

O-565-15

TRADE MARKS ACT 1994

IN THE MATTER OF AN APPLICATION UNDER NO 500814 BY
LEMONAID BEVERAGES GMBH
TO CANCEL REGISTRATION NO 2430460
IN THE NAME OF TEA RETAIL LIMITED

Background

1. Registration No 2430460 is for the trade mark **Charitea** and stands in the name of Tea Retail Limited (“the registered proprietor”). It was filed on 21 August 2006 and was entered in the register on 25 May 2007 for a specification of goods in class 30 namely: Tea and tea-based products.

2. On 31 March 2015, LemonAid Beverages GmbH (“the applicant”) filed an application seeking to revoke the registration on grounds under sections 46(1)(a) and (b) of the Trade Marks Act 1994 (“the Act”). Revocation of the registration is sought from 26 May 2012 under section 46(1)(a) of the Act or from 31 March 2015 under section 46(1)(b).

3. The registered proprietor filed a counterstatement claiming the mark had been used with the relevant periods.

4. Only the registered proprietor filed evidence and I will refer to it as necessary later in this decision. The applicant filed written submissions in lieu of filing evidence. The matter came before me for a hearing on 1 December 2015. The applicant was represented by Mr Allan Poulter of Bird & Bird LLP. The registered proprietor did not attend and was not represented but did file written submissions in lieu of attendance. The submissions were written by Daren Spence, the founder and Managing Director of the registered proprietor. As Mr Spence points out, these proceedings have been defended without professional representation and, on his own admission, Mr Spence has very limited experience of dealing with trade mark registration and revocation proceedings. What he has filed is, in fact, a mixture of submission (e.g. commentary on the matters involved in these proceedings) and evidence (e.g. facts about his shop and business ethos). Whilst I am able to consider the submission, I am not able to take the evidence into account. Had Mr Spence or his company wanted to file further evidence, a request should have been made well in advance of the hearing, not least so that the applicant could have considered it and responded to it, if necessary. That said, the evidence included within the document is, essentially, background information about the history of Mr Spence’s business and the ethos behind it and would not have assisted in determining whether genuine use had been made of the trade mark within the relevant period(s).

Decision

5. The application is brought under the provisions of section 46 of the Act, the relevant parts of which state:

“46. –(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 completion of the registration procedure it has not been put to genuine use in the United Kingdom, by the proprietor or with his consent, 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;

(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 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) An application for revocation may be made by any person, and may be made either to the registrar or to the court, except that –

(a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and

(b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.

(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.”

6. Section 100 of the Act is also relevant. It states:

“100. If in any civil proceedings under the 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.”

7. What constitutes “genuine use” has been considered many times by the European Courts. In what follows, the abbreviation CJEU refers to the Court of Justice of the European Union. In *Stichting BDO v BDO Unibank, Inc.*, [2013] EWHC 418 (Ch), Arnold J. stated as follows:

“51. Genuine use. In *Pasticceria e Confetteria Sant Ambroeus Srl v G & D Restaurant Associates Ltd* (SANT AMBROEUS Trade Mark) [2010] R.P.C. 28 at [42] Anna Carboni sitting as the Appointed Person set out the following helpful summary of the jurisprudence of the CJEU in *Ansul BV v Ajax Brandbeveiliging BV* (C-40/01) [2003] E.C.R. I-2439; [2003] R.P.C. 40 ; *La Mer Technology Inc v Laboratoires Goemar SA* (C-259/02) [2004] E.C.R. I-1159; [2004] F.S.R. 38 and *Silberquelle GmbH v Maselli-Strickmode GmbH* (C-495/07) [2009] E.C.R. I-2759; [2009] E.T.M.R. 28 (to which I have added references to *Sunrider v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* (OHIM) (C-416/04 P) [2006] E.C.R. I-4237):

(1) Genuine use means actual use of the mark by the proprietor or 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].

(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]”.

8. Although minimal use may qualify as genuine use, the CJEU stated in Case C-141/13 P, *Reber Holding GmbH & Co. KG v OHIM*:

“31 As a first stage, in paragraphs 33 and 37 of the judgment under appeal, the General Court held –having regard to the evidence produced by the applicant –that the actual commercial use of the earlier trade mark ‘Waltzertraum’ was undisputed and that there was a certain degree of continuity in its use.

32 However, contrary to the view taken by the applicant, the assessment of the genuine use of an earlier trade mark cannot be limited to the mere finding of a use of the trade mark in the course of trade, since it must also be a genuine use within the meaning of the wording of Article 43(2) of Regulation No 40/94. Furthermore, classification of the use of a trade mark as ‘genuine’ likewise depends on the characteristics of the goods or service concerned on the corresponding market (*Ansul*, EU:C:2003:145, paragraph 39). Accordingly, not every proven commercial use may automatically be deemed to constitute genuine use of the trade mark in question.”

9. 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.

10. Given the dates from which the applicant seeks revocation, the relevant periods within which genuine use must be shown are 26 May 2007 to 25 May 2012 (under section 46(1)(a)) or 31 March 2010 to 30 March 2015 (under section 46(1)(b) of the Act).

11. With the above in mind, I go on to consider the evidence filed by the registered proprietor. It takes the form of a witness statement, with five exhibits, by Daren Spence who, as I indicated above, is its founder and Managing Director. Mr Spence states that the registered proprietor trades as We Are Tea. He states that use has been made of the mark “at our tea shop at St. Paul’s in London”. In support of this claim he exhibits, at Exhibit 1, a single page which indicates that it was printed on 6 September 2012 and refers to the period 5 May 2007 to 7 September 2012 (a day after it was printed). The list is not further broken down to show when, exactly, any sales were made but the period referred to straddles both relevant periods. In list form and under the heading “eat in”, a number of what I take to be teas are listed. One of those is said to be “Charitea”. It is recorded that during the period stated, a total of 587 units of Charitea with a unit price of £2.25 and totalling £1,320.75 were sold.

12. At Exhibit 2 are 4 pages which Mr Spence says provide “details of our 2015 ‘charitea’ partner”. Page 3 gives details of “our projects for 2015”. The first one shown is headed “Development of a Charitea Blend” and notes that “we will develop a limited-edition tea with the help of a network of elderly tea aficionados”. Another, headed “Donations” notes that “We will donate 10% of the profit of the Charitea blend available at retailers as well as from our own website”. Both of these suggest that such a blend has not yet been sold. No details are given which shows the source or actual date of this document or where or when it may have been distributed.

13. Exhibit 3 is said to show a poster for the company’s previous partner, the NSPCC. The poster is not dated but is said to have been displayed in the registered proprietor’s tea shop when it sold cups of “charitea” tea in 2008. The mark shown on the poster is in a stylised form: the word charitea is shown in lower case letters, with the letters c-h-a-r-i in one colour and t-e-a in other and with the right hand side of the cross bar of the letter T replaced with a leaf device.

14. Exhibit 4 is said to be “an image of our ‘charitea’ caddy which was utilised to store our ‘charitea’ tea at the tea shop and allowed to display the mark”. This does not indicate that the caddies with tea in them were sold. The exhibit consists of a single, undated, page showing the same stylised mark as appears in Exhibit 3.

15. Exhibit 5 consists of a single page showing six tweets, five posted by WeAreTea and one by HistoryLondon and dated between 16th December and 20th April. No years are given though Mr Spence states it shows “tweets including hashtag #charitea related to our 2015 ‘charitea’ partner @contact_teas since December 2014”. Being tweets they are necessarily short but the earliest asks readers to “support our #charitea **partner**, ‘contact_teas, by purchasing @waitrose Christmas cards. The latest refers readers to a survey by @Telegraph and its “impressive tea results”. The remaining four refer to contact_teas being the #charitea**partner** for 2015.

16. The applicant criticises the evidence. In relation to Exhibit 1, it states, in essence that given the dates the document is said to cover, it is impossible to conclude that any of the sales actually occurred within the relevant period. It also queries whether any such sales were made at all given that Exhibit 2 suggests that such a tea was still in development in 2015. It submits that the evidence “fails to establish real commercial exploitation of the Mark”. In relation to the other exhibits, it submits, in summary, that these show a different mark (i.e. “charitea partner” or a stylised version of “charitea”), are undated or relate to a relationship with various charities, do not show they relate to the registered proprietor and do not show use of the mark as registered within the relevant periods.

17. Whilst the registered proprietor states it has plans to sell ‘charitea’ blend of tea in supermarkets, there is no evidence that it did so within either of the relevant periods. The only sales which are said to have been made took place at a single tea shop in London at some point between 2007 and 2012. Whilst a poster is said to have been displayed in that tea shop, there is no evidence of any real advertising or promotion of the mark e.g. in the press or other media. Exhibits 2 and 5 relate to the registered proprietor’s charitable intentions in 2015, after the relevant periods. Exhibit 3 is said

to have been displayed in the registered proprietor's tea shop in 2008 and, leaving aside the fact that it shows a highly stylised version of the word 'charitea', no details have been provided to show e.g. the size or specific location of the tea shop, where within it the poster was displayed, for how long it was displayed or who or how many people might have seen it.

18. Whilst I do not have any information of the size of the UK market for tea or tea-based products, there can be no doubt that it is vast with a good number of the population partaking of such products on several occasions each day. Whilst the evidence does not show when, specifically, the registered proprietor's claimed sales were made, sales over a longer than five year period ending in September 2012 are said to total 587 units at a total value of less than £1500. The sales are said to have taken place in the registered proprietor's tea shop at a cost of £2.25 per unit and are listed as being "eat in" which suggests that the sales were made in the form of prepared cups of tea (i.e. as part of a catering service whereby a drink is provided) rather than the sale of tea in e.g. packets for preparation and consumption elsewhere (i.e. the sale of goods). No evidence has been provided which shows how the mark was used in relation to any such sales.

19. Even if I accept that sales of tea were made under the mark within the relevant period, such sales were extremely small. Whilst there is no *de minimus* level of use, what has to be shown is that the use is "genuine" according to the test the Courts have laid down. That requires consideration of whether the use is warranted in the economic sector concerned as a means of maintaining or creating a market share 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 as per *Ansul*, paragraph 43, *Sunrider v OHIM*, paragraph 70, and the order in *La Mer Technology*, paragraph 27.

20. I acknowledge the registered proprietor's charitable intentions but, having considered all of the evidence filed, I consider the extremely small level of sales said to have taken place in a single tea shop, coupled with the lack of advertising and promotional activity is such that the evidence does not show real commercial exploitation of the mark in the UK market for tea and tea-based products. That being the case, I find that genuine use of the mark has not been shown to have been made within the relevant periods in relation to the goods for which the mark is registered. The application for revocation therefore succeeds.

Summary

21. The application for revocation of the mark on the grounds of its non-use succeeds in full and the registration will be revoked from 26 May 2012.

Costs

22. The applicant having succeeded, it is entitled to an award of costs in its favour. In making the award, I note that only the registered proprietor filed evidence with that evidence consisting of a single page witness statement with a total of 8 pages making up the exhibits. The applicant did file written submissions and attended the hearing, a hearing which was brief in the extreme. The hearing took place by

telephone (the registered proprietor having indicated, through Mr Spence the day before the hearing, that it would not be in attendance). Mr Spence made mention in his submissions of his company's charitable intentions and its ability to pay in comparison with what he assumed was the size of the opponent's business and its ability to be able to afford legal representation. Whilst this is not a matter I can take into account, I note that Mr Poulter indicated at the hearing that the opponent also has a charitable intent. Taking all relevant matters into account, I make the award on the following basis:

For filing the application:	£300
Fees:	£200
For reviewing the evidence and preparing written submissions in lieu of evidence:	£300
For preparation for and attendance at a hearing:	£300
Total	£1,100

23. I order Tea Retail Limited to pay LemonAid Beverages GmbH the sum of £1,100. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 2nd day of December 2015

**Ann Corbett
For the Registrar
The Comptroller-General**