#### **TRADE MARKS ACT, 1996**

## **Decision in Hearing**

In the matter of an application for the revocation of the registration of Trade Mark No. 0859762 and in the matter of the registered Holder's opposition thereto.

HOUSE OF FRASER (STORES) LIMITED

Applicant

## BiBA GmbH

Holder

# The registered trade mark

 BiBA GmbH of Daimlerstrasse 3, 47167 Duisburg, Germany is the registered Holder of the trade mark 'BiBA'. The mark is registered under No. 0859762 in Classes 9 and 14 in respect of the following specification of goods:

Class 9: Spectacles and sunglasses.

**Class 14:** Precious metals and their alloys as well as goods made thereof or coated therewith, as far as included in this class; jewellery, fashion jewellery, precious stones, clocks and watches.

The application for registration of the mark was filed under the Trade Marks Act, 1996 (the "Act") with a priority date of 2 February, 2005 which is deemed to be the date of registration. Publication of the registration of the mark appeared in Journal No. 2042 on 22 March, 2006.

## The application for revocation

3. On 1 April, 2011 HOUSE OF FRASER (STORES) LIMITED, a limited liability company organised under the laws of Scotland, of Granite House, 31 Stockwell Street, Glasgow G1 4RZ, Scotland, made an application for the revocation of the registration pursuant to the provisions of Section 51 of the Trade Marks Act, 1996 ("the Act"). The application is grounded on claims the mark, within the period of 5 years following the date of publication of protection, was not put to genuine use in the State, by or with the

consent of the Holder, in relation to any of the goods for which the mark enjoys protection and that there are no proper reasons for such non-use; or if put to use, such use has been suspended for an uninterrupted period of 5 years prior to the present application.

# **Notice of Opposition**

- 4. On 12 April, 2012 the Holder filed a Notice of Opposition to the application together with evidence supporting its claims of use of the mark. The Notice of Opposition describes the Holder as an international fashion company, founded in 1963, with approximately 500 stores and stockage systems worldwide, employing approximately 1150 people.
- 5. Evidence submitted in opposition to the application for revocation consisted of a Statutory Declaration of Vanda Victor Pohl, administrator in the department "Vertical Cooperation" of BiBA GmbH, and 3 supporting exhibits ("VVP1" to "VVP3"). Ms. Pohl states she is responsible for customer services, the management of outgoing invoices and credits for her company's domestic and foreign trading partners.
- 6. Ms. Pohl attached at exhibit "VVP1" photographs showing "BiBA" necklaces including the "BiBA" tag and a product number that her company delivered in 2011 to their trading partner Flairline Fashion Ltd. She states that in 2011 Flairline Fashion Ltd. (who trade as Pamela Scott) supplied 6 stores in Ireland with BiBA products.
- Attached at exhibit "VVP2" are three invoices, dated 19 January 2011, 9 May 2011 and 19 May 2011, all made out to Flairline Fashion Ltd. Attached at exhibit "VVP3" is a list showing mapping the product numbers in the aforementioned invoices to a product description.
- 8. The Application for Revocation became the subject of a hearing before me, acting for the Controller, on 6 March, 2014. The parties were notified on 27 March, 2014 that I decided to revoke the mark in respect of all goods for which the mark stood protected. I now state the grounds of my decision and the materials used in arriving thereat in response to a request by the Opponent in that regard pursuant to Rule 27(2) filed on 3 April, 2014.

**9.** At the Hearing the Applicant for revocation was represented by Jonathan Newman BL, instructed by Bernadette Walsh, Trade Mark Attorney of MacLachlan & Donaldson and the Opponent (Holder) by Louise Carey, Trade mark Attorney of Tomkins & Co.

## **Arguments of the parties**

**10.** Mr. Newman argued that one of the most striking features of the evidence before the Controller is that it completely fails to support the assertions contained in the Notice of Opposition. Mr. Newman argued that the sum total of claimed use by the Holder, within the relevant period, amounted to a single invoice, dated 19 January, 2011 in respect of 22 jewellery items [there are also 4 belts included on the invoice]. The two other invoices post-date the application and must be disregarded. Furthermore, while the single admissible invoice identifies the relevant items as "chains", there is no reference to "BiBA" therein. This was once-off token use, which fell well short of the genuine use threshold that must be met in order to allow the mark to remain on the Register. Also, the January 2011 invoice suggests use was internal between the Holder and its distributor in Ireland, and there is no evidence to suggest any of the 22 items mentioned therein were put on the market in the State for the benefit of the end user. In that regard he argued the circumstances of the instant case were identical to those of *VOGUE*<sup>1</sup>, wherein the Court of Justice of the European Union (CJEU), when considering whether the submission of 670 invoices by the proprietor of the mark at issue constituted genuine use, had this to say at paragraphs 48, 50 and 51:

"48. As for the copies of approximately 670 invoices issued to the opponent by footwear manufacturers and covering all of the relevant period, it must be held, as the Opposition Division observed, that none of them mentions footwear bearing the trade mark VOGUE, and that they are therefore incapable of proving that the opponent was actually selling footwear bearing the earlier mark. Where the word 'vogue' appears on those invoices it is generally attached to the opponent's name to designate the business name VOGUE-SAPATARIA. Hence, the only fact proved by those invoices is that footwear was manufactured for the opponent, not that the footwear models referred to on those invoices bore the trade mark VOGUE.

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50. As regards the extent of the use, it must be held that none of the evidence supplied by the opponent before OHIM demonstrates the volume of footwear sales or the turnover in respect of such sales. In particular, even if the copies of approximately 670 invoices issued to the opponent by the footwear manufacturers relate to footwear

<sup>&</sup>lt;sup>1</sup> Advance Magazine Publishers, Inc. v Office for Harmonisation in the Internal Market , Case T-382/08

with the trade mark VOGUE, it must be stated that those invoices concern the sale of footwear to the opponent, not the sale of footwear with the trade mark VOGUE to end consumers.

51. In addition, it must be observed that additional evidence which could not only have supported the information contained in the declarations of the 15 footwear manufacturers and of the opponent's managing partner, but also have provided proof of the extent of the use of the earlier mark, such as, for example, copies of till receipts, invoices or accounts, brochures, catalogues or advertisements referring to footwear with the trade mark VOGUE offered or issued to consumers during the relevant period on Portuguese territory, is not evidence which it would have been difficult for the opponent to obtain..."

11. Mr. Newman argued there is no evidence of marketing or sales to the public in respect of any of the goods for which the mark is registered. The extremely low volume and value of the sales (22 jewellery items priced between €10.23 and €13.64), represented zero market presence or share for such goods. In support of this point he directed me to *Centrotherm*<sup>2</sup>, wherein the Court of First Instance held, at paragraphs 28 and 29, the following:

"28. As to the extent of the use to which the trade mark at issue has been put, account must be taken, in particular, of the commercial volume of the overall use, as well as of the length of the period during which the mark was used and the frequency of use (see LA MER, paragraph 56 and case-law cited). That assessment entails a degree of interdependence of the factors taken into account. Thus, the fact that commercial volume achieved under the mark was not high may be offset by the fact that use of the mark was extensive or regular, and vice versa (see LA MER, paragraph 57, and case-law cited).

29. However, the smaller the commercial volume of the exploitation of the mark, the more necessary it is for the proprietor of the mark to produce additional evidence to dispel any doubts as to the genuineness of its use..."

- 12. Mr. Newman argued the evidence submitted in support of the registration falls well short of dispelling the doubts as to the genuineness of the marks use. Therefore, any claim to genuine use must be rejected as unrealistic. Furthermore there is no evidence of any kind, or any claim by the Holder, to suggest that its BiBA mark was used on spectacles and sunglasses.
- 13. In reply Ms. Carey argued that use of the mark on invoices and headed paper is considered use of the mark. The photographs submitted in evidence at "VVP1" shows each item has a "BiBA" label and shows the relevant stock number of the jewellery items,

<sup>&</sup>lt;sup>2</sup> Centrotherm Systemtechnik GmbH v. Centrotherm Clean Solutions GmbH & Co. KG (Case T - 434/09)

which are reproduced in the invoices. Therefore the invoices are clearly identifiable with, and are in respect of, the specific jewellery items depicted in exhibit "VVP1".

14. Ms. Carey argues that, while the volume of use may appear small, it still constitutes genuine use. It was well established that in order to avoid revocation, it is sufficient for genuine use to have been made of the trade mark during part of the relevant period, but it is not necessary to prove that the trade mark has been used for a continuous and uninterrupted period. In support of her argument she directed me to an earlier decision of the Controller where, in LELLIKELLY<sup>3</sup>, which concerned an application for revocation, the Hearing Officer (Mr. Tim Cleary), notwithstanding he considered use of the mark at issue to be "very small" he found as follows:

"20 ... The sale by a manufacturer of small quantities of marked goods to a retailer or other distributor who may be considering acquiring larger stocks of those goods is a normal commercial transaction and, as far as the use by the manufacturer of its trade mark on the relevant goods is concerned, I would regard it as "genuine use" of the trade mark. It is, for the Proprietor, use for the purpose of creating a share in the market for the goods identified by its trade mark and it is use that is reasonably likely to achieve that result, if the marked goods are such as to attract the interest of the retailer, distributor or other intermediary, as the case may be.

21. As to the invoice dated 24 April, 2001 and addressed to Papillon of Ennis, Co. Clare, I think it must be assumed that this reflects a transaction in which the recipient of the marked goods purchased them for the purpose of resale. The number and value of the items to which the invoice relates are such as to effectively exclude any other conclusion. I think the invoice is evidence that the Proprietor had, to some extent at least, succeeded in its efforts at attracting interest in the products that it sells under the registered trade mark, which efforts may be inferred from its provision of small quantities of marked goods to other undertakings, as itemised in the other invoices listed above. Nor am I concerned at the fact that no evidence has been given of actual sales of marked goods to the ultimate end-user, i.e., the consumer. It is sufficient, in my view, if the Proprietor can show that it used the mark in a manner that is consistent with its essential function, i.e., to identify the origin of the relevant goods, and for the purpose of creating a share in the market for those goods. The Proprietor's apparent use of intermediaries, such as retailers or distributors, for the purpose of bringing its goods to the market here is a normal and legitimate commercial practice among manufacturers and I think it is reasonable and correct to infer that goods supplied to such intermediaries must have reached the consumer; if they did not, then that would still not justify a finding that the Proprietor did not make genuine use of the trade mark under which it marketed the relevant goods.

22. It will be clear from the foregoing that I am satisfied that the Proprietor has shown that it made actual use of the registered trade mark as a trade mark for footwear within the relevant period. The amount of the use shown is admittedly very

<sup>&</sup>lt;sup>3</sup> TRAVEL HURRY PROJECTS LIMITED v. STEFCOM S.P.A., 21 March 2005

small but it is, nevertheless, "genuine" insofar as it served to identify the Proprietor's goods to third parties with whom the Proprietor could reasonably have expected to develop a trading relationship for the purpose of creating a share in the market for its goods. It was not use that could be characterised as internal to the Proprietor and nor have I any reason to believe that it was token use, intended merely to preserve the Proprietor's rights under the registration and to stave off an attack on grounds of non-use. While I regard this as a borderline case, I think that even the small amount of use of the mark shown by the Proprietor is sufficient to justify rejection of the application for revocation of the registration."

15. Ms. Carey also directed me to ANSUL<sup>4</sup>, arguing that the use made by the Holder fell within the parameters identified by the CJEU, when in reply to a reference from the Supreme Court of the Netherlands regarding the definition of "genuine use", the Court had this to say:

"Article 12(1) of the Directive must be interpreted as meaning that there is genuine use of a trade mark where the mark is used in accordance with its essential function, which is to guarantee the identity of the origin of the goods or services for which it is registered, in order to create or preserve an outlet for those goods or services; genuine use does not include token use for the sole purpose of preserving the rights conferred by the mark. When assessing whether use of the trade mark is genuine, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, particularly whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark, the nature of those goods or services, the characteristics of the market and the scale and frequency of use of the mark."

- 16. While the evidence laid before the Controller did not specifically identify goods for which the mark is registered in Class 9 (spectacles and sunglasses), Ms. Carey argued those goods were fashion items and are readily interchangeable and associated with the goods the Holder has used its BiBA mark on in Class 14.
- 17. Ms. Carey's contention was that the Holder used the mark within the relevant period, on goods for which the mark is registered, that such use constitutes genuine use within the definition of the Court, and that the circumstances of this case were on a par with LELLIKELLY. Accordingly the Controller must allow the mark to remain on the Register.

<sup>&</sup>lt;sup>4</sup> Ansul BV v. Ajax Brandbeveiliging BV, Case C-40/01

#### The law

18. The relevant section of the Act is Section 51, which is written in the following terms:

- "(1) The registration of a trade mark may be revoked on any of the following grounds (a) that, within the period of five years following the date of publication of the registration, the trade mark has not been put to genuine use in the State, by or with the consent of the proprietor, in relation to the goods or services for which it is registered, and there are no proper reasons for non-use;
  - (b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;

#### Decision

- 19. The Holder confined its evidence of use to goods in class 14. While an attempt was made to link goods in Class 9 with those of Class 14, such a proposition is unsustainable and must be rejected. I find there has not been any use of the Holder's BiBA mark on "*spectacles and sunglasses*" in Class 9 and, accordingly, I must revoke the registration in respect of those goods.
- 20. The Holder describes itself as an international fashion company, with approximately 500 stores and worldwide distribution networks, employing approximately 1150 people. In order to sustain such a huge organisation the Holder must have significant market penetration and sales. However, it is striking that it cannot produce any more than a single invoice, during the relevant 5-year period, in respect of trade in the goods in Class 14 (*precious metals and their alloys as well as goods made thereof or coated therewith, as far as included in this class; jewellery, fashion jewellery, precious stones, clocks and watches*). The date of the single relevant transaction is just two months prior to the expiration of the period wherein use of the mark must be made in order to stave off an action for revocation. I am not suggesting it was not a genuine transaction, but its timing did cause me to wonder. In any event I am satisfied that nothing turns on it.
- 21. I accept that, depending on the nature of the goods, a single transaction over a five-year period may be considered genuine use. For example, manufacturers of nuclear submarines or the producers of block-buster movies may output only one product during such a period. It is therefore clear that each case must be considered on its merits and that the nature of the goods, the average consumer, the characteristics of the market and the

frequency and scale of the use of the mark are significant factors. The nature of the goods at issue is such that the average consumer must be deemed to be the general public. While no market data regarding sales of the goods in question is available to me, I am satisfied the general public purchase tens of thousands of the goods, covered by the registration, in Ireland on an annual basis. In my opinion, the sale by the Holder of 22 jewellery items, in a single transaction, over a period of five years cannot be deemed sufficient to meet the qualification identified by the CJEU in ANSUL<sup>5</sup> that genuine use of a mark is established when the mark is "used in accordance with its essential function, which is to guarantee the identity of the origin of the goods or services for which it is registered, in order to create or preserve an outlet for those goods or services".

- 22. In these proceedings, one single transaction between a producer and distributor, for goods which may not have been placed on the market for the benefit of the end consumer, does not demonstrate the creation of an outlet for the goods. There was no market created nor was there an existing market to preserve. Use of the mark by the Holder, at best, can only be described as token, which is not sufficient to permit me to allow the mark to remain on the Register. The Holder has failed to use the mark in accordance with its essential function and, therefore, I must revoke the registration in respect of all goods.
- 23. By virtue of Section 51(6) of the Act, the revocation of the registration of a trade mark has the effect that the rights of the Holder shall be deemed to have ceased from (a) the date of the application for revocation, or (b) if the Controller is satisfied that the grounds for revocation existed at an earlier date, that date. In the present case I am satisfied that the appropriate effective date of revocation for all goods is five years from the date of publication of the registration, namely 23 March, 2011.

Dermot Doyle Acting for the Controller 13 June, 2014

<sup>&</sup>lt;sup>5</sup> Ansul BV v. Ajax Brandbeveiliging BV, Case C-40/01