEU TEXTUAL INTERPRETATION summary (paras. 103-107):

- The condition under Art 8(b) ("*confers ... the right to prohibit*" & "*shall not be registered*") are formulated in present tense unlike condition under Art 8(a) which is formulated in past tense.
- It follows from this that the right of prohibition must not only exist on the filing date, but must continue to exist until the (final) decision of the EUIPO - that includes opposition date.

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CASE C-337/22 P NOWHERE ("APE TEES")/EUIPO

CJEU "104 … *condition … in …8(4)(a) …, as emphasised by the use of the past tense and the preposition 'prior to', it expressly refers to a temporal criterion of anteriority of the acquisition of rights … relied on in the opposition [re] … the … filing [date] [or] … priority...*"

CJEU "105 *By contrast, … 8(4)(b) … also applies that criterion of anteriority by requiring that the sign … confer on its proprietor …, the 'right to prohibit the use of a subsequent … mark', [but]… that condition is drafted in the present tense and does not refer to any date on which it should be satisfied.*"

CJEU "106 … *in … 8(4) the words 'the trade mark applied for shall not be registered', which refer to EUIPO's decision upholding the opposition and rejecting the [EUTM] application … are also drafted in the present tense*".

CJEU "107 … *admittedly, the acquisition of the earlier right [for] an opposition … must be assessed [by] the [filing] date …. However, it … is [also] necessary … [for] that earlier right [to] confer on its proprietor the 'right to prohibit the use of a subsequent trade mark' …, not only on that date, but also at the later [opposition] date … and until the [decision] date ...*"

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CASE C-337/22 P NOWHERE ("APE TEES")/EUIPO

CJEU SYSTEMATIC INTERPRETATION summary (par. 109-112):

- CJEU refers to the system of Art 8(1) & (2) EUTMR, according to which the opposition can only succeed if that earlier right also still exists at the time EUIPO makes its final decision.
- Referring to Budvar (C-96/09 P), CJEU emphasises that the EUIPO must first verify that the earlier right has not been irrevocably declared invalid in the meantime & only then assess the merits of the case.

CJEU "110 … *clear from [CJEU] case-law … that … [BoA] [must] verify that the earlier right relied on under … 8(4) … has not been declared invalid by a final judicial decision … to ensure that that right continues to produce the effects required by that provision (Budvar, paras 95 to 97 and 205).*"

CJEU "111 … *in … absence of … a final judicial decision, and since the earlier right … continues to exist on the … EUIPO['s] … final [opposition] decision [date] …, it is for EUIPO to examine whether the opponent has established that the sign … falls within the scope of the law of the Member State … (Budvar, paras 95 to 97 and 205 to 207).*"

CJEU "112 … *It therefore follows … that the question whether there is still a validly protected earlier right must be assessed on the [EUIPO final opposition decision] date … in order to decide whether "the trade mark applied for shall not to be registered", including at the stage of the [BoA] appeal…*"

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CASE C-337/22 P NOWHERE ("APE TEES")/EUIPO

CJEU PURPOSIVE INTERPRETATION summary (paras. 114-121):

- Well summarized in last para: "121 *However, in a situation in which the earlier mark no longer enjoys such protection, the essential function of that mark can no longer be compromised by the registration of the [EUTM], [because] [the] earlier mark is no longer capable of fulfilling that essential function. Consequently, the interpretation of Regulation No 207/2009 on which the [GC's] conclusion in para 31 … is based is contrary to the general objective of the [EUTMR] of balancing the interests of the proprietor of an earlier mark and those of third parties in having signs capable of designating their goods and services.*"
- I.e., purpose of TM legal system is to strike a balance between (i) protecting TM function (indication of origin); and (ii) allowing room for other market participants.
- If earlier right ceases to exist before EUIPO decision, it can no longer fulfill its essential function and the registration of the later EUTM can therefore no longer harm that function.
- CJEU "122 *It follows … that the GC erred in law in relying … on the premiss that the existence of a relative ground for refusal relied on in [an] opposition to [an] [EUTM] … must be assessed only … at the date of filing*…."

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APE TEES IMPACT ON UK RIGHTS OWNERS

- Decision of principle that could have turned out differently. Doesn't sit well when comparing UKIPO's approach.
- But CJEU has ruled. Consequences for pending GC appeals relying on UK rights or evidence, unless you have other grounds.
- Nowhere - identical device element. Bad faith invalidity option?
- Not DOA yet? Doesn't cover everything. APE TEES concerned Art 8(4). CJEU does not interpret or mention Art 8(5) reputation.
- CJEU didn't decide that the EUIPO can categorically exclude all evidence relating to the UK.
- Did not decide that such evidence can be excluded when the earlier right on which the opposition is based is a registered EUTM that continues to exist at the time of the relevant (final) EUIPO decision.

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APE TEES - 3 MAIN CRITICISMS

- Doctrinal perspective: Aspects of CJEU's reasoning open to criticism.
- Main headline: Feels political. Find a way to end to Brexit issue. UK can't have its cake & eat it. 8(4) interpretation 'present tense' & reliance on Budvar to find a hook.
- 3 main criticisms:

1. IT'S A REGISTER CONFLICT:

- Oppositions are register conflicts. Not infringement. Very formulistic point of law/process.
- It's really about CJEU's 'purposive interpretation' (paras 114-121)
- CJEU's objective doesn't really answer the questions. Doesn't mesh well with idea of register conflict.
- Nothing wrong with GC interpretation of 8(4). Register conflicts are about who's first, who has earlier right to substantiate that. CJEU's purposive approach shouldn't end up with unfair result.

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APE TEES - 3 MAIN CRITICISMS

2. WITHDRAWAL AGREEMENT DOESN'T MENTION IT. BUDVAR?!:

- WA doesn't cater for the issue in APE TEES re after Brexit transition period.
- Answer is it's not 'retroactive'. These UK rights *did* exist during the transition period.
- CJEU's textual/contextual interpretation (paras 103-107) open to major criticism.
- Reliance on BUDVAR (C-96/09) i.e. saying you need to look at moment of decision & if right invalid makes no sense.
- BUDVAR n/a to APE TEES - invalidity case. Invalidity has retroactive effect - right should have never existed. Different to an opposition.
- Brexit doesn't have retroactive effect. Weird gap between Brexit & end of transition period – the UK rights existed. Budvar n/a to Brexit but CJEU says it is.

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APE TEES - 3 MAIN CRITICISMS

3. CAN OF WORMS: CONSEQUENCES FOR OPPOSITIONS/OPPONENTS:

- CJEU confirmation of 2 or more dates to meet is huge burden on all opponents, not just UK owners.
- E.g. of why it's a problem: What about 8(5) reputation? How do you meet 2 dates? Could be years between evidence & decision. Evidence only goes to filing date.
- How will EUIPO realistically determine a repute still exists by 2nd date? File extra evidence? How is this going to work?
- No logic to the 2 relevant dates point. CJEU grammatical point on Art 8(4) illogical & frustrating. What legislator would do that? Let's use 'past tense' here but next part 'present tense'. Totally left field.
- AG's opinion was common sense, like GC's judgment.
- BoA withdrawing its 1st decision & issuing a 2nd after Brexit is 'interesting'. Let's look at the table again.

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Timeline	BASMATI	APE TEES	SHOPIFY
1. Application contested mark	14 June 2017	30 June 2015	8 May 2017; 4 May 2018 (registered)
2. Initiation opposition / cancellation action	13 October 2017 Opposition (based on earlier non-registered UK right)	8 March 2016 Opposition (based on earlier non-registered UK rights)	22 March 2019 Cancellation (based on EUTM, w/ enhanced distinct. Evidence from UK)
3. Decision OD/CD	5 April 2019	20 September 2017	6 February 2020
4. Appeal to BoA	16 May 2019	17 November 2017	28 February 2020
5. Decision BoA	2 April 2020	8 October 2018 (1st decision) 29 April 2019 (BoA revokes 1st decision) 10 February 2021 (2nd BoA decision) (Post-Brexit)	18 February 2021 (Post-Brexit)
6. Appeal to GC	2 June 2020	7 January 2019 (1st GC appeal). 10 April 2021 (2nd GC appeal) (post Brexit)	18 April 2021 (Post-Brexit)
7. Decision GC	6 October 2021 (Post-Brexit) Opponent sustains legitimate interest in outcome of proceedings	16 March 2022 (Post-Brexit) Can rely on earlier UK rights. Filing date of contested mark is relevant point in time to assess opposition basis. Now reversed by CJEU - 2 dates.	12 October 2022 (Post-Brexit) Can't rely on earlier UK evidence because filing date of contested mark AND decision are the relevant points in time to assess cancellation basis.

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CASE C-751/22 P SHOPIFY v EUIPO - ROSSI & OTHERS

- Same issue of interpretation raised before CJEU in pending case C-751/22 P Shopify/EUIPO.
- Invalidity case under Art 53(1) Regulation No 207/2009 (now Art 60(1) Regulation 2017/1001).

Shoppi

Background:

- 8 May 2017: Registered proprietor[s] Mr Massimo Carlo Alberto Rossi, Mr Salvatore Vacante & Shoppi Ltd filed the contested EUTM for word & device mark SHOPPI.
- 4 May 2018: Registered in classes 9, 35 and 38.
- 22 March 2019: Shopify Inc.(“Shopify”) filed cancellation/invalidity application based on earlier EUTM SHOPIFY with enhanced distinctiveness, which included evidence from the UK.

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CASE C-751/22 P SHOPIFY v EUIPO

EUIPO 1st instance cancellation decision 6 February 2020:

- Cancellation Division invalidated Shoppi's mark finding LOC - similar marks (SHOPIFY / Shoppi & device) & conflicting goods/services.
- 28 February 2020: Shoppi appealed to BoA (within Brexit transition period).

BoA decision 18 February 2021:

- BoA decision issued post Brexit. Upheld Shoppi's appeal.
- Held no LOC because Shopify's mark had low level of inherent distinctiveness.
- Shopify failed to demonstrate the mark had acquired enhanced level of distinctiveness via its UK evidence because BoA's decision was issued post-Brexit.
- 18 April 2021: Shopify appealed to GC, again post Brexit.

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CASE C-751/22 P SHOPIFY v EUIPO

GC decision (Case T 222/21) 12 October 2022:

- GC dismissed Shopify's appeal for annulment of BoA decision.
- BoA correct to find "SHOP" element descriptive & "IFY" didn't improve mark.
- BoA correct not to accept evidence from UK to substantiate enhanced distinctiveness because the contested BoA decision taken post-Brexit.
- Filing date of Shoppi's later mark (8 May 2017) was date for assessing distinctiveness. But case law required owner of earlier right to establish they could prohibit use of later EUTM on filing date AND on date of EUIPO's final decision.
- Because UK evidence n/a Shopify couldn't establish its mark had enhanced DC.
- So, GC considered that in cancellation proceedings the proprietor of an industrial property right, particularly an earlier mark, must establish that he/she may prohibit the use of the EUTM at issue, not only on the filing or priority date of that mark but also on the date on which EUIPO decides on declaration of invalidity.

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CASE C-751/22 P SHOPIFY v EUIPO

GC decision (Case T 222/21) 12 October 2022:

- GC para 98: Distinguishes from BASMATI - contested decision in SHOPIFY after Brexit. Basmati contested decision was before.
- Complete 360 to APE TEES because of timeline difference.
- GC noted '*fundamental principle of territoriality of intellectual property rights*' meant UK public post Brexit no longer part of EU 'relevant public' because no conflict could arise in the UK between the two marks after the end of the Brexit transition period
- Shopify appealed to CJEU & has requested CJEU set aside GC judgment.

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CASE C-751/22 P SHOPIFY v EUIPO

CJEU Appeal C-751/22 (decision pending)

- Shopify appeal criticises paras 96 - 104 of GC decision disregarding its UK evidence because in invalidity proceedings you must be able to prohibit use of contested mark on filing date AND date of BoA decision, which is after Brexit transition period.
- Shopify argues GC disregarded wording of second subpara of Art 53(1) Regulation No 207/2009 - all conditions for successful invalidity action must be fulfilled at filing date of contested mark.
- Shopify CJEU appeal has single ground - determining question of date on which you need to assess whether the conditions of Art 53(1) are satisfied.
- Does invalidity applicant have to establish existence of relative ground only on priority / filing date of contested mark? OR is it required to also establish the existence of relative ground on the EUIPO decision date?

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SHOPIFY IMPACT ON UK RIGHTS OWNERS

- Shopify different to APE TEES - based on an EUTM. More relevant to my own appeals under Art 8(5).
- In light of APE TEES, hard to see SHOPIFY not going the same way - CJEU saying the GC is right this time.
- Either way, hopefully obtain clarity on question of whether after Brexit, recognition acquired in UK for EUTM (that was still alive by the EUIPO decision) should be disregarded.
- Interesting to see if CJEU say invalidity provision Article 53(1) Regulation No 207/2009 is drafted in the same 'past and present tense' way as Art 8(4).
- E.g. Art 53(1)(a): "*[an EU] trade mark shall be declared invalid on application to [EUIPO] ... where there is an earlier trade mark as referred to in Article 8(2) [of that regulation] and the conditions set out in paragraph 1 or paragraph 5 of that Article are fulfilled*".
- Timeline in SHOPIFY is different to APE TEES

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Timeline	BASMATI	APE TEES	SHOPIFY
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MY OWN APPEALS

- **27 February 2026/4 March 2026: Deadlines to submit comments on our GC appeals on conclusions GC should draw from CJEU APE TEES for outcome of our cases.**
- **Argued that wording of 8(5) is different to 8(4)- there is no contrast (in past and present tense) between sections (a) and (b). Wording in 8(5) far more temporally ambiguous:**

- **"5. *Upon opposition by the proprietor of a registered earlier trade mark within the meaning of paragraph 2, the trade mark applied for shall not be registered where it is identical with, or similar to, an earlier trade mark, irrespective of whether the goods or services for which it is applied are identical with, similar to or not similar to those for which the earlier trade mark is registered, where, in the case of an earlier EU trade mark, the trade mark has a reputation in the Union or, in the case of an earlier national trade mark, the trade mark has a reputation in the Member State concerned, and where the use without due cause of the trade mark applied for would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark*."**

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MY OWN APPEALS

- **But CJEU/GC could decide that Art 8(5) is also formulated in present tense ("*shall not be registered*", "*has a reputation*", "*use … would take unfair advantage of or be detrimental to*"). So, it may apply same grammatical "*logic*" & same systematic & purposive approach.**
- **Continued existence and enforceability of our earlier registered EUTMs: Our appeals concern opposition based on Art 8(5) relying on earlier registered EUTMs whose existence & enforceability in EU have continued post Brexit.**
- **Not an 8(4) opposition based on non-registered mark whose EU enforceability ceased because of Brexit.**
- **We have other grounds of appeal not impacted directly, e.g. the EUIPO and BoA misapplied Art 8(5), particularly assessing the link and other conditions.**

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MY OWN APPEALS/FINAL COMMENTS

- Our cases revolve around question of whether EUIPO's BoA was correct to categorically exclude UK-linked evidence in its assessment, even though the earlier rights on which the opposition was based were registered EUTMs that continue to exist at the time of the relevant (final) EUIPO decision.
- APE TEES doesn't justify categorical exclusion of UK-linked evidence in opposition proceedings based on Art 8(5) where opponent relies on EUTMs whose existence & reputation are confirmed on EUIPO's (final) decision date.
- Because of these fundamental differences, CJEU's interpretation of Art 8(4) in APE TEES of limited relevance to our appeal.
- See what GC says.
- Whole thing seems illogical - priority filing analogy. Original filing adequate to establish a filing date regardless of its subsequent fate.

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MY OWN APPEALS/FINAL COMMENTS

EUIPO's response observations to GC in our appeals:

Requested GC stay proceedings pending outcome of SHOPIFY:

- *"Judgment in … [APE TEES] concerns the situation in which the earlier (UK) mark, as a legal consequence of the end of the transition period, ceased in toto to be protected in the EU. In the present case [our appeal], the earlier (EUTM) mark has, as legal consequence of the end of the transition period, only ceased to be protected in the UK, territory for which the Applicant [we] claimed that this mark had acquired an extended scope of protection resulting from its recognition among the relevant public in the UK."*
- *"The Applicant [us] submits in the present case that the BoA erroneously disregarded the evidence pertaining to the UK in the context of assessing reputation under … Article 8(5)."*
- *"The question whether, after the end of the transition period, recognition acquired in the UK could be disregarded, has not been decided by … [APE TEES] but is (in the context not of an opposition but of invalidity proceedings) the subject matter of the pending appeal in Case C-751/22 P, Shopify v EUIPO …"*