

O-148-15

TRADE MARKS ACT 1994

IN THE MATTER OF

TRADE MARK REGISTRATION 1396594

**IN THE NAME OF P.J. WATSON LIMITED
OF THE FOLLOWING TRADE MARK IN CLASS 14:**

JOY

AND

**AN APPLICATION (NO. 500286) BY PANDORA A/S
TO REVOKE THE REGISTRATION ON GROUNDS OF NON-USE**

O-148-15

The background and the pleadings

1. The trade mark JOY (“the mark”) the subject of this dispute, was filed by P.J. Watson Limited (“the proprietor”), on 13 September 1989. The mark was entered on the register on 31 March 1995. The mark is registered for the following goods in class 14: “Gemstones and imitations thereof; jewellery and imitation jewellery; watches and clocks; all included in Class 14.”

2. Pandora A/S (“the applicant”) seeks revocation of the registration on grounds of non-use under section 46(1)(b) of the Trade Marks Act 1994 (“the Act”). It claims that the mark has not been put to use in the United Kingdom by the proprietor or with his consent between 6 December 2008 and 5 December 2013 (“the relevant period”). Success for the applicant would result in revocation taking effect on 6 December 2013.

3. The proprietor filed a counterstatement whereby it admitted non-use in relation to class 14 “watches and clocks”. It denies the grounds of revocation in relation to the remaining goods on the basis of the mark having been (and continues to be) genuinely used. There is no claim to any proper reasons for non-use.

4. In view of the proprietor’s concession the revocation action only applies to the following goods:

Class 14: “Gemstones and imitations thereof; jewellery and imitation jewellery; all included in class 14”

5. Both parties filed evidence (summarised below). A hearing took place before me on 26 February 2015, by video conference. The registered proprietor was represented by Mr Houlihan of Cleveland and the applicant by Ms Amanda Michaels of Counsel, instructed by Howard Kennedy.

The Proprietor’s Evidence

6. This consists of a witness statement from Vivian Watson. Mr Watson is a director and major shareholder of the proprietor. He has been a director since the early 1970s and is the son of the company founder. The evidence comes from Mr Watson’s own knowledge and his company’s records.

7. Mr Watson states that the mark was developed as a sub-brand of “Jewellery Originals for You” with the word JOY deriving from the first letters. Mr Watson also states that his company was awarded the Hallmark “JOY” in March 1992.

8. The witness statement includes many exhibits, which I summarise below:

Exhibit VW1 are correspondence dated from 10 October 1989 between the proprietor and the Assay Office who confirm on 29 April 1992 that the initials JOY are registered as hallmarks.

O-148-15

Exhibit VW2 is dated 4 March 2014. It is a web-page from the British Jewellers' Association which recognises the proprietor as "Creators of the Joy Brand".

Exhibit VW3 are print outs of the proprietor's trade mark registrations.

Exhibit VW4 is a "WHOIS-SEARCH" print out dated 22 April 2014. It states that the domain name www.joy-london.co.uk was registered to the proprietor on 25 October 1999. Mr Watson states that the domain name is still in the name of proprietor.

Exhibit VW5: dated 8 May 2014. This is a holding web-page for the proprietor. The domain name is www.joy-london.co.uk

Exhibit VW6: dated 29 January 2014 is an email exchange between Mr Watson and Louise Towler from a company called LT Consulting Solutions. They make reference to "our meeting in August [2013]". The discussion report states the "Topic" is "Brand name Joy". It refers to the meeting taking place in August, and in the notes it states, *inter alia*, "branding for Joy exists already". There are no further references to the mark.

Exhibit VW7: dated 2 March 2009. These are website extracts from www.joy-london.co.uk/index.htm with numerous references to the mark. It also makes references to the "Joy Collection". The pictures appear to be of various necklaces, rings and ear rings. The exhibit also provides a list of stockists throughout "Great Britain", "Northern Ireland", "Republic of Ireland", "Channel Islands", "Bermuda", "Gibraltar" and the "Netherlands".

Exhibit VW8 is an undated photograph of a ring showing JOY alongside the PJW hallmark.

Exhibit VW9 is undated. It comprises of a Certificate of Authenticity and various jewellery packaging bearing the mark. Mr Watson claims that the packaging was used "in the EU since 2005".

Exhibit VW10 is dated 4 March 2010. Mr Watson states that this is a "list of products bearing the trade mark JOY sold by my company during the period 7 December 2004-December 2009".

Exhibit VW11 dated 2005 is an anniversary rings booklet. It contains pictures of various rings which have individual product codes.

Exhibit VW12 is a list of sales transactions dated 22 January 2014 (which is after the relevant period) but does show transactions between 1 January 2008 and 31 October 2010. The "Product Codes" cross reference to the anniversary rings booklet evidenced in exhibit VW11.

Exhibit VW13 is dated 17 March 2011 and 19 September 2012. Mr Watson states that these are "sample invoices" which show "specific sales of JOY jewellery products to customers in the UK. For example, the first document

O-148-15

shows sales of jewellery products under the title “JOY COLLECTION” to Portique (a jewellery retailer) at 42 East Street, Wimborne Dorset BH21 1DX.” Exhibit VW14 is a contract to exhibit at Earls Court for an exhibition due to be held in September 2010, 2011 and 2012. It also shows photographs of the stand. One of the invoices makes reference to SPACE G111 and in the photograph it shows P.J. Watson G111 “JOY”.

Exhibit VW15 is a letter dated 16 September 2013 from Kensington Palace to Mr Watson. The letter is a response to Mr Watson’s offer of a gift to congratulate the Duke and Duchess of Cambridge on the birth of their son.

Exhibit VW16 comprises evidence, submissions and a decision relating to various trade mark proceedings before the Registrar and the Community Trade Mark Office the trade mark JOY. The statutory declaration of Mr Watson is dated 27 April 1994, and the CTM decision 16 June 2008. Therefore, they are prior to the relevant period.

The Applicant’s Evidence

9. The applicant’s evidence is a witness statement from Mr Robert Lands who is a solicitor and member of the firm HowardKennedyFsi LLP. They are the applicant’s representatives. The witness statement makes a number of criticisms of the registered proprietor’s evidence which I shall refer to as and where necessary/appropriate.

Exhibit RL1 comprises of various web screen shots which have been obtained via the “Wayback Machine”. The exhibit cross-references to exhibit VW7 of Mr Watson’s witness statement, which were also “Wayback machine” web shots showing the “Home”, Collections”, “Stockists” and “Contacts” pages. The exhibit marked RL1 shows that the same pages relied upon by the proprietor can be dated back to 27 October 2003, 5 May 2006, 4 December 2005 and 9 April 2006 respectively. Mr Lands claims that this proves that the website was not updated during the relevant period.

10. With regard to use of Wayback Machine evidence, I am mindful of the observation provided in the Patents County Court, by His Honour Judge Birss, in *National Guild of Removers & Storers Ltd v. Silveria [2011] F.S.R. 9*, said, at paragraph 33:

“Mr Hill submitted and I accept that the fair way to assess the damages appropriate in this case is again to consider the fees due under the rules and use them to gauge an appropriate level of damages. The first question arising is the period of infringing use/passing off. To assess this Mr Sheahan used a website called the “Internet Archive” which is run by a not for profit organisation in the United States. This has a service called the “Wayback Machine” which allows a user to find snapshots of how websites appeared in the past. The Wayback Machine is commonly used in intellectual property cases to see what old websites looked like even when the operators of the websites have changed them or removed them altogether.”

The Registered Proprietor's Evidence-in-reply

11. The registered proprietor's evidence in reply is a further witness statement from Mr Watson. He states that exhibit VW9 of his first statement (undated JOY packaging) was purchased on bulk prior to the relevant period. Since it was bought in large quantities to reduce costs, Mr Watson states that he is still using the packaging.

Exhibit VW17 are a large number of invoices, many of which are not within the relevant period. The invoices contain hand written references to JOY. Further, they contain codes which cross reference to the rings within the brochure¹.

The legislation and the leading case-law

12. The provisions relating to revocation are contained in section 46 of the Act, the relevant parts of which read:

"46.- (1) The registration of a trade mark may be revoked on any of the following grounds –

(a)....

(b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;

(c)....

(d)....

(2) For the purpose of subsection (1) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(3)The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as is referred to in that paragraph is commenced or resumed after the expiry of the five year period and before the application for revocation is made:

Provided that, any such commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application might be made.

(4).....

¹ Exhibit VW11

O-148-15

(5) Where grounds for revocation exist in respect of only some of the goods or services for which the trade mark is registered, revocation shall relate to those goods or services only.

(6) Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from –

(a) the date of the application for revocation, or

(b) if the Registrar or court is satisfied that the grounds for revocation existed at an earlier date, that date.”

13. Section 100 is also relevant:

“If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

14. In *Stichting BDO and others v BDO Unibank, Inc and others* [2013] EWHC 418 (Ch) Arnold J commented on the case-law of the Court of Justice of the European Union (“CJEU”) in relation to genuine use of a trade mark:

“In *SANT AMBROEUS Trade Mark* [2010] RPC 28 at [42] Anna Carboni sitting as the Appointed Person set out the following helpful summary of the jurisprudence of the CJEU in *Case C-40/01 Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *Case C-259/02 La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159 and *Case C-495/07 Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759 (to which I have added references to *Case C-416/04 P Sunrider v OHIM* [2006] ECR I-4237):

"(1) Genuine use means actual use of the mark by the proprietor or a third party with authority to use the mark: *Ansul*, [35] and [37].

(2) The use must be more than merely 'token', which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Sunrider*, [70]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

O-148-15

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(5) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22]-[23]; *Sunrider*, [70]-[71].

(6) Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no *de minimis* rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor: *Ansul*, [39]; *La Mer*, [21], [24] and [25]; *Sunrider*, [72]”

15. Although minimal use may qualify as genuine use, the CJEU stated in Case C-141/13 P, *Reber Holding GmbH & Co. KG v OHIM* (in paragraph 32 of its judgment), that “not every proven commercial use may automatically be deemed to constitute genuine use of the trade mark in question”. The factors identified in point (5) above must therefore be applied in order to assess whether minimal use of the mark qualifies as genuine use.

16. In considering the proprietor’s evidence, it is a matter of viewing the picture as a whole, including whether individual exhibits corroborate each other. In Case T-415/09, *New Yorker SHK Jeans GmbH & Co. KG v OHIM*, in relation to the need to get a sense from the overall picture of the evidence, notwithstanding that individual pieces may not, of themselves, be compelling, the General Court (“GC”) stated in paragraph 53:

“In order to examine whether use of an earlier mark is genuine, an overall assessment must be carried out which takes account of all the relevant factors in the particular case. Genuine use of a trade mark, it is true, cannot be proved by means of probabilities or suppositions, but has to be demonstrated by solid and objective evidence of effective and sufficient use of the trade mark on the market concerned (*COLORIS*, paragraph 24). However, it cannot be ruled out that an accumulation of items of evidence may allow the necessary facts to be established, even though each of those items of

O-148-15

evidence, taken individually, would be insufficient to constitute proof of the accuracy of those facts (see, to that effect, judgment of the Court of Justice of 17 April 2008 in Case C-108/07 P Ferrero Deutschland v OHIM, not published in the ECR, paragraph 36).”

Decision

The relevant period

17. I shall begin the analysis by reminding myself of the relevant period, this being 6 December 2008 – 5 December 2013.

Case law discussion

18. Both skeleton arguments sought to rely upon a number of earlier decisions, and during the hearing Mr Houlihan submitted that I am “not bound” by decisions of the Appointed Person. He went on to say that I am bound by *Ansul* and *La Mer*. The key points of those decisions are set out above. In Mr Houlihan’s view the recent decisions of the Appointed Persons (in particular *Plymouth Life*² and *Catwalk*³) are an attempt to “chip away” at the binding decisions of *Ansul* and *La Mer*.

19. In my view, the recent Appointed Person decisions clarify the existing position, and re-state the importance that trade mark owners should file “solid and objective” evidence and not run the risk of their registration being revoked when there may be use.⁴

20. Section 100 places the burden on the proprietor to provide evidence of genuine use of its mark on the goods and/or services for which it is registered. Such genuine use evidence must satisfy the normal civil standard which is on the balance of probability. In my view, *Reber* has not changed the law. It has, however, provided a good example of commercial use that was neither sham nor token, but nevertheless was not genuine. To clarify, in the *Reber* case the proprietor sold 40-60kg of high quality hand-made chocolates per annum from one shop in a German town. During the hearing Mr Houlihan argued that the present circumstances differ to *Reber* insofar that the proprietor’s use is throughout the UK. I agree with Mr Houlihan. Even if the amount of sales of the proprietor were the equivalent to the chocolate sales of *Reber*, the geographical extent of use is more widespread. Widespread use rather than sales via one shop must favour the proprietor in proving genuine use of the mark.

Turnover

21. Mr Watson states in paragraph 12 of his witness statement:

² *Awareness Limited v Plymouth City Council*, Case BL O/230/13, Mr Daniel Alexander Q.C. as the Appointed Person

³ *Continental Shelf 128 Ltd v Dosenbach-Ochsner AG Schuhe Und Sport*, Case O/404/13, Mr Hobbs Q.C. as the Appointed Person

⁴ See *Gucci*, BL O/424/14, Mr Daniel Alexander QC as the Appointed Person

O-148-15

“Although my company does not keep records of annual turnover specific to goods under the JOY trade mark, it is clear from the figures in “Exhibit VW12” that our turnover, in jewellery goods under JOY, in the period 1 January 2008 to 31 October 2010 amounted to over £170,000, and the turnover in the period 1 January 2011 to date amounts to nearly £50,000. These figures demonstrate that, for a company of our size, we have made genuine commercial use of our JOY trade mark in relation to jewellery in the EU during the relevant period of time.”

22. Ms Michaels rightfully identified that the proprietor in a previous opposition was able to clearly state their turnover figures, and what percentage of the turnover related to the JOY brand. Those figures were provided for the period 2004 to 2008 but are not available for the relevant date in these proceedings. This is unhelpful and somewhat peculiar. Nevertheless, I am left with the following figures:

1 January 2008 – 31 October 2010 - £170,000
1 January 2011 to date⁵ £50,000

23. The proprietor does not provide a “per annum” figure for the period of 1 January 2008 to 31 October 2010. However, on the balance of probability, it is likely that a proportion (i.e. at least a third) was during the relevant period.

24. At best, the proprietor’s turnover for the relevant period is in the region of £150,000 (this being a mean figure). At worst, all of the sales took place outside of the relevant period. This seems to be most unlikely given the dates on the invoices and, on the balance of probability, the majority of sales will be in the relevant period.

25. The applicant has not challenged the veracity of the turnover figures, but has questioned the sufficiency. Ms Michaels invited me to take judicial notice that the jewellery industry is a multi-million pound industry. I agree. Therefore, are sales in the region of £150,000 over the relevant period sufficient?

26. In *Reber*, the CJEU stated, at paragraph 32 of its judgment, that:

“not every proven commercial use may automatically be deemed to constitute genuine use of the trade mark in question”. The CJEU found that *“the General Court conducted an overall assessment of that trade mark, taking into account the volume of sales of the goods protected by the trade mark, the nature and characteristics of those goods, the geographical coverage of the use of the trade mark, the advertising on the website of Paul Reber GmbH & Co. KG and the continuity of the trade mark’s use. It thus established a certain degree of interdependence between the factors capable of proving genuine use. The General Court therefore correctly applied the concept of ‘genuine use’ and did not err in law in its assessment of that use”* (paragraphs 33 and 34 of the judgment of the CJEU).

27. Proven use of a mark which fails to establish that *“the commercial exploitation of the mark is real”* because the use would not be *“viewed as warranted in the*

⁵ The witness statement is dated 11 June 2014

economic sector concerned to maintain or create a share in the [European Union] market for the goods or services protected by the mark” is therefore not genuine use. Mr Houlihan’s view is that the present case is distinguishable from *Reber* since in that case there were sales from one cafe, i.e. a limited geographical scope, together with low sales. He submits that his client sells their goods to jewellers throughout the UK. I agree with Mr. Houlihan. The sales in the region of £150,000 over five years were widespread and consistent over time. This in my view assists the proprietor in proving genuine use.

Cross-referencing

28. Throughout the hearing Mr Houlihan referred to the “matrix” of the evidence and that judged as a whole it sufficiently demonstrates genuine use. Generally, the evidence has been collated and filed in an unhelpful manner. Shortly before the hearing Mr Houlihan provided a “Table of representative examples of correlation between invoices and brochures”. This was a late attempt to clarify the evidence and make it more comprehensible. In my view, having trawled through the evidence and cross-referenced codes, brochures and invoices there have been sales. However, I agree with Ms Michaels that the sales only relate to “diamond rings”.

29. The anniversary brochure is dated 2005⁶. In Mr Watson’s second witness statement he states in paragraph 3 that the brochure will have also been used within the relevant period. Whilst the brochure is dated 2005 (three years prior to the beginning of the relevant period), I must take all of the relevant factors into consideration. The codes next to the rings correspond to those used throughout in the invoices⁷ and the “records of annual turnover”⁸. Therefore, it would be incorrect not to take into account the brochure simply because it is a few years prior to the relevant date.

Advertising

30. No annual advertising figures are provided. Mr Watson states that following the 2008 recession, his company invested much less money in advertising. During the hearing I was referred to a witness statement of Mr Watson dated 13 January 2006. In this instance Mr Watson was able to provide annual advertising figures for 2000 to 2004. Again it seems peculiar that figures can be produced for a prior dispute but not for this revocation action.

Website

31. The proprietor relies upon their website, www.joy-london.co.uk, as evidence of advertising. Mr Watson provided a number of webshots via the Wayback Machine⁹. The webshots show the Home page, collection, stockists and contact pages. They are all dated 2 March 2009 which Mr Watson states are “squarely in the relevant period”. The applicant subsequently filed evidence¹⁰, again using the Wayback

⁶ Exhibit VW11

⁷ Exhibit VW17

⁸ Exhibit VW 12.

⁹ Exhibit VW7

¹⁰ Exhibit RL1 of Mr Lands Witness Statement

O-148-15

Machine, for the same webshots but for the dates 27 October 2003 (Home), 5 May 2006 (Collection), 4 December 2005 (Stockists) and 9 April 2006 (Contacts). The applicant states that their webshots prove that the proprietor's website was not updated during the relevant 5 year period, except until the website was replaced with a new holding page which does not show the mark. No evidence showing the date of when the holding page was set up has been filed.

32. During the hearing Ms Michaels referred to the Appointed Person decision of *Furnitureland.co.uk Limited v Furniture Village Limited*, Case BL O/128/14, whereby Mr. Hobbs, sitting as the Appointed Person, stated in paragraph 15:

"I think it is clear that if the Hearing Officer had assessed the evidence on file with proper regard for the considerations noted in paragraphs 3, 4 and 5 above he would and should have concluded:

(i)....

(ii) that it could not be ascertained when or to what extent the website had actually been operated as an outlet (or conduit to an outlet) for the supply of any particular goods identifiable as furniture, beds, mattresses, bed heads, bed bases, bed frames or bedsteads or for the supply of any service of bringing together any identifiable variety or varieties of goods for viewing or purchasing either in a retail store or by means of telecommunications;..."

33. The proprietor has not provided any evidence of how many visits the website has had or supporting corroboratory evidence which show that the website has contributed to creating or maintaining a market share. The proprietor merely relies upon its existence. In the absence of supporting evidence in the form of, *inter alia*, website views or purchases made via the website, I am of the view that the mere existence of a website has little advertising value.

Exhibition

34. Mr Watson states in paragraph 14 of his witness statement:

"Every year my company attends the International Jewellery London exhibition to market and sell jewellery under the trade mark JOY. Now produced and shown to me and marked "Exhibit VW14" are contracts regarding our JOY jewellery stand at fairs from 2010 to 2012, as well as photographs of our stands."

35. It is noted that the stand number is G111 which corresponds to the invoice relating to the 2011 exhibition. However, the picture of the exhibition stand only shows a "mother and child pendant". It does not show any use of the mark for any other goods.

Present to the Duchess of Cambridge

36. Exhibit VW15 is a letter from Kensington Palace dated 16 September 2013. The letter thanks Mr Watson for his offer a gift but returns it since the Duchess cannot

accept offers from commercial organisations. The letter does not specify what the gift is but Mr Watson states that it was of a necklace and pendant. During the hearing Mr Houlihan stated that whilst the necklace and pendant was an offer of a gift, it is distinguishable from *Silberquelle*. In *Silberquelle* the registered proprietor gave away promotional bottles of drink when items of clothing were purchased. Mr Houlihan claims that offering a gift to the Duchess is distinguishable because if it was accepted it would be a very public piece of advertising and may become famous. Further, it is an attempt to market the goods themselves and not unrelated goods, such as bottled soft drinks.

37. In paragraphs 17 to 22 of *Silberquelle GmbH v Maselli-Strickmode GmbH*, Case C-495/07, the Court of Justice of the European Union held that:

“It is settled case-law that ‘genuine use’ within the meaning of the Directive must be understood to denote actual use, consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of goods or services to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin (Case C-40/01 *Ansul* [2003] ECR I-2439, paragraphs 35 and 36, and Case C-442/07 *Verein Radetzky-Orden* [2008] ECR I-0000, paragraph 13).

It follows from that concept of ‘genuine use’ that the protection that the mark confers and the consequences of registering it in terms of enforceability vis-à-vis third parties cannot continue to operate if the mark loses its commercial *raison d’être*, which is to create or preserve an outlet for the goods or services that bear the sign of which it is composed, as distinct from the goods or services of other undertakings (*Ansul*, paragraph 37, and *Verein Radetzky-Orden*, paragraph 14).

As the Commission submitted in its observations to the Court and as the Advocate General stated in points 45 and 55 of his Opinion, it is essential, in the light of the number of marks that are registered and the conflicts that are likely to arise between them, to maintain the rights conferred by a mark for a given class of goods or services only where that mark has been used on the market for goods or services belonging to that class.

For the reasons set out in points 48 and 56 of that Opinion, that condition is not fulfilled where promotional items are handed out as a reward for the purchase of other goods and to encourage the sale of the latter.

In such a situation, those items are not distributed in any way with the aim of penetrating the market for goods in the same class. In those circumstances, affixing the mark to those items does not contribute to creating an outlet for those items or to distinguishing, in the interest of the customer, those items from the goods of other undertakings.

In the light of the foregoing considerations, the answer to the question referred is that Articles 10(1) and 12(1) of the directive must be interpreted as meaning that, where the proprietor of a mark affixes that mark to items that it gives, free

O-148-15

of charge, to purchasers of its goods, it does not make genuine use of that mark in respect of the class covering those items.”

38. In this instance I agree with Mr Houlihan. The goods offered are the actual goods of the proprietor sells, rather than promotional items in *Silberquelle*. However, this line of argument fails to assist the proprietor for two reasons: 1) the offer of the gift was not accepted, therefore, there was no market penetration and the mark did not “become famous”; and 2) the offer of one gift to one recipient does not sufficiently contribute towards an effort to maintaining and/or creating a market share.

Invoices

39. During the hearing Mr Houlihan agreed that the invoices and their cross-correlation could have been made clearer. The day before the hearing he submitted a table which cross-referenced the product, product codes from the brochure, invoice references, value and date. For example:

Product	Product code	Brochure (Exhibit VW11)	Invoice (Exhibit VW17)	Value (net amount)	Date
2013					
WG Diamond Ring	6252DW	Page 65, top right	Page 279	£495.00	07/02/13
2012					
WG Diamond Ring	6858DW	Page 63, bottom left	Page 268	£1,708.50	10/01/12

40. Having regard to the evidence as a whole, there are a number of invoices which relate to rings. These invoices contain product codes which cross reference with the codes within anniversary booklet. Whilst the booklet is dated 2005, it is safe to conclude that, given the number of invoices, there were a number of sales within the relevant period for diamond rings. The invoices show that the sales are to a number of jewellers throughout England and Scotland, and are within the relevant period.

41. In view of the above, whilst the evidence is constructed in an unhelpful manner by cross referencing the invoices with the brochure product codes and taking into account the turnover figures, I find that the proprietor has demonstrated genuine use of the mark in the relevant period.

Framing a fair specification where use on some goods, but not others:

42. Mr Justice Arnold (as he now is) in his judgments as The Appointed Person in *Nirvana Trade Mark BL O-262-06* and *Extreme Trade Mark BL O-161-07* comprehensively examined the case law in this area. His conclusion in *Nirvana* was that:

“(1) The tribunal’s first task is to find as a fact what goods or services there has been genuine use of the trade mark in relation to during the relevant period: *Decon v Fred Baker* at [24]; *Thomson v Norwegian* at [30].

O-148-15

(2) Next the tribunal must arrive at a fair specification having regard to the use made: *Decon v Fred Baker* at [23]; *Thomson v Norwegian* at [31].

(3) In arriving at a fair specification, the tribunal is not constrained by the existing wording of the specification of goods or services, and in particular is not constrained to adopt a blue-pencil approach to that wording: *MINERVA* at 738; *Decon v Fred Baker* at [21]; *Thomson v Norwegian* at [29].

(4) In arriving at a fair specification, the tribunal should strike a balance between the respective interests of the proprietor, other traders and the public having regard to the protection afforded by a registered trade mark: *Decon v Fred Baker* at [24]; *Thomson v Norwegian* at [29]; *ANIMAL* at [20].

(5) In order to decide what is a fair specification, the tribunal should inform itself about the relevant trade and then decide how the average consumer would fairly describe the goods or services in relation to which the trade mark has been used: *Thomson v Norwegian* at [31]; *West v Fuller* at [53].

(6) In deciding what is a fair description, the average consumer must be taken to know the purpose of the description: *ANIMAL* at [20].

(7) What is a fair description will depend on the nature of the goods, the circumstances of the trade and the breadth of use proved: *West v Fuller* at [58]; *ANIMAL* at [20].

The General Court (“GC”) in *Reckitt Benckiser (España), SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-126/03 (“Aladin”)* held in paragraphs 43 to 46:

“Therefore, the objective pursued by the requirement is not so much to determine precisely the extent of the protection afforded to the earlier trade mark by reference to the actual goods or services using the mark at a given time as to ensure more generally that the earlier mark was actually used for the goods or services in respect of which it was registered.

With that in mind, it is necessary to interpret the last sentence of Article 43(2) of Regulation No 40/94 and Article 43(3), which applies Article 43(2) to earlier national marks, as seeking to prevent a trade mark which has been used in relation to part of the goods or services for which it is registered being afforded extensive protection merely because it has been registered for a wide range of goods or services. Thus, when those provisions are applied, it is necessary to take account of the breadth of the categories of goods or services for which the earlier mark was registered, in particular the extent to which the categories concerned are described in general terms for registration purposes, and to do this in the light of the goods or services in respect of which genuine use has, of necessity, actually been established.

O-148-15

It follows from the provisions cited above that, 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 sub-categories 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 sub-category or subcategories relating to which the goods or services for which the trade mark has actually been used actually 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.

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 sub-categories.

First, although the last sentence of Article 43(2) of Regulation No 40/94 is indeed intended to prevent artificial conflicts between an earlier trade mark and a mark for which registration is sought, it must also be observed that the pursuit of that legitimate objective must not result in an unjustified limitation on the scope of the protection conferred by the earlier trade mark where the goods or services to which the registration relates represent, as in this instance, a sufficiently restricted category."

43. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. as Appointed Person summed up the law as being:

"In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned."

44. The specification of goods currently covers:

"Gemstones and imitations thereof; jewellery and imitation jewellery; all included in class 14"

O-148-15

45. In order for me to conclude that the mark has been used during the relevant period, I cross-referenced the brochure product codes (albeit outside of the relevant period) with the invoices. The brochure does not contain any pendants or earrings; therefore I am unable to cross-reference those product codes. Further, all of the product descriptions¹¹ refer to diamond rings.

46. In view of the above, I am only able to find use for diamond rings. Therefore, I find that a fair specification is exactly the goods for which use has been demonstrated, namely “diamond rings”.

Outcome

47. The application for revocation partially succeeds under section 46(1)(b) of the Act. The proprietor’s registration is to be revoked with effect from 6 December 2013 in respect of all the goods for which it is registered save for:

“Class 14 – diamond rings”

Costs

48. Since the applicant has largely been successful, it is entitled to a contribution towards its costs, offset by the proprietor’s partial success. Awards of costs are governed by Annex A of Tribunal Practice Notice (TPN) 4 of 2007. Using that TPN as a guide, I award costs to the applicant on the following basis:

Preparing a statement and considering the proprietor’s statement:	£200
Preparing evidence and considering the proprietor’s evidence:	£800
Application fee:	£200
Preparing for an attending a hearing:	£600
Total:	£1800

49. I order P.J. Watson Limited to pay to Pandora A/S the sum of £1800. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 7th day of April 2015

MARK KING
For the Registrar,
the Comptroller-General

¹¹ Exhibit VW12