O/0716/26

<u>**CONSOLIDATED PROCEEDINGS**</u>

TRADE MARKS ACT 1994

IN THE MATTER OF UK REGISTRATION NO. 3870784
IN THE NAME OF DIAMOND ART CLUB, LLC
IN RESPECT OF THE TRADE MARK

DIAMOND ART CLUB

AND THE APPLICATION FOR A DECLARATION
OF INVALIDITY THEREOF
UNDER NO. 508274
BY KITFIX SP. Z O.O.

AND

IN THE MATTER OF UK REGISTRATION NO. 915110026
IN THE NAME OF KITFIX SP. Z O.O.
IN RESPECT OF THE TRADE MARK

DIAMOND ART

AND THE APPLICATION FOR A DECLARATION
OF INVALIDITY THEREOF
UNDER NO. 508649
BY DIAMOND ART CLUB, LLC

BACKGROUND AND PLEADINGS

1. There are two actions involved in these consolidated proceedings,[1] namely:

(i) one application for a declaration of invalidity of a trade mark registration, owned by DIAMOND ART CLUB, LLC ("DAC"), brought by Kitfix Sp. z o.o. ("KIT"); and

(ii) one application for a declaration of invalidity of a trade mark registration owned by KIT, brought by DAC.

(i) The application brought by KIT under CA508274

2. Trade mark No. 3870784 for the trade mark "**DIAMOND ART CLUB**" stands registered in the UK in the name of DAC. The application for registration was filed on 24 January 2023 with a priority date of 3 January 2023.[2] The trade mark was registered on 7 July 2023, in respect of goods in classes 16 and 26.

3. On 6 January 2025, KIT filed an application to have this trade mark declared invalid under the provisions of section 47(2) of the Trade Marks Act 1994 ("the Act"). The application for invalidation was filed in respect of all of the goods as registered and is based on section 5(2)(b) of the Act. KIT relies upon the following comparable mark:

DIAMOND ART
UK trade mark registration number 915110026
Filing date: 12 February 2016
Registration date: 7 June 2016
Registered in Class 16, relying on all goods, namely *Artistic materials, namely craft and hobby kits for making pictures*.

4. Under Article 54 of the Withdrawal Agreement between the UK and the EU, the UK IPO created comparable UK trade marks for all right holders with an existing

[1] In a letter dated 29 April 2025, the Registry confirmed to the parties that it considered it appropriate to consolidate the proceedings.
[2] From EUTM no. 018819049.

registered European Trade Mark ("EUTM") or International Registration designating the EU. As a result, KIT's mark was converted into a comparable UK trade mark. Comparable UK marks are now recorded in the UK trade mark register, have the same legal status as if they had been applied for and registered under UK law, and the original filing dates remain the same.[3]

5. By virtue of its earlier filing date, KIT's mark qualifies as an earlier mark under section 6(1) of the Act. As it had completed the registration process more than five years before the claimed priority date of the contested mark, it is, in principle, subject to the conditions on use contained in section 47(2B). I note that on filing its Form TM8 Notice of Defence and Counterstatement, DAC has required KIT to provide proof of use of the mark for all the goods on which it relies.

6. KIT submits that the competing marks contain the same word elements "Diamond Art", with the additional word "Club" in the later mark being immaterial, and that the goods at issue are highly similar in each of the registrations. It submits that in light of this, a likelihood of confusion would follow. KIT requests that the opposition[4] is found successful in its entirety and that an award of costs is granted in its favour.

7. DAC filed a counterstatement denying the claims.

(ii) The application brought by DAC under CA508649

8. On 21 March 2025, DAC filed an application to have KIT's trade mark number 915110026 (shown above under paragraph 3) declared invalid under the provisions of section 47(1) of the Act, based upon sections 3(1)(b), 3(1)(c) and 3(1)(d) of the Act. The application for invalidation was filed in respect of all of the goods as registered.

9. In brief, DAC claims that the mark DIAMOND ART is a generic term for the goods which the challenged mark is registered for. As such, it submits that the mark is devoid

[3] See also Tribunal Practice Notice ("TPN") 2/2020 End of Transition Period – impact on tribunal proceedings.
[4] Although KIT has referred to the proceedings as an opposition in the statement of grounds, I take this to be a typing error in relation to this application for a declaration of invalidation.

of distinctive character, that it consists exclusively of a sign which serves to designate a characteristic of the goods as registered, and that the mark has become customary in the current language and in the established practices of the trade to describe the goods for which the mark is registered. DAC submits that the challenged mark should be invalidated, and it requests an award of costs is made in its favour.

10. KIT filed a counterstatement denying the claims, and requests that the application to declare the registration invalid be rejected in its entirety and that an award of costs be made in its favour.

11. Both parties filed evidence in chief and DAC also filed written submissions during the evidence rounds. Neither party requested a hearing; both parties filed written submissions in lieu of a hearing. This decision is taken following careful consideration of the papers on file.

12. In these proceedings, DAC is represented by Tomkins & Co, and KIT is represented by Agile IP LLP.

EVIDENCE AND WRITTEN SUBMISSIONS

DAC's evidence

13. DAC filed evidence by way of a witness statement ("WS") dated 30 June 2025 in the name of Alexandre Perrier, alongside eight exhibits, labelled Exhibit 1 to Exhibit 8. Mr Perrier is the Chief Executive Officer of DAC, a position he has held for seven years.

14. The main purpose of the evidence is to show that the term "DIAMOND ART", which makes up the contested mark in the invalidation proceedings brought by DAC under CA508649, is "a generic, common term which no one proprietor can claim exclusive rights to…".[5] I note that the evidence also provides information on its own company activities, including, inter alia, turnover and marketing spend for the mark "DIAMOND

[5] See point 23 of the WS of Mr Perrier.

ART CLUB". However, this in itself does not assist me in my assessment on whether the contested term "DIAMOND ART" falls foul of section 3 of the Act.

15. DAC filed written submissions also dated 30 June 2025, as well as written submissions in lieu of a hearing, dated 15 September 2025.

KIT's evidence

16. KIT filed evidence by way of a WS dated 11 July 2025 in the name of Jonathan Marcus, alongside four exhibits, labelled Annex KT1 to Annex KT4. Mr Marcus is the Director of KIT.

17. The main purpose of the evidence is to show that since 2016, the extended use of the DIAMOND ART mark has been well recognised and highly reputed enough to have acquired distinctiveness and has been in use.[6] I note that the comparable mark at issue was accepted on the UK Register pursuant to Article 54 of the Withdrawal Agreement without being required to prove that it had acquired distinctiveness through use. However, as the earlier mark is being relied upon in the application for invalidation of DACs "DIAMOND ART" mark, the evidence also serves to support that there has been genuine use of the mark in relation to the goods for which use is claimed.

18. KIT also filed written submissions in lieu of a hearing, dated 15 September 2025.

19. I have read and considered the evidence and written submissions of each of the parties and I will refer to the relevant parts at the appropriate points in the decision.

DECISION

20. The provisions of the Act relied upon in these proceedings are assimilated law, as they are derived from EU law. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the Retained

[6] See point 6 of the WS of Mr Marcus.

EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. That is why this decision refers to decisions of the EU courts which predate the UK's withdrawal from the EU.

My approach

21. I note that DAC's invalidity action under section 47(1) based on section 3(1) is directed against the mark relied upon in the invalidity action under section 47(2) based on section 5(2)(b), brought by KIT. If DAC's application for invalidation succeeds in full, KIT's mark will be declared invalid and treated as if it was never registered. As this is the only mark relied upon by KIT in its application for invalidation, KIT would no longer be able to rely on it and the application for invalidation under 5(2)(b) would fall away.

22. In light of this, I consider it appropriate to assess the merits of DAC's invalidity action based upon the section 3(1) grounds first. If it succeeds in full, it will not be necessary for me to consider the section 5(2)(b) ground and my decision will be brought to a close at that point. Alternatively, if it fails in its entirety or is only partially successful, I will proceed to consider the case brought by KIT under section 47(2) based on section 5(2)(b).

23. In its written submissions in lieu of a hearing, KIT submits that "the evidence and legal authorities demonstrate that "DIAMOND ART" is not descriptive or customary within the meaning of Section 3(1)(b)-(d)". It further submits that the mark is distinctive, and in any event, has acquired distinctiveness through long-standing use in the UK.[7] While I will also take into account the submissions of KIT to the contrary, I will focus my decision on the evidence provided by DAC to support its claim that the mark falls foul of section 3(1). Should I consider that evidence to be suitably sufficient to find in DAC's favour, I will then proceed to examine the evidence of acquired distinctiveness provided by KIT. If I do not find DAC's evidence sufficient to support a finding that KIT's mark should be invalidated under one or more of the section 3(1) grounds, it will not be necessary for me to make an assessment on whether the mark

[7] At point 4.

has acquired distinctive character through use, although I note that I will need to proceed to make an assessment on genuine use of the earlier mark under the 5(2)(b) grounds brought by KIT against DAC.

CA508649

Statutory provision under Section 47

24. Section 3(1) of the Act has application in invalidation proceedings by virtue of section 47 of the Act. So far as is relevant, section 47 of the Act is as follows:

> "47. (1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).
>
> Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.
>
> …
>
> (5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.
>
> …
>
> (6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made:
>
> Provided that this shall not affect transactions past and closed."

Section 3(1) –

25. Section 3(1) of the Act provides as follows:

> "3(1) The following shall not be registered –
>
> (a) …
>
> (b) trade marks which are devoid of any distinctive character,
>
> (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,
>
> (d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade:
>
> Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it."

26. I bear in mind that the above grounds are independent and have differing general interests. It is possible, for example, for a mark not to fall foul of section 3(1)(c), but still be objectionable under Section 3(1)(b): SAT.1 *SatellitenFernsehen GmbH v Office for Harmonisation in the Internal Market (Trade Marks and Designs) ("OHIM")*, Case C-329/02 P at [25].

27. The relevant date for determining whether KIT's mark is objectionable under sections (3)(1) is the date on which the application was made, being 12 February 2016. That being said, I note that a trade mark does not need to be in use in a descriptive manner at the time of application for it to fall foul of section 3(1)(c): the

possibility that a sign may be used descriptively in the future should also be considered.[8]

Relevant Public

28. In *Matratzen Concord AG v Hukla Germany SA*, Case C-421/04, the Court of Justice of the European Union ("CJEU") held that:

> "24. In fact, to assess whether a national trade mark is devoid of distinctive character or is descriptive of the goods or services in respect of which its registration is sought, it is necessary to take into account the perception of the relevant parties, that is to say in trade or amongst average consumers of the said goods or services, reasonably well informed and reasonably observant and circumspect, in the territory in respect of which registration is applied for (see Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779, paragraph 29; Case C-363/99 *Koninklijke KPN Nederland* [2004] ECR I-1619, paragraph 77; and Case C-218/01 *Henkel* [2004] ECR I-1725, paragraph 50)."

29. I note that neither party has specifically made mention of who it considers the average consumer of the goods at issue might be, being "*Artistic materials, namely craft and hobby kits for making pictures*".

30. In my view, the average consumer of the goods will be the general public of all ages with an interest in arts and crafts. I acknowledge that the average UK consumer of the goods may also be a specialist in trade, such as a third-party supplier of the goods to retail or wholesale outlets or directly to establishments such as schools or art groups, who is likely to have a broader knowledge of the goods at hand than a member of the general public.[9]

[8] See *Exalation v OHIM*, Case T-85/08, paragraph 43.
[9] See *Matratzen Concord AG v Hukla Germany SA,* Case C-421/04, paragraph 24.

Section 3(1)(d)

31. I will begin by considering the application for invalidation under Section 3(1)(d) of the Act.

32. In *Telefon & Buch Verlagsgesellschaft GmbH v OHIM,* Case T-322/03, the General Court ("GC") summarised the case law of the Court of Justice under the equivalent of s.3(1)(d) of the Act, as follows:

> "49. Article 7(1)(d) of Regulation No 40/94 must be interpreted as precluding registration of a trade mark only where the signs or indications of which the mark is exclusively composed have become customary in the current language or in the bona fide and established practices of the trade to designate the goods or services in respect of which registration of that mark is sought (see, by analogy, Case C-517/99 *Merz & Krell* [2001] ECR I-6959, paragraph 31, and Case T-237/01 *Alcon v OHIM – Dr. Robert Winzer Pharma* (BSS) [2003] ECR II-411, paragraph 37). Accordingly, whether a mark is customary can only be assessed, firstly, by reference to the goods or services in respect of which registration is sought, even though the provision in question does not explicitly refer to those goods or services, and, secondly, on the basis of the target public's perception of the mark (*BSS*, paragraph 37).
>
> 50. With regard to the target public, the question whether a sign is customary must be assessed by taking account of the expectations which the average consumer, who is deemed to be reasonably well informed and reasonably observant and circumspect, is presumed to have in respect of the type of goods in question (*BSS*, paragraph 38).
>
> 51. Furthermore, although there is a clear overlap between the scope of Article 7(1)(c) and Article 7(1)(d) of Regulation No 40/94, marks covered by Article 7(1)(d) are excluded from registration not on the basis that they are descriptive, but on the basis of current usage in trade sectors covering trade in the goods or services for which the marks are sought to be registered (see, by analogy, *Merz & Krell*, paragraph 35, and *BSS*, paragraph 39).

> 52. Finally, signs or indications constituting a trade mark which have become customary in the current language or in the bona fide and established practices of the trade to designate the goods or services covered by that mark are not capable of distinguishing the goods or services of one undertaking from those of other undertakings and do not therefore fulfil the essential function of a trade mark (see, by analogy, *Merz & Krell*, paragraph 37, and *BSS,* paragraph 40)."

33. In light of the above case law, the pertinent question is whether, on the relevant date, the mark "**DIAMOND ART**" had, based on the perception of the average consumer of the goods in the UK, "become customary in the current language or in the *bona fide* and established practices of the trade" to designate the goods covered by the mark.

34. At point 17 of his witness statement, Mr Perrier states that "The term DIAMOND ART is a recognised generic term used to describe "*the process of applying tiny resin rhinestones (known as "diamonds") to a pre-printed design – usually on an adhesive board – to create sparkling, vibrant and uplifting pieces of mosaic-style art*". I note that there is no reference for the origin of the definition and it is therefore unclear if this is Mr Perrier's own definition of the term, or if it has been extracted from a recognised source, such as a dictionary, encyclopaedia or trade information sheet. Mr Perrier continues that:

> "18. … "Diamond Art" directly describes the nature of the product, a form of art or craft involving diamond-like pieces and for the consumer and within the crafting / art industry the name "Diamond Art" clearly tells consumers what they are getting – a kit or artwork involving faux diamonds arranged to create images."

35. Much of the witness statement of Mr Perrier, as well as exhibits 1 – 5, all refer to DAC's own company and its trade mark "DIAMOND ART CLUB", rather than demonstrating how the contested mark "DIAMOND ART" falls foul of section 3(1). There are examples of descriptive use of the term "diamond art" within these exhibits, which are used interchangeably with the terms "diamond painting" and "diamond art

painting". However, all of these examples have been shown on the DAC's own website and as such, I would expect the text to have been prepared by, or on behalf of, DAC. Further, although Mr Perrier states that the website is directed at consumers within the UK market, the domain address is not shown to support this, and none of the printouts are dated so the evidence does not demonstrate the position at the relevant date.

36. Exhibit 6 shows printouts from various websites, including Amazon.com; artnhobby.ie; paintwithdiamonds.com; etsy.com. As such, none specifically target the UK market in the same way that a .co.uk domain would, and some of the goods being described as 'diamond art kits' are priced in US dollars ("$") or euros ("€"). The printouts are also undated, aside from showing the date that the evidence was prepared, which is shown as 03/06/2025. I note that pages 116 - 123 include printouts derived from the amazon.co.uk website, where the goods are described as "diamond art picture kits" and "diamond art painting", for example:

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About this item

- Exquisite Design: Diamond art picture kit with delicate pink owl pattern. Diamonds are smooth, special-shaped, layered that make your room more vivifying and shining. Easy to use for your kids, art beginners, painting lovers etc.
- Eco-Friendly Material: HD diamond art painting canvas is even texture, waterproof, non-toxic, wrinkle-free, soft and bright with sticky background and plastic protective film for long time using.
- Enrich Kids Life: Full drill diamond art painting not only can improve your kids focus, but also can enhance your kids hands-on ability, self-confidence and endurance. Ideal way to improve the relationship with your kids.
- Multi-Purpose: 5D diamond art painting is suitable for your home, office, restaurant, bar and other decorations. Perfect handmade gift for your families or friends on Birthday, Thanksgiving, Christmas, New Year, Valentine's and other holidays.

(original emphasis by DAC).

37. Page 126 of 148 also shows a printout from the website diamondart.uk. However, none of the pages provided are dated at the relevant date and therefore provide limited probative value.

38. Mr Perrier adduces exhibits 7 and 8 which show that printouts from the UK and the US Intellectual Property Offices of applications/registered marks which contain the words "Diamond art/s", alongside additional wording and/or device elements. The US registrations do not demonstrate that the contested mark has become customary in trade in the UK. In the case of the two UK registrations included in exhibit 7, they are not on an equal footing with the contested mark because of the additional elements not present in KIT's mark. Further, both applications were filed after the contested mark was registered and after the relevant date of 12 February 2016. With regards to the "withdrawn" UK application for the series of four "DIAMOND ART" marks provided in exhibit 8, Mr Perrier contends that the fact that it was withdrawn "reflects the fact that the mark applied for consisted of a non-distinctive term which a single proprietor could not claim exclusive rights in and a term which would not serve the purpose of a trade mark."[10] However, without evidence to the contrary, I consider this to be pure conjecture on the part of Mr Perrier – the application status is shown as withdrawn rather than refused, and the applicant could have chosen to withdraw its application for any number of reasons, to which neither I, nor Mr Perrier, are party.

39. I also note that use of a mark by others as a brand name is not enough to engage sections 3(1)(d) (or (b) or (c). In *Nude Brands Ltd v Stella McCartney Ltd,* [2009] EWHC 2154 Ch, Floyd J. stated that:

> "29. Whilst the use by other traders of the brand name NUDE in relation to perfume may give those traders relative rights to invalidate the mark, it does not give those rights to any defendant. I am not at this stage persuaded that this evidence has a bearing on any absolute ground of invalidity. It certainly does not go as far as establishing ground 7(1)(d) - customary indication in

[10] At point 21 of the witness statement.

trade. Ground 7(1)(b) is concerned with the inherent character of the mark, not with what other traders have done with it. The traders in question are plainly using the mark as a brand name: so I do not see how this use can help to establish that the mark consists exclusively of signs or indications which may serve to indicate the kind or quality or other characteristics of the goods, and thus support an attack under 7(1)(c)."

40. DAC has not provided any evidence to show consistent use by traders of the term "DIAMOND ART" in relation to the class 16 goods, being *Artistic materials, namely craft and hobby kits for making pictures*, to which the mark is applied. I find nothing within the evidence which supports that the mark as filed, for the class 16 goods at issue, had become generic/customary in trade, in the UK, at the relevant date, in relation to any of those goods.

41. **The application for invalidation under section 3(1)(d) fails.**

Section 3(1)(c)

42. I will now move to consider the application for invalidation under section 3(1)(c) of the Act.

43. At paragraph 55 of *Koninklijke KPN Nederland NV v Benelux-Merkenbureau (POSTKANTOOR)* [2004] E.T.M.R. 57, Case C-363/99, the CJEU described section 3(1)(c) as requiring "that all signs or indications which may serve to designate characteristics of the goods or services in respect of which registration is sought remain freely available to all undertakings in order that they may use them when describing the same characteristics of their own goods."

44. The case law under section 3(1)(c) (corresponding to article 7(1)(c) of the EUTM Regulation, formerly article 7(1)(c) of the CTM Regulation) was set out by Arnold J. (as he then was) in *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2012] EWHC 3074 (Ch) as follows:

"91. The principles to be applied under art.7(1)(c) of the CTM Regulation were conveniently summarised by the CJEU in *Agencja Wydawnicza Technopol sp. z o.o. v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-51/10 P) [2011] E.T.M.R. 34 as follows:

> "33. A sign which, in relation to the goods or services for which its registration as a mark is applied for, has descriptive character for the purposes of Article 7(1)(c) of Regulation No 40/94 is – save where Article 7(3) applies – devoid of any distinctive character as regards those goods or services (as regards Article 3 of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40 , p. 1), see, by analogy, [2004] ECR I-1699 , paragraph 19; as regards Article 7 of Regulation No 40/94, see *Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) v Wm Wrigley Jr Co* (C-191/01 P) [2004] 1 W.L.R. 1728 [2003] E.C.R. I-12447; [2004] E.T.M.R. 9; [2004] R.P.C. 18 , paragraph 30, and the order in *Streamserve v OHIM* (C-150/02 P) [2004] E.C.R. I-1461 , paragraph 24).
>
> 36. … due account must be taken of the objective pursued by Article 7(1)(c) of Regulation No 40/94 . Each of the grounds for refusal listed in Article 7(1) must be interpreted in the light of the general interest underlying it (see, inter alia , *Henkel KGaA v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-456/01 P) [2004] E.C.R. I-5089; [2005] E.T.M.R. 44 , paragraph 45, and *Lego Juris v OHIM* (C-48/09 P) , paragraph 43).
>
> 37. The general interest underlying Article 7(1)(c) of Regulation No 40/94 is that of ensuring that descriptive signs relating to one or more characteristics of the goods or services in respect of which registration as a mark is sought may be freely used by all traders offering such goods or services (see, to that effect, *OHIM v Wrigley* , paragraph 31 and the case-law cited).

38. With a view to ensuring that that objective of free use is fully met, the Court has stated that, in order for OHIM to refuse to register a sign on the basis of Article 7(1)(c) of Regulation No 40/94 , it is not necessary that the sign in question actually be in use at the time of the application for registration in a way that is descriptive. It is sufficient that the sign could be used for such purposes (*OHIM v Wrigley*, paragraph 32; *Campina Melkunie* , paragraph 38; and the order of 5 February 2010 in *Mergel and Others v OHIM* (C-80/09 P), paragraph 37).

39. By the same token, the Court has stated that the application of that ground for refusal does not depend on there being a real, current or serious need to leave a sign or indication free and that it is therefore of no relevance to know the number of competitors who have an interest, or who might have an interest, in using the sign in question (Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779, paragraph 35, and Case C-363/99 *Koninklijke KPN Nederland* [2004] ECR I-1619, paragraph 38). It is, furthermore, irrelevant whether there are other, more usual, signs than that at issue for designating the same characteristics of the goods or services referred to in the application for registration (Koninklijke *KPN Nederland*, paragraph 57).

And

46. As was pointed out in paragraph 33 above, the descriptive signs referred to in Article 7(1)(c) of Regulation No 40/94 are also devoid of any distinctive character for the purposes of Article 7(1)(b) of that regulation. Conversely, a sign may be devoid of distinctive character for the purposes of Article 7(1)(b) for reasons other than the fact that it may be descriptive (see, with regard to the identical provision laid down in Article 3 of Directive 89/104, *Koninklijke KPN Nederland* , paragraph 86, and *Campina Melkunie*, paragraph 19).

47. There is therefore a measure of overlap between the scope of Article 7(1)(b) of Regulation No 40/94 and the scope of Article 7(1)(c) of that

regulation (see, by analogy, *Koninklijke KPN Nederland*, paragraph 67), Article 7(1)(b) being distinguished from Article 7(1)(c) in that it covers all the circumstances in which a sign is not capable of distinguishing the goods or services of one undertaking from those of other undertakings.

48. In those circumstances, it is important for the correct application of Article 7(1) of Regulation No 40/94 to ensure that the ground for refusal set out in Article 7(1)(c) of that regulation duly continues to be applied only to the situations specifically covered by that ground for refusal.

49. The situations specifically covered by Article 7(1)(c) of Regulation No.40/94 are those in which the sign in respect of which registration as a mark is sought is capable of designating a 'characteristic' of the goods or services referred to in the application. By using, in Article 7(1)(c) of Regulation No 40/94 , the terms 'the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service', the legislature made it clear, first, that the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service must all be regarded as characteristics of goods or services and, secondly, that that list is not exhaustive, since any other characteristics of goods or services may also be taken into account.

50. The fact that the legislature chose to use the word 'characteristic' highlights the fact that the signs referred to in Article 7(1)(c) of Regulation No 40/94 are merely those which serve to designate a property, easily recognisable by the relevant class of persons, of the goods or the services in respect of which registration is sought. As the Court has pointed out, a sign can be refused registration on the basis of Article 7(1)(c) of Regulation No 40/94 only if it is reasonable to believe that it will actually be recognised by the relevant class of persons as a description of one of those characteristics (see, by analogy, as regards the identical provision laid down in Article 3 of Directive 89/104,

Windsurfing Chiemsee, paragraph 31, and *Koninklijke KPN Nederland*, paragraph 56)."

92. In addition, a sign is caught by the exclusion from registration in art.7(1)(c) if at least one of its possible meanings designates a characteristic of the goods or services concerned: see *OHIM v Wrigley* [2003] E.C.R. I-12447 at [32] and *Koninklijke KPN Nederland NV v Benelux-Merkenbureau* (C-363/99 [2004] E.C.R. I-1619; [2004] E.T.M.R. 57 at [97]."

45. With consideration to the above principles, in assessing the marks under Section 3(1)(c), I keep in mind that the objective of this section is to ensure that signs which consist exclusively of elements which designate a characteristic of the goods remain free for use by other traders of those goods.

46. As already noted under the section 3(1)(d) ground, DAC has not provided any compelling evidence to show that the mark had, at the relevant date, become customary in trade. I note that at point 22 of his witness statement, Mr Perrier asserts as follows:

"The term *"diamond art"* is used by numerous companies and individuals to describe the general craft activity involving rhinestone-like beads applied to an adhesive canvas. A search on many platforms like Amazon, Etsy, Temu list numerous products labelled as "diamond art" from unaffiliated vendors. Hobbyists and bloggers frequently use "diamond art" generically in tutorials, forums, and social media groups. These users are not referring to a specific brand/ trade mark but to the craft technique as a whole. The average consumer does not associate "diamond art" with a single company or brand. Instead, consumers interpret the term as referring to the type of craft project or kit, not its origin."

47. I acknowledge the above submissions, however, the evidence provided, as summarised earlier in this decision, does not support the submissions. As already mentioned, much of the evidence is either undated or is not specifically directed towards the UK market. While I note that there are some references to the term

"diamond art" in use in the UK on the websites of Amazon.co.uk and diamondart.uk, overall, the exhibits do not provide overwhelming evidence of descriptive use, or demonstrate that the relevant public would interpret the term "DIAMOND ART" as referring to the type of craft project or kit. In my view, the relevant consumer would not expect real diamonds to be used in the art kits being advertised in said exhibits. Indeed, Mr Perrier has himself provided that *tiny resin rhinestones* are used in the artwork. Although he has stated that these rhinestones are known as diamonds, there is no degree of certainty as to whether the relevant consumer of the goods would refer to them as such. In my view, the term "diamonds" in this context is allusive and somewhat fanciful, rather than being descriptive. I again note that nowhere in the evidence does it give a definition of the term "diamond art" from the likes of, for example, a verified UK dictionary or trusted UK-based trade expert in the relevant market.

48. I take all of the above into account, including the possibility that the mark could have been used descriptively since the relevant date, as outlined in the GC's judgement in *Exalation*, cited earlier in this decision. However, I do not consider that DAC has filed any viable evidence which persuades me that the mark is purely descriptive of a characteristic of the goods, or that the mark would be recognised in the UK as designating an essential characteristic of craft and hobby kits for making pictures. As such, I have no basis on which to find that the mark should remain free for use by other traders on any of the goods.

49. **The application for invalidation under section 3(1)(c) fails.**

Section 3(1)(b)

50. Section 3(1)(b) of the Act prevents registration of marks which are devoid of distinctive character. The principles to be applied under article 7(1)(b) of the CTM Regulation (which is now article 7(1)(b) of the EUTM Regulation, and is identical to article 3(1)(b) of the Trade Marks Directive and section 3(1)(b) of the Act) were conveniently summarised by the CJEU in *OHIM v BORCO-Marken-Import Matthiesen GmbH & Co KG* (C-265/09 P) as follows:

“29...... the fact that a sign is, in general, capable of constituting a trade mark does not mean that the sign necessarily has distinctive character for the purposes of Article 7(1)(b) of the regulation in relation to a specific product or service (Joined Cases C-456/01 P and C-457/01 P *Henkel* v *OHIM* [2004] ECR I-5089, paragraph 32).

30. Under that provision, marks which are devoid of any distinctive character are not to be registered.

31. According to settled case-law, for a trade mark to possess distinctive character for the purposes of that provision, it must serve to identify the product in respect of which registration is applied for as originating from a particular undertaking, and thus to distinguish that product from those of other undertakings (*Henkel* v *OHIM*, paragraph 34; Case C-304/06 P *Eurohypo* v *OHIM* [2008] ECR I-3297, paragraph 66; and Case C-398/08 P *Audi* v *OHIM* [2010] ECR I-0000, paragraph 33).

32. It is settled case-law that that distinctive character must be assessed, first, by reference to the goods or services in respect of which registration has been applied for and, second, by reference to the perception of them by the relevant public (*Storck* v *OHIM*, paragraph 25; *Henkel* v *OHIM*, paragraph 35; and *Eurohypo* v *OHIM*, paragraph 67). Furthermore, the Court has held, as OHIM points out in its appeal, that that method of assessment is also applicable to an analysis of the distinctive character of signs consisting solely of a colour per se, three-dimensional marks and slogans (see, to that effect, respectively, Case C-447/02 P *KWS Saat* v *OHIM* [2004] ECR I-10107, paragraph 78; *Storck* v *OHIM*, paragraph 26; and *Audi* v *OHIM*, paragraphs 35 and 36).

33. However, while the criteria for the assessment of distinctive character are the same for different categories of marks, it may be that, for the purposes of applying those criteria, the relevant public’s perception is not necessarily the same in relation to each of those categories and it could therefore prove more difficult to establish distinctiveness in relation to marks of certain categories as compared with marks of other categories (see Joined Cases C-473/01 P and

C-474/01 P *Proctor & Gamble* v *OHIM* [2004] ECR I-5173, paragraph 36; Case C-64/02 P *OHIM* v *Erpo Möbelwerk* [2004] ECR I-10031, paragraph 34; *Henkel* v *OHIM*, paragraphs 36 and 38; and *Audi* v *OHIM*, paragraph 37)."

51. Earlier in this decision, I found the contested mark to be acceptable under sections 3(1)(c) and 3(1)(d) and I considered that the mark in its entirety was not directly descriptive of the goods to which the mark is to be applied.

52. I remind myself that section 3(1)(c) and section 3(1)(b) are independent grounds and have differing general interests. However, DAC has not provided any further evidence in relation to its claims under 3(1)(b) per se. I have already found that the contested mark is not descriptive of the class 16 goods. I see nothing within the DAC's evidence to demonstrate that the mark is devoid of distinctive character in respect of the goods at issue, and I do not find there to be any compelling reason why the mark as a whole would be unable to indicate trade origin to the relevant public.

53. **The application for invalidation under section 3(1)(b) fails.**

OUTCOME OF THE APPLICATION FOR INVALIDATION BROUGHT BY DAC UNDER CA508649

54. As DAC's application for a declaration of invalidation has failed in its entirety under section 3(1), the contested mark will remain on the register. As the earlier mark may still be relied upon in the invalidation action brought by KIT under section 5(2)(b), I will now proceed to consider the merits of the case under CA508274.

<u>**CA508274**</u>

Statutory provision under Section 47

55. The application to invalidate the DAC's mark is based on section 5(2)(b), pursuant to section 47 of the Act. So far as is relevant, section 47 of the Act is as follows:

"…

(2) Subject to subsections (2A) and (2G), the registration of a trade mark may be declared invalid on the ground –

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

…

(2A) The registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless –

(a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration,

(b) the registration procedure for the earlier trade mark was not completed before that date, or

(c) the use conditions are met.

(2B) The use conditions are met if –

(a) the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with their consent in relation to the goods or services for which it is registered-

(i) within the period of 5 years ending with the date of application for the declaration, and

(ii) within the period of 5 years ending with the date of filing of the application for registration of the later trade mark or (where applicable) the date of the priority claimed in respect of that application where, at that date, the five year period within which the earlier trade mark should have been put to genuine use as provided in section 46(1)(a) has expired, or

(b) it has not been so used, but there are proper reasons for non-use.

(2C) For these purposes –

(a) use of a trade mark includes use in a form (the “variant form”) differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), and

(b) 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.

(2D)-(2DA) [Repealed]

(2E) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

(2F) Subsection (2A) does not apply where the earlier trade mark is a trade mark within section 6(1)(c).

(2G) An application for a declaration of invalidity on the basis of an earlier trade mark must be refused if it would have been refused, for any of the reasons set out in subsection (2H), had the application for the declaration been made on the date of filing of the application for registration of the later trade mark or (where applicable) the date of the priority claimed in respect of that application.

(2H) The reasons referred to in subsection (2G) are –

(a) that on the date in question the earlier trade mark was liable to be declared invalid by virtue of section 3(1)(b), (c) or (d), (and had not yet acquired a distinctive character as mentioned in the words after paragraph (d) in section 3(1));

(b) that the application for a declaration of invalidity is based on section 5(2) and the earlier trade mark had not yet become sufficiently distinctive to support a finding of likelihood of confusion within the meaning of section 5(2);

(c) that the application for a declaration of invalidity is based on section 5(3)(a) and the earlier trade mark had not yet acquired a reputation within the meaning of section 5(3).

…

(5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

…

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made:

Provided that this shall not affect transactions past and closed."

56. As the earlier mark is a comparable mark, paragraph 9 of part 1, Schedule 2A of the Act is also relevant.

57. As mentioned at paragraph 5 of this decision, the mark relied upon is subject to the use conditions contained in section 47(2B) of the Act. DAC has required KIT to provide proof of use of the mark for all the goods on which it relies.

Proof of use

58. Section 100 of the Act states that:

> "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".

59. In accordance with section 47(2B) of the Act, there are two relevant periods during which genuine use must be shown in invalidation proceedings. The first is the period of 5 years ending with the filing date of application for the declaration of invalidation. This was 6 January 2025, meaning the relevant period is 7 January 2020 to 6 January 2025. The second is within the period of 5 years ending with the date of filing of the application for registration of the contested trade mark or, in this case, the date of the priority claimed in respect of that application. The contested mark claims a priority date of 3 January 2023. Therefore the second relevant period is 4 January 2018 to 3 January 2023. Given the overlap between the first and second relevant periods, I see no reason not to assess them together.

60. As it is a comparable mark, the territory in which use of the KIT's mark must be shown is the EU (including the United Kingdom)[11] prior to IP completion day, being 31 December 2020, and the United Kingdom only thereafter.

[11] *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11, paragraphs 36, 50 and 55.

61. In *easyGroup Ltd v Nuclei Ltd & Ors* [2023] EWCA Civ 1247, Arnold LJ summarised the law relating to genuine use as follows:

> "105. The principles applicable to determining whether there has been genuine use of a trade mark have been considered by the CJEU in a considerable number of cases, the principal decisions being 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, Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bundervsvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], Case C-141/13 P *Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089], Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434] and Joined Cases C–720/18 and C–721/18 *Ferrari SpA v DU* [EU:C:2020:854].
>
> 106. Ignoring issues which do not arise in the present case, such as use in relation to spare parts or second-hand goods and use in relation to a sub-category of goods or services, the principles may be summarised as follows:
>
> > (1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].
> >
> > (2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* at [29].

(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 to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29]; *Gözze* at [37], [40]; *Ferrari* at [32].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39];

La Mer at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56]; *Ferrari* at [33].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving 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. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].

<u>Evidence of use</u>

62. Under the section 5(2)(b) ground, KIT has claimed that use has been made of all of the goods on which it relies for the mark as registered in class 16. I must consider whether, or the extent to which, the evidence shows genuine use of the earlier mark in relation to those goods, being "*Artistic materials, namely craft and hobby kits for making pictures.*"

63. I note the following from the witness statement ("WS") of Jonathan Marcus and the accompanying exhibits:

- The trade mark owner of the "DIAMOND ART" mark is recorded on the UK register as **Kitfix Sp. z o.o.** At point 1 of the WS, Mr Marcus refers to the documents of Kitfix, Kitfix UK Limited, Polstrad Sp. z.o,o, and Sequin Art Limited. I note, however, that he has not explained the relationship between any of these companies and the trade mark owner on record, such as whether they are trading names of KIT, are subsidiary companies, or whether the mark at issue is used under licence by the other named entities as third parties. Either way, given that use of the mark by the other named entities has been provided within KIT's evidence, it leads me to accept that in each case, it has been done so with the consent of KIT.[12]

- DIAMOND ART was launched in 2016 and is stated as being "one of the UK's leading Diamond painting brands".
- Mr Marcus states that that KIT is widely known amongst many in the relevant industry in the EU and UK. He goes on to say that since 2016, the extended use of the DIAMOND ART mark has been well recognised and that manufacturers and buyers of KITs goods have come to associate the mark with KIT.[13]

<u>The Exhibits</u>

64. In brief, the exhibits comprise of the following:

- Annex KT1 – 4 x Product catalogues from 2019 -2024. I note that three of these are headed as originating from "SEQUIN ART LIMITED" (dated 2019, 2022 and 2023), while the fourth is headed "KITFIX" and is dated 2024.

- Annex KT2 – are said to contain "purchase invoice orders from multiple retailers in the UK and the EU".[14] However, I note that there are only four purchase invoices orders included within the exhibit and they are all written in Polish. No translation into English has been provided. From what I can gather, they are each in relation to sales made to Polish buyers. Even if an English translation had been filed, as the invoices are clearly dated between 22 March 2023 to 24 April 2024, none of them fall prior to IP completion date and therefore they do not demonstrate use of the mark in the UK market, being the relevant territory for use after 31 December 2020. As such, I am unable to give any weight to this exhibit.

[12] See *Einstein Trade Mark,* [2007] RPC 23, at [24; 29]; and *Makro Zelfbedieningsgroothandel CV and others v Diesel SpA,* Case C-324/08, at [35].
[13] At points 3 and 6 of the WS.
[14] As described by Mr Marcus at point 3 of the WS.

- Annex KT3 – contains sales invoices from Kitfix UK Limited to various UK suppliers of the "DIAMOND ART" branded goods.

- Annex KT4 – is said to contain copies of (redacted) letters to potential infringers of the "DIAMOND ART" trade mark.[15] The letter outlining a potential infringement of KIT's mark by a third party is dated 9 October 2024. However, the letter in itself does not provide evidence of use of the mark by KIT. I note that the exhibit also contains the judgement of the High Court of Justice Chancery Division pertaining to infringement proceedings between KITFIX SWALLOW GROUP LIMITED and a third party and is dated 5 November 2007, which is well before either of the relevant periods. I consider that the exhibit provides little probative value and I will take no further account of it in my decision.

<u>Form of the mark</u>

65. Section 46(2) of the Act states that:

> "… use of a trade mark includes use in a form ("the variant form") differing in elements which do not alter the distinctive character of the mark in the form in which it is registered…"

66. The mark is registered for the word mark "**DIAMOND ART**". I note that the registration of a word mark gives protection irrespective of capitalisation: see *Bentley Motors Limited v Bentley 1962 Limited*, BL O/158/17.

67. The mark is referred to within the product description of the goods in the purchase invoice orders and sales invoices contained within Annex KT2 and KT3 as "Diamond Art". The mark is also shown in the following formats in the product catalogues contained within Annex KT1:

[15] See point 5 of the WS.

Example 1

Example 2

Example 3

Example 4

68. As outlined in *Lactalis McLelland Limited v Arla Foods AMBA,* Case O/265/22,[16] the use of the mark in a different form may also constitute use of the mark as registered.

69. Despite the differences in the stylisation and various presentations of the mark, including the additional backgrounds/device elements shown in the above examples, it is my view that the variances make no material difference to the distinctiveness of the mark "DIAMOND ART", which continues to indicate origin and may be relied upon by KIT.

[16] At [13 – 15]. See also *Hyphen GmbH v EUIPO*, Case T-146/15, at [28-32].

Assessment on genuine use

70. Whether the use shown is sufficient to constitute genuine use will depend on whether there has been real commercial exploitation of the mark, in the course of trade, sufficient to create or maintain a market for the goods at issue in the EU/UK during the relevant five-year periods. In making my assessment, I must consider all relevant factors, including:

- the scale and frequency of the use shown;
- the nature of the use shown;
- the goods for which use has been shown;
- the nature of those goods and the market for them; and
- the geographical extent of the use shown.

71. An assessment of genuine use is a global assessment, which includes looking at the evidential picture as a whole, not whether each individual piece of evidence shows use by itself. It is possible for an accumulation of evidence to show use, even if individual items of evidence would on their own be insufficient proof: see *New Yorker SHK Jeans GmbH & Co. KG v OHIM*, Case T- 415/09, paragraph 53. I acknowledge that, as per the principles outlined under paragraph 61 of this decision, use of the mark must be more than token, although that use need not always be quantitatively significant for it to be deemed genuine.[17] I also bear in mind that it is not for me to assess economic success or large-scale commercial use, and that there is no *de minimis* rule - even minimal use may qualify as genuine use if it is use warranted, in the economic sector concerned, to maintain or create market shares for the relevant goods.[18]

72. Case law does not specify particular types of documentation that must be adduced in evidence. When considering the evidence, I am entitled "to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive": *PLYMOUTH LIFE CENTRE*, BL O/236/13, paragraph 22.

[17] *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].
[18] *Naazneen Investments Ltd v OHIM*, Case T-250/13 at [49].

73. Aside from the invoices, the exhibits do not clearly demonstrate that the goods were available for sale during the relevant period. Although I acknowledge that the product brochures in Annex KT1 are dated within the relevant periods, they do not show how or to whom the brochures were circulated. Neither do they actually show the goods being offered for sale, but merely demonstrate the various designs which are available within the "DIAMOND ART" range. The sales invoices to the UK market in Annex KT3 are dated between 18 September 2023 to 10 April 2025. There are seven invoices included in the exhibit, one of which is a duplicate of another. The invoices include goods described as "Diamond Art" in the product description, as well as other ranges, such as "Sequin Art". I note that the sales values of the "Diamond Art" goods are particularly low, with many of the designs within the range being sold singularly or in low quantities, at a value of either £6.03 or £7.64 per unit:

#	Code	Product Description	Unit	Quantity	Price	Discount	Amount	Backordered
1	OFP1526	Butterfly, Diamond Art	Item	6.00	6.03	0.00%	36.18	No
2	OFP1610	Love, Diamond Art	Item	1.00	6.03	0.00%	6.03	No
3	OFP2022	Kitten, Diamond Art	Item	1.00	6.03	0.00%	6.03	No
4	OFP2023	Tiger, Diamond Art	Item	2.00	6.03	0.00%	12.06	No
5	OFP2024	Sunflower, Diamond Art	Item	2.00	6.03	0.00%	12.06	No
6	OFP2028	Unicorn, Diamond Art	Item	6.00	6.03	0.00%	36.18	No
7	FP0907	Oscar Puppy, Sequin Art Red	Item	2.00	8.85	0.00%	17.70	No
8	FP1502	Lily Pug, Sequin Art Red	Item	2.00	8.85	0.00%	17.70	No
9	OFP2202	Stardust Unicorn, Sequin Art Red Medium	Item	2.00	8.85	0.00%	17.70	No
10	OFP2223	Red Panda, Sequin Art Red Medium	Item	2.00	8.85	0.00%	17.70	No
32	FP1305	Sequin Art Blue, Ice Cream Sundae	Item	1.00	12.72	0.00%	12.72	No
33	FP1517	Sequin Art Blue, Horse	Item	1.00	12.72	0.00%	12.72	No
34	FP2109	Sequin Art Blue, Night Owl	Each	1.00	12.72	0.00%	12.72	No
35	FP2110	Sequin Art Blue, Robin	Item	1.00	12.72	0.00%	12.72	No
36	FP1931	Sequin Art Blue, Geckos	Item	1.00	12.72	0.00%	12.72	No
37	FP2410	Dinosaur, Diamond Art	Item	1.00	7.64	0.00%	7.64	No
38	FP2409	Koala, Diamond Art	Item	1.00	7.64	0.00%	7.64	No
39	FP2408	Llama, Diamond Art	Item	1.00	7.64	0.00%	7.64	No
40	FP2406	Turtle, Diamond Art	Item	1.00	7.64	0.00%	7.64	No
41	FP2407	Monkey, Diamond Art	Item	1.00	7.64	0.00%	7.64	No
42	FP2022	Kitten, Diamond Art	Item	1.00	7.64	0.00%	7.64	No
43	FP2026	Pug, Diamond Art	Item	1.00	7.64	0.00%	7.64	No
44	FP2027	Flamingo, Diamond Art	Item	1.00	7.64	0.00%	7.64	No
45	FP2023	Tiger, Diamond Art	Item	1.00	7.64	0.00%	7.64	No
46	FP2024	Sunflower, Diamond Art	Item	1.00	7.64	0.00%	7.64	No
47	FP2028	Unicorn, Diamond Art	Item	1.00	7.64	0.00%	7.64	No
48	FP1525	Pattern, Diamond Art	Item	1.00	7.64	0.00%	7.64	No
49	FP1526	Butterfly, Diamond Art	Item	1.00	0.00	0.00%	0.00	No
50	FP2229	Boho Bear, Diamond Art	Item	1.00	0.00	0.00%	0.00	No
51	FP2025	Flowers, Diamond Art	Item	1.00	0.00	0.00%	0.00	No

(Yellow highlighting made by me).

74. The evidence provided in relation to genuine use of the mark is extremely limited. I remind myself that I must evaluate all the evidence submitted in an overall assessment, and that although pieces of evidence may be insufficient by themselves, they may contribute to proving use in combination. However, KIT has not provided me with any indication of the turnover generated in either the EU or the UK under the mark for the goods at issue during the relevant five-year periods. Neither have I been provided with the size of the corresponding markets for craft and hobby kits for making pictures, or the percentage share of those markets enjoyed by KIT. There is no information in relation to KIT's marketing spend for the pertinent goods or as to how or where consumers were able to acquire the goods in the EU or the UK, during the pertinent relevant periods.

75. Where there is no use of the mark in respect of the goods as registered, it follows there has been no genuine use of the mark. In *Awareness Limited v Plymouth City Council,* Case BL O/236/13, Mr Daniel Alexander Q.C. (as he then was) as the Appointed Person stated that:

> "22. The burden lies on the registered proprietor to prove use.......... However, it is not strictly necessary to exhibit any particular kind of documentation, but if it is likely that such material would exist and little or none is provided, a tribunal will be justified in rejecting the evidence as insufficiently solid. That is all the more so since the nature and extent of use is likely to be particularly well known to the proprietor itself. A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive. By the time the tribunal (which in many cases will be the Hearing Officer in the first instance) comes to take its final decision, **the evidence must be sufficiently solid and specific to enable the evaluation of the scope of protection to which the proprietor is legitimately entitled to be properly and fairly undertaken**, having regard to the interests of the proprietor, the opponent and, it should be said, the public". (**My emphasis**).

76. I also note Mr Alexander's comments in *Guccio Gucci SPA v Gerry Weber International AG*, Case BL O/424/14, where he stated that:

> "56. The Registrar says that it is important that a party puts its best case up front – with the emphasis both on "best case" (properly backed with credible exhibits, invoices, advertisements and so on) and "up front" (that is to say in the first round of evidence). Again, he is right. If a party does not do so, it runs a serious risk of having a potentially valuable trade mark right revoked, even where that mark may well have been widely used, simply as a result of procedural error. … . The rule is not just "use it or lose it" but (the less catchy, if more reliable) "use it - and file <u>the best evidence first time round</u> - or lose it". (<u>Original emphasis</u>)

77. Having considered the evidence as a whole, I find it to be insufficient to support that there has been genuine use of the mark for any of the goods relied upon. While three of the six applicable invoices included in Annex KT3 show repeat orders to one of the four distinct customers shown on the UK invoices, as already mentioned, the volume of sales is extremely low. I accept that in some circumstances, low volume of sales does not automatically mean that the overall evidence of use is insufficient.[19] However, in the case before me, in the absence of any other pertinent evidence, this alone is not sufficient to allow me to find that KIT has demonstrated real commercial exploitation of the mark in relation to any of the goods for which use is claimed. The consequence of this is that the mark may not be relied upon in the application for invalidation of DAC's UK registration, and so the action brought under section 47(2), based on the section 5(2)(b) ground, fails.

CONCLUSION

78. Both the application for a declaration of invalidity brought by KIT based upon the section 5(2)(b) ground (CA508274), and the application for a declaration of invalidity brought by DAC based upon the section 3(1) grounds (CA508649), have failed in their

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[19] See *Masterbuilders, Heiermann, Schmidtmann GbR v EUIPO*, T-76/21, EU:T:2022:16; and *Industria de Diseño Textil, SA (Inditex) v EUIPO*, T-467/20, EU:T:2021:842.

entirety. Consequently, subject to any successful appeal, Registration No. 3870784 and Registration no. 915110026 will remain on the register in respect of all of the goods in the respective specifications.

COSTS

79. In these consolidated proceedings, both parties have enjoyed a share of success. As neither party is entitled to the reimbursement of the official fees incurred, and considering the balance of success is roughly equal, I have concluded that both parties should bear their own costs.

Dated this 11th day of August 2026

Suzanne Hitchings
For the Registrar,
the Comptroller-General