

Locke Lord QuickStudy: SkyKick – What Brand Owners Need to Know

Locke Lord LLP

WRITTEN BY

Leigh Smith

On 13 November 2024 the UK Supreme Court handed down its decision in the case of SkyKick UK Ltd and Sky Ltd (full decision [here](#)). By the time the long-running dispute reached the Supreme Court, the key point in issue was whether the practice of filing a trade mark application for goods and/or services for which the applicant could not reasonably be said to have a genuine intention to use the marks applied for constituted bad faith, and therefore a ground to invalidate the subsequent registration.

For context, applications for UK trade marks only require an intention to use the mark. Once a registration is granted, the applicant has a grace period of five years to commence use, after which the registration becomes vulnerable to revocation due to non-use. This means that in the UK an applicant can secure a broad monopoly for a trade mark for five years, with no obligation to commence use.

The Supreme Court has now confirmed that the practice of filing a trade mark specification which is broader than the goods and/or services for which the applicant had a genuine intent to use the mark can constitute bad faith, and can result in the invalidity of a registration (or refusal of an application) in relation to those goods/services lacking such intention. This includes both filing broad specifications and the use of broad categories of goods or services with a specification. Although we await to see how the Supreme Court's decision will be implemented in practice, the judgment provides some important guidance for brand owners when drafting specifications, or when considering enforcing a broad specification:

- Filing a broad specification or using broad categories within that specification (e.g. “computer software”) does not in of itself constitute bad faith.
- However, if it is reasonable to infer from the size and nature of the specification and all “other circumstances” that there was no genuine intent to use the mark in respect of the specification, this can rebut the presumption that an application was filed in good faith.
- “Other circumstances” include the size and nature of the applicant’s business, but also factors such as the applicant’s enforcement strategy. Enforcement in respect of goods and services within a specification but not reasonably likely to be part of the applicant’s future business activities is likely to be construed as an abuse of the trade mark system, rather than a legitimate attempt to defend a necessary monopoly.
- An application to register a broad category of goods or services (e.g. “computer software”) may be made partly in good faith, and therefore if a brand owner adopts a broad category in its specification it would be prudent to include a narrower sub-category within the specification as well in case the specification is subsequently challenged.
- An applicant may be able to avoid a finding of bad faith by demonstrating a reasonable explanation and justification for the specification. Retaining contemporaneous documents evidencing the business rationale for the specification where available is likely to be useful in this context.

- The judgment is not intended to undermine the five-year grace period to commence use, and the Supreme Court recognised its importance for the growth and expansion of businesses in the UK. What is clear however is that the grace period no longer provides for automatic enforceability of a trade mark across its entire specification.
- The specification is only vulnerable to the extent there was no genuine intent to use the mark for those goods and services. A finding in respect of some goods or services does not risk the validity of the entire registration.

Following this judgment, if a brand owner wants to file a specification which includes goods or services which it does not currently offer, the brand owner should be mindful that a court or the registry is likely to look more closely at the commercial rationale for the application. Brand owners should still seek to draft a fair specification which meets its current and future business plans, and should not expect to be penalised for applying for goods or services not yet in use where it has a genuine intention to commence use in the future. However, it is clear following this judgment that in future brand owners will be expected to take more care in how the protection they seek is framed.

To enforce a registration for goods or services not yet in use by the brand owner, even within the grace period, a brand owner should now anticipate having to justify its decision to protect those goods or services. This does not necessarily require brand owners to revisit their existing specifications, but the impact of this judgment will be keenly felt when taking decisions on enforcement strategies.

RELATED INDUSTRIES + PRACTICES

- [Intellectual Property](#)
- [Trademark + Copyright](#)