

You are in preview mode

DISABLE PREVIEW MODE

30 Apr
2019

General Court: outward use not necessarily aimed at end consumers

European Union - [Boehmert & Boehmert](#)

- Hesse sought partial revocation of Wedl & Hoffmann's TESTA ROSSA mark on ground of lack of genuine use
- Cancellation Division revoked all rights in respect of all goods/services; Board of Appeal partially annulled decision with regard to goods in Classes 21 and 25 for which admissible and sufficient evidence of use had been provided
- General Court agreed with Board of Appeal that mark had been used publicly and outwardly for these goods

In [Hesse v European Union Intellectual Property Office](#) (EUIPO) (Cases T-910/16 and T-911/16, 4 April 2019) the Fifth Chamber of the General Court has dismissed the parties' actions in revocation proceedings involving the EU figurative mark TESTA ROSSA, rejecting arguments relating to proof of use and equal treatment.

Background

In July 2008 the applicant in Case T-911/16 and intervener in Case T-910/16, the German company Wedl & Hoffmann GmbH, sought registration of the figurative EU trademark (EUTM) TESTA ROSSA for goods and services in Classes 7, 11, 20, 21, 25, 28, 30, 34 and 38. The mark was registered in May 2009.

In October 2014 the applicant in Case T-910/16 and intervener in Case T-911/16, Mr Kurt Hesse, filed an application for partial revocation for lack of genuine use under Article 51(1)(a) of Regulation 207/2009 (now Article 58(1)(a) of Regulation 2017/1001).

Wedl & Hofmann timely submitted observations regarding the use of the contested mark, but only furnished all the evidence of use by post, which arrived at the EUIPO after the expiry of the time limit. Moreover, the company submitted additional documents to prove use three months later.

The Cancellation Division revoked all rights in respect of all goods and services covered by the application for revocation. Upon appeal by Wedl & Hofmann, the First Board of Appeal of the EUIPO

partially annulled the Cancellation Division's decision with regard to the goods in Classes 21 and 25 ("tableware, clothing") for which the Board of Appeal found that the German company had submitted admissible and sufficient evidence of use. The board underlined the discretion granted to the EUIPO to decide whether to take into account evidence which was submitted or produced late (Article 95(2) of Regulation 2017/1001). Moreover, commercial acts directed at industrial customers such as licensees and franchisees also constituted genuine outward use, and that such outward use did not require use aimed at end consumers. Finally, the Board of Appeal found that there had been no genuine use of the contested mark in connection with the remainder of the goods and services covered by the application for revocation.

Both parties filed actions. Hesse claimed that Wedl & Hofmann's rights should be revoked also in respect of the contested goods in Classes 21 and 25. The German company claimed that sufficient proof of use had been provided in respect of all the goods and services and, therefore, the Board of Appeal should have annulled the Cancellation Division's decision in its entirety.

General Court decision

The court found that there had been no infringement by the Board of Appeal of the provision allowing the revocation of a trademark which has not been put to genuine use in the European Union within a continuous period of five years (Article 58(1)(a) of Regulation 2017/1001), as claimed by both parties. The Board of Appeal had rightfully found that, on the one hand, sufficient proof for genuine use had been provided for goods in Classes 21 and 25, and, on the other hand, there had been no genuine use of the contested mark in connection with goods and services other than the contested goods in those two classes.

In particular, the court relied on the following arguments:

- The admissibility of the evidence submitted by Wedl & Hofmann before the Cancellation Division (late filing) was not disputed by the parties, in particular as Hesse did not seek an annulment on the basis of an error of law by the Board of Appeal, but only claimed that the action brought by Wedl & Hofmann should be dismissed.
- The court agreed with the Board of Appeal's finding that the mark had been used publicly and outwardly, which did not necessarily require use aimed at end consumers. Wedl & Hofmann operated a chain of "coffee bars" through franchisees and licensees which sold the contested goods in Classes 21 and 25 on the market to end consumers, making the fact that Wedl & Hofmann did not have any direct relations with end consumers irrelevant.
- The court also agreed with the Board of Appeal in rejecting Hesse's argument that the provision of the contested goods in Classes 21 and 25 had no commercial reason other than the promotion of other goods and services covered by the contested mark, such as coffee or coffee bar services. In particular, it was clear from the advertising material, franchise brochures and lists of sales furnished as evidence by the German company that those goods in Classes 21 and 25 were offered separately, with order numbers and the volumes and values of the sales, independently of "coffee", and that Wedl & Hofmann sought to create or preserve outlets for the contested goods in Classes 21 and 25 on a market on which other undertakings are present.
- The court disagreed with Wedl & Hofmann's argument that sufficient use had been provided also in respect of goods and services other than the contested goods in Classes 21 and 25 as no evidence (eg, for "coffee grinders" in Class 7 or "furniture" in Class 20) or insufficient

evidence - with almost insignificant sales volumes for “smoker articles” and “matches” in Class 34 - had been provided to establish that those goods had been sold in the European Union.

- Finally, the court rejected Wedl & Hofmann’s plea alleging infringement of the principle of equal treatment. The German company argued that, as a small undertaking, it faced more difficulties to prove genuine use. According to the court, however, the Board of Appeal had already carried out the necessary overall assessment to prove that there had been genuine use. There was no difference in treatment depending on the size of the undertaking, since the genuine nature of the use is assessed having regard to objective criteria, regardless of the size of the undertaking.

Comment

The decision is based on the relevant leading cases concerning proof of genuine use, and its findings are not surprising. The decision does not contribute to further development of the case law.

Nevertheless, the court’s confirmation that there is a delimitation between merely promotional, non-genuine use of certain goods and genuine use of independent goods (eg, glass beverage ware or merchandising goods such as shirts in the context of a chain of coffee bars) is of interest.

Florian Schwab

Boehmert & Boehmert

TAGS

[Portfolio Management](#), [Enforcement and Litigation](#), [Consumer Goods](#), [Food and Beverage](#), [European Union](#), [Europe](#)