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The European Union for Georgia



THE ASSESSMENT OF THE PROOF OF USE BEFORE THE BOARDS OF APPEAL

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EU Georgia project, funded by the European Union and implemented by the European Union Intellectual Property Office (EUIPO)

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What is genuine use?

Genuine use of a trade mark exists 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 requires **actual use** on the market of the registered goods and services **and does not include token use** for the sole purpose of preserving the rights conferred by the mark, nor use which is **solely internal** (11/03/2003, C-40/01, Minimax, EU:C:2003:145, in particular § 35-37, 43).

According to Article 19(1) EUTMDR in conjunction with Article 10(3) EUTMDR, the indications and evidence of use must establish **the place, time, extent and nature of use** of the contested trade mark for the goods and/or services for which it is registered.

In opposition proceedings, Proof of Use (PoU) is only required **if the applicant so requests** (it is not ex officio examination).

(1) Time of use

- The opponent (in opposition actions) / EUTM holder (in cancellation actions) has to prove use of the earlier trade mark pursuant to Article 47(2) EUTMR during the **five-year period** preceding the **date of filing of the contested application**. It means in principle that the evidence filed to prove use should **concern the relevant period** of five years.
- However, in assessing the genuineness of use during the relevant period, it is **not precluded** to take into account, where appropriate, of any circumstances subsequent to that filing. Such circumstances may make it possible to **confirm or better assess the extent to which the trade mark was used during the relevant period** (03/10/2019, T-666/18, ad pepper (fig.), EU:T:2019:720, § 65-69).
- **Undated documents are usually not acceptable:** However, images of products/product packaging which are undated may serve to show how the mark was used in relation to the relevant goods and to provide information regarding the type of goods the proprietor manufactures and markets, and therefore cannot be ignored in the evidence's overall evaluation (13/02/2015, T-287/13, HUSKY, EU:T:2015:99, § 67-68).

(2) Place of use

- The evidence must show that the contested EUTM has been genuinely used **in the European Union**.
- What about **import and export**?
 - According to Article 18(1), second subparagraph, point (b) EUTMR, affixing the European Union trade mark to goods or the packaging thereof in the **Union solely for export purposes** also constitutes use.
 - Import-export is a normal, everyday activity for undertakings, necessarily involving at least two countries and it is established case law that **genuine use may result from the export to a single operator located outside Europe**, who can be an intermediary, for the purpose of selling to the end consumer in a non-EU country. Moreover, proof that the products have been put on the market in the non-EU importing country is not required (04/06/2015, T-254/13, STAYER, EU:T:2015:156, § 57-61).



(3) *Nature of use: Use as a trade mark*

- Nature of use requires, inter alia, that the contested EUTM is used as a trade mark, that is, **for identifying origin**, thus making it possible for the relevant public to distinguish between goods and services of different providers (use as a TM).
- **Parallel use as a company name:** The fact that a word element is used as the company's trade name does not preclude its use as a mark to designate goods:

Where the trade mark, is systematically placed in the header of the invoices, as the first element above the indication of the company name, its use **goes beyond the mere identification of a company**, and **additionally makes a reference to the commercial origin of the services provided**. The design of the invoices therefore allows a close connection between the sign and the invoiced services (03/10/2019, T-666/18, ad pepper (fig.), EU:T:2019:720, § 82).

(4) Nature of use: Use of the mark as registered

- ‘Nature of use’ in the context of Article 10(3) EUTMDR further requires evidence of **use of the mark as registered**, or of a **variation** thereof which, pursuant to Article 18(1)(a) EUTMR, **does not alter the distinctive character** of the contested EUTM.

Registered as:	Used as:
	

- The above use accepted: The use of **different colours that are not particular original is not distinctive or dominant and does not have the effect of altering the mark as registered** (03/10/2019, T-666/18, ad pepper (fig.), EU:T:2019:720, § 45-46).

(5) *Extent of use: use in relation to the registered goods - I*

- Concerning the extent of use, it is settled case-law that 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** (e.g. 08/07/2004, T 334/01, Hipoviton, EU:T:2004:223, § 35).
 - The Court has held that '[u]se of the mark need **not ... always be quantitatively significant** for it to be deemed genuine, as that **depends on the characteristics of the goods or service** concerned on the corresponding market' (11/03/2003, C 40/01, Maximax, EU:C:2003:145, § 39).
 - **No threshold:** It is not possible to determine a priori, and in the abstract, what quantitative threshold should be chosen in order to determine whether use is genuine or not. **A *de minimis* rule cannot therefore be laid down.** When it serves a real commercial purpose, even minimal use of the mark can be sufficient to establish genuine use (27/01/2004, C-259/02, Laboratoire de la mer, EU:C:2004:50, § 25, 27).

(5) Extent of use: use in relation to the registered goods - II

- **Invoices:** Invoices are often **key** when assessing the extent of use. If a party files invoices proving sales during **a significant part of the relevant 5-year period**, the extent of use is likely to be proven.
- Example: The invoices for the following amounts were sufficient to prove use in relation to wine (19/04/2021, R 1453/2020-2, ALTA MORA (fig.) / Las moras):

Since 05/11/ 2010	2011	2012	2013	2014	Until 04/11 /2015
		2.100,00	4.500,00	3.850,00	
		6.300,00	1.150,00	2.850,00	
		2.100,00	1.150,00	1.155,00	
		2.100,00	1.250,00	3.610,00	
		3.600,00	3.360,00	7.590,00	
		3.600,00	4.600,00	5.415,00	
		5.265,00	4.500,00	6.555,00	
		3.500,00	2.300,00	6.650,00	
		3.510,00	17.671,00		
		2.250,00	132,00		
			18.300,00		
			7.560,00		
			10.200,00		
			5.062,50		

(5) *Extent of use: use in relation to the registered goods - II*

- However, invoices proving sales of:
 - 22 packages of *high calcium milk powder product* for a unitary price of EUR 7.95; and
 - 28 for *goat milk powder/product* for a unitary price of EUR 14.95,
 - resulting in the total overall turnover achieved **593.5 EUR for the entire period of 5 years**

were viewed as too modest quantities with regard to the relevant market (everyday consumption goods, sold at a very reasonable price) (11/03/2021, R 924/2020-2, Primalac).

(5) Extent of use: use in relation to the registered goods - III

- **Advertising/promotional activities:** advertising and promotional activities can also help proving use, especially if the invoices are scarce.
- **The general benchmark:** Overall, it is sufficient if the evidence of use proves that the trade mark owner **has seriously tried to acquire or maintain a commercial position in the relevant market**. However, **not just any proven commercial exploitation can automatically be qualified as genuine use** of the mark in question (17/07/2014, C-141/13 P, Walzer Traum, EU:C:2014:2089, § 32). Use may still be insufficient even where commercial exploitation has been proven to a certain extent.

(5) *Extent of use: use in relation to the registered goods - IV*

- **Partial use/Subcategory:**

The evidence submitted can only prove use in respect of **some** of the goods or services for which the contested mark is registered:

14/07/2005, T-126/03, Aladin, EU:T:2005:288 ('Aladin-case'):

If a trade mark has been registered for a category of goods or services which **is sufficiently broad for it to be possible to identify within it a number of subcategories capable of being viewed independently**, proof that the mark has been put to genuine use in relation to a part of those goods or services affords protection, in opposition proceedings, **only for the subcategory or subcategories to which the goods or services for which the trade mark has actually been used belong**. However, if a trade mark has been registered for goods or services defined so precisely and narrowly that it is not possible to make any significant sub-divisions within the category concerned, then the proof of genuine use of the mark for the goods or services necessarily covers the entire category for the purposes of the opposition.

(5) Extent of use: use in relation to the registered goods - VI

14/07/2005, T-126/03, Aladin, EU:T:2005:288 ('Aladin-case'):

Although the principle of partial use operates to ensure that trade marks which have not been used for a given category of goods are not rendered unavailable, **it must not, however, result in the proprietor of the earlier trade mark being stripped of all protection for goods** which, although not strictly identical to those in respect of which he has succeeded in proving genuine use, **are not in essence different from them and belong to a single group which cannot be divided other than in an arbitrary manner.** The Court observes in that regard that in practice it is impossible for the proprietor of a trade mark to prove that the mark has been used for all conceivable variations of the goods concerned by the registration. Consequently, the concept of 'part of the goods or services' cannot be taken to mean all the commercial variations of similar goods or services but merely goods or services which are sufficiently distinct to constitute coherent categories or subcategories.

(5) *Extent of use: use in relation to the registered goods - VII*

- 14/07/2005, T-126/03, Aladin, EU:T:2005:288 ('Aladin-case'):
[Furthermore,] allowing an earlier trade mark to be deemed to be registered only in relation to the part of the goods or services in respect of which genuine use has been established ...
must be reconciled with the legitimate interest of the proprietor in being able in the future to extend his range of goods or services, within the confines of the terms describing the goods or services for which the trade mark was registered, by using the protection which registration of the trade mark confers on him.
- By way of example:
 - If a TM is registered for 'Clothing' but the evidence shows only female clothing, the PoU will be accepted only for 'women clothing'.
 - If a TM is registered for beverages but the evidence shows only sale of wine, the PoU will be accepted only for 'wine'.

Final considerations concerning opposition proceedings - I

- **PoU not always needs to be examined:** Even if the applicant requested PoU, there is no need to assess it **if it is irrelevant to the outcome of the case** (15/02/2005, T 296/02, Lindenhof, EU:T:2005:49, § 41, 72). This is especially true if the conflicting goods and services are dissimilar; or the signs are dissimilar.
- **Formal requirements:** The applicant must request the PoU **in a separate document**. If it is requested in the Statement of Grounds, such request is invalid. This is due to Article 10(1) EUTMDR which establishes that a request for proof of use must be unconditional and contained in a separate document.

Final considerations concerning opposition proceedings - II

- **Deadline to request PoU:** The applicant's deadline for filing **its observations in reply to the notice of opposition** (during the first instance procedure). If made for the first time before the Board, it is inadmissible (Article 8(2) EUTMDR and Article 27(3)(c) EUTMDR).
- **Must be specifically raised before the Board:** the Board can examine the issue of genuine use of the earlier mark *only if a party raises it specifically before it* (24/09/2015, T-382/14, PROTICURD, EU:T:2015:686, § 24 and the case-law cited). In other words, when the issue of genuine use of the earlier mark is not specifically raised before the Board, it must be considered as not being part of the subject matter of the proceedings before the Board (06/06/2018, T-803/16, SALMEX, ECLI:EU:T:2018:330, § 27; 12/03/2014, T-592/10, BTS, EU:T:2014:117, § 21).



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