O/1051/23

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. 505048

TO REVOKE ON THE GROUNDS OF NON-USE

REGISTRATION NO. UK00900103358 FOR THE MARK:

MIDO

IN CLASS 14

OWNED BY

MIDO AG (MIDO SA) (MIDO LTD).

BACKGROUND AND PLEADINGS

1. These proceedings concern the following trade mark that is owned by Mido AG (Mido SA) (Mido LTD). ("the proprietor"):

   MIDO
   Registration no. 900103358[1]
   Filing date 1 April 1996; registration date 24 November 1998
   Seniority date 8 January 1940
   Registered for the following goods:

Class 14:	Precious metals and their alloys and goods in precious metals or coated therewith, not included in other classes; jewellery, precious stones; horological and chronometric instruments.

2. On 27 June 2022, Samsung Electronics Co., Ltd. ("the applicant") applied to partially revoke the proprietor's mark. The applicant seeks the revocation of all goods, save for "analogue watches". The application is brought in reliance upon sections 46(1)(a) and 46(1)(b) of the Trade Marks Act 1994 ("the Act").

3. The period during which the applicant alleges non-use under section 46(1)(a) is the five years after registration of the mark, being 25 November 1998 to 24 November 2003, with revocation sought from 25 November 2003. Under its section 46(1)(b) ground, the applicant is alleging non-use of the mark for the period of 27 June 2017 to 26 June 2022, with revocation sought from 27 June 2022, being the date of the application at issue.

4. The proprietor filed a counterstatement wherein it defended all of the goods subject to the application.

[1] The proprietor's mark is a comparable trade mark based on a pre-existing EUTM (being EUTM no 103358). On 1 January 2021, in accordance with Article 54 of the Withdrawal Agreement between the UK and the European Union, the UK IPO created comparable UK trade marks for all right holders with existing EUTMs.

5. Both parties filed evidence in chief with the proprietor also filing written submissions alongside its evidence. A hearing took place before me on 14 August 2023, by video conference. The proprietor was represented by Mr Daniel Selmi of 3 New Square, acting upon the instruction of Dentons, being the proprietor's legal representatives. The applicant was represented by Mr David Stone of Allen & Overy, who have represented the applicant throughout these proceedings.

6. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case-law of EU courts.

EVIDENCE

7. The proprietor's evidence in chief came in the form of the joint witness statement of Ms Mireille Koenig and Mr Antoine Haller dated 5 December 2022. Ms Koenig is the Chief Legal Officer at The Swatch Group Ltd ("the Swatch Group"), a position she has held since 2016. Mr Haller is the Head of Trademarks and Designs at the Swatch Group, a position he has held since 2021. Prior to taking this role, Mr Haller was an Anti-counterfeiting Officer at the Swatch Group. Their statement is accompanied by 38 exhibits, being MKAH1 to MKAH38. The evidence explains that both Ms Koenig and Mr Haller are authorised signatories of the proprietor and confirms that the proprietor belongs to the Swatch Group. A list of the companies within what is referred to as the Swatch Group is provided in the evidence.[2]

8. I note that the proprietor's evidence consists of exhibits in a foreign language. Translations of the same are included in the evidence and, in support of the accuracy of the same, witness statements (which are dated either 5 December or 22 December 2022) have been provided by Mr Craig Thomas Smith (who I note

[2] MKAH1

has provided two statements) Mr Matthew Roselli, Mr Matthew Schneider, Mr David Beckett, Mr Maxwell Brewster and Mr Garret James Higgins. All of these individuals are translators at Transperfect Legal Solutions and all of their statements relate to translations to English from either French, German or Italian. I do not intend to summarise each statement but note that they confirm (1) what parts of Ms Koenig and Mr Haller's evidence has been translated and (2) the witnesses' belief that the translations are accurate.

9. The applicant's evidence came in the form of the witness statement of Mr David Stone dated 22 February 2023. As set out above, Mr Stone is the applicant's legal representative and is, therefore, duly authorised to give evidence on the applicant's behalf. Mr Stone's statement is accompanied by nine exhibits, being DAS1 to DAS9.

10. Given the voluminous nature of the evidence filed, I do not consider it appropriate or necessary to summarise the entirety of the evidence throughout the course of my decision. I will, however, summarise it to the extent that I consider it necessary to do so at the relevant parts of my decision. For the avoidance of doubt, I confirm that I have taken all of the evidence and submissions into account.

PRELIMINARY ISSUES

11. Throughout these proceedings and at the hearing, the parties made a number of arguments and submissions that I consider necessary to discuss as preliminary issues to my decision.

High Court proceedings and the related revocation proceedings

12. Throughout these proceedings, there has been reference by both parties to proceedings in the High Court of England and Wales between the applicant and several companies within the Swatch Group (the proprietor being one of them).[3]

[3] *Montres Breguet SA & Ors v Samsung Electronics Co. Ltd* [2022] EWHC 1127 (Ch)

The outcome of the High Court proceedings was the granting of an injunction in favour of the Swatch Group.[4] The applicant claims that during those proceedings, the Swatch Group confirmed that it had not used its marks for ‘smartwatches’ and that it became apparent that there was no use for other goods contained in the specifications of other marks owned by companies within the Swatch Group. As a result, the applicant claims that the injunction is based on the overly broad specifications of the Swatch Group’s marks, for which there is no use. Consequently, the applicant now seeks the present revocation action against the proprietor’s mark. In addition to these proceedings, there are 12 other revocation actions brought by the applicant against 19 different trade marks owned by various companies within the Swatch Group.

13. On the point of the High Court proceedings, I note that there has also been mention of the judgment of Falk J wherein she stated at paragraph 175 that:[5]

> “Marks such as those associated with Omega, Longines, Tissot and Swatch are very well-known. Their reputation is obvious. […] Further, I would observe that the developers of apps using identical or similar signs to the marks clearly intended to imitate or at least to pay homage to the relevant marks, including exclusive marks such as Jaquet Droz. That rather demonstrates the existence of a reputation.”

14. While I accept that it may very well be the case that the proprietor and other companies within the Swatch Group enjoy a reputation, this is not at issue here. Further, it does not follow that because Falk J found there to be a reputation in a range of marks owned by the Swatch Group then I must reach a similar conclusion here in relation to the mark at issue (even though said mark is not referred to above), i.e. that there has been genuine use of the same in the UK. Instead, my decision is based on an assessment of the evidence before me whilst taking into account the relevant case law and legislation. Falk J’s determination regarding a reputation is not relevant to this decision and I will say no more about it.

[4] The judgment of the High Court is presently subject to an appeal due to be heard on 5 and 6 December 2023
[5] A copy of the full judgment is exhibited at DAS3

Relevant periods

15. As set out above, there are two sets of relevant periods for the present revocation application. The earlier period is the one relevant to the 46(1)(a) ground with the latter period being relevant to the 46(1)(b) ground. In its counterstatements, the proprietor clarified that it only sought to rely on use insofar as it covers the latter relevant period. As such, the proprietor's evidence only focused on the later relevant period. The basis for this was set out at the hearing by Mr Selmi wherein he confirmed that the proprietor relies on the provisions set out at section 46(3) of the Act which set out that:

> "46 (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."

16. So long as I am satisfied as to use and provided that said use commenced or resumed prior to the period of three months before the application date of the present proceedings, I agree with the proprietor's position in that the earlier relevant period is of no real consequence to the genuine use assessment I must make. That being said, it follows that if there is no use in respect of the latter relevant period, the proprietor's failure to file any evidence in relation to the earlier relevant period means that the revocation will take effect from the earliest sought revocation date. So while I will make no reference to the earlier period in my assessment below, it may still have effect on these proceedings. For ease of

reference going forward, I will only refer to the one relevant period, being 27 June 2017 to 26 June 2022.

<u>The proprietor's evidence</u>

17. Prior to the hearing, the applicant filed a skeleton argument that contained detailed and extensive criticisms of the proprietor's evidence. Having reviewed and considered the issues raised by the applicant, I note that the majority of them relate to criticisms of the evidence insofar as they fail to demonstrate genuine use. While Mr Stone did not seek to raise all of these issues at the hearing, Mr Selmi set out that it was not appropriate for the applicant to raise these issues at such a late stage in the proceedings (being the skeleton argument stage) without formally challenging the evidence. While this point is noted, it is not necessary that the applicant raises such issues in evidence or request to cross-examine witnesses. On the contrary, it is common in proceedings before the Tribunal for an opposing party to raise issues with the sufficiency of the other side's evidence at the hearing stage or via written submissions in lieu. Further, I remind myself that the onus is on the party bearing the burden of proving use to file its best case as evidence in chief. Having said that, I do appreciate that where the party challenging the evidence appears to have avoided criticising the accuracy or sufficiency of it during the written procedure, only to unveil an extensive attack on its accuracy and sufficiency after the evidence rounds have closed, there is potential for unfairness. In the present case, I appreciate that the applicant's critique of the proprietor's evidence is extensive and was not unveiled until mere days before the hearing. However, in respect of the former point, I remind myself that the evidence filed in these proceedings was voluminous and spread over 38 exhibits. In such circumstances, it is not unsurprising that any criticisms of the same would also be extensive. In respect of the latter point, I note Mr Selmi's issues with the applicant's approach but note that he did not seek to make an application to allow for the proprietor to file evidence in response to the criticisms made. While I will say no more about this issue, I wish to point out, for the avoidance of doubt, that while I will give consideration to the applicant's criticisms, the conclusions I will reach in this decision will be based on my own assessment of the evidence before me.

18. Having said all of the above, I am of the view that there are two issues that I wish to directly address. The first relates to the applicant's claim that the proprietor's witnesses are not persons properly qualified to know the nature of the use of the mark. This is on the basis that they are members of the proprietor's legal team rather than the business itself. This issue is noted but I agree with Mr Selmi on this point in that it is not appropriate for the applicant to only seek to raise the issue at such a late stage in these proceedings. If the applicant wished to take issue with this point then it should have mentioned it in its evidence, thereby potentially prompting evidence in reply whereby the proprietor's witnesses could directly address the point. Without a direct challenge, I see no reason why I should disbelieve the proprietor's evidence simply because it came from employees in the Swatch Group's legal and trademarks teams. On this point, I note that evidence filed on behalf of companies is commonly given by persons of the same or similar employment status and such evidence is routinely accepted into proceedings before the Tribunal without issue.

19. The second issue raised relates to the evidence at large being discredited by the false statement by Ms Koenig and Mr Haller that "it is clear from the above that Mido has made genuine use of the Mark for the goods on its specification during the period in question."[6] The applicant argues that this statement is 'obviously incredible'[7] as the evidence clearly does not demonstrate use for everything. While this argument is noted, I do not agree. Even if it is not the case that the evidence shows genuine use for *all* goods in the proprietor's specification, the claim that it has is not sufficient to discredit the accuracy of the proprietor's evidence as a whole.[8] Without any direct challenge to the evidence, I consider it reasonable to proceed on the basis that, if use is not shown for all goods, it may simply have been the case that Ms Koenig and Mr Haller believed that it had. This is not, in my

[6]See paragraph 22 of the witness statement of Ms Koenig and Mr Haller
[7] In making this point, Mr Stone referred to the wording used in the case of *Pan World Brands Ltd v Tripp Ltd* [2008] RPC 2.
[8] On this point, I refer to paragraph 44 of *DRYSHOD* (Case BL O/243/19) wherein Mr Phillip Johnson, sitting as the Appointed Person, set out that it was plainly wrong in law to suggest that just because some part of a witness's evidence are inaccurate, other parts should not be accepted.

view, an intentionally misleading statement that prompts me to question the truthfulness of the statement as a whole.

<u>New Limitation proposals</u>

20. As set out above, the applicant's pleaded case is that the proprietor's mark be limited to just 'analogue watches'. During these proceedings, the applicant provided an alternative fair specification, being a claim that the proprietor's mark only survive in respect of 'watches other than smartwatches'. This issue first came to the Tribunal's attention via written correspondence from the applicant on 29 March 2023 and the proprietor's subsequent response on 6 April 2023. The proprietor sought to oppose the alternative argument being raised at such a late stage in these proceedings on the basis that it had not been specifically pleaded. After further correspondence between the parties, the Tribunal confirmed via email on 4 July 2023, that in revocation proceedings it is open for the Hearing Officer to reframe a trade mark specification by reference to the evidence filed and that it did not follow that if the application were to succeed, the specification could only be limited to that of the applicant's pleaded case. Instead, the Tribunal confirmed that the Hearing Officer may reach alternative conclusions based on the evidence filed and the issue as to whether such an amended specification should make reference to the exclusion of 'smartwatches' or not is something that the parties were free to make submissions on.

21. I note that in its skeleton argument filed prior to the hearing, the applicant sought to introduce a further alternative specification, being "watches other than smartwatches and connected watches". While Mr Selmi did not further the proprietor's opposition to the introduction of these alternative specifications at the hearing, he did raise the issue in his skeleton argument. As confirmed in the Tribunal's response discussed above, it is open to me during the course of this decision to determine a fair specification of the goods at issue in light of both the evidence before me and the relevant case law (cited in full below). As such, I am of the view that the applicant is entitled to raise the alternative arguments in respect of a fair specification.

22. So long as I am satisfied that the evidence and case law support such a finding, it may be that I conclude on a fair specification in line with one of the applicant's submitted specifications. Alternatively, I may conclude in line with the proprietor's position (that the proprietor maintains specification in full) or conclude with finding an alternative term that I deem to constitute a fair specification (again, so long as the evidence and case law support such a finding).

DECISION

23. Section 46 of the Act states:

> "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;
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> (b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;
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> (c) […]
>
> (d) […]
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> (2) For the purpose of subsection (1) 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 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 in 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) […]

(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 existing at an earlier date, that date".

24. Given that the proprietor's mark is a comparable mark, paragraph 8 of part 1, schedule 2A is relevant. It reads:

"8.— Non-use as defence in infringement proceedings and revocation of registration of a comparable trade mark (EU)

(1) Sections 11A and 46 apply in relation to a comparable trade mark (EU), subject to the modifications set out below.

(2) Where the period of five years referred to in sections 11A(3)(a) and 46(1)(a) or (b) (the "five-year period") has expired before [IP completion day]—

(a) the references in sections 11A(3) and (insofar as they relate to use of a trade mark) 46 to a trade mark are to be treated as references to the corresponding EUTM; and

(b) the references in sections 11A and 46 to the United Kingdom include the European Union.

(3) Where [IP completion day] falls within the five-year period, in respect of that part of the five-year period which falls before [IP completion day]—

(a) the references in sections 11A(3) and (insofar as they relate to use of a trade mark) 46 to a trade mark, are to be treated as references to the corresponding EUTM ; and

(b) the references in sections 11A and 46 to the United Kingdom include the European Union".

25. Section 100 is also relevant, which reads:

"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."

26. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J summarised the law relating to genuine use as follows:

“114……The CJEU has considered what amounts to “genuine use” of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), 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], [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, 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] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases 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]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and

simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(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] and [22]. 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]; *Reber* at [29].

(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]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

(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] and [76]-[77]; *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]."

27. Proven use of a mark which fails to establish that "the commercial exploitation of the mark is real"[9] because the use would not be "viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services protected by the mark"[10] is not, therefore, genuine use.

28. I am also guided by *Awareness Limited v Plymouth City Council,* Case BL O/236/13 ("*Plymouth Life*"), wherein Mr Daniel Alexander Q.C. 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

[9] *Jumpman,* Case BL O/222/16
[10] *Ibid*.

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.

[…]

28. .... I can understand the rationale for the evidence being as it was but suggest that, for the future, if a broad class, such as "tuition services", is sought to be defended on the basis of narrow use within the category (such as for classes of a particular kind) the evidence should not state that the mark has been used in relation to "tuition services" even by compendious reference to the trade mark specification. The evidence should make it clear, with precision, what specific use there has been and explain why, if the use has only been narrow, why a broader category is nonetheless appropriate for the specification. Broad statements purporting to verify use over a wide range by reference to the wording of a trade mark specification when supportable only in respect of a much narrower range should be critically considered in any draft evidence proposed to be submitted."

29. In addition, in *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd,* Case BL 0/404/13*,* Mr Geoffrey Hobbs Q.C. as the Appointed Person stated that:

"21.The assessment of a witness statement for probative value necessarily focuses upon its sufficiency for the purpose of satisfying the decision taker with regard to whatever it is that falls to be determined, on the balance of probabilities, in the particular context of the case at hand. As Mann J. observed in *Matsushita Electric Industrial Co. v. Comptroller- General of Patents* [2008] EWHC 2071 (Pat); [2008] R.P.C. 35:

[24] As I have said, the act of being satisfied is a matter of judgment. Forming a judgment requires the weighing of evidence and other factors. The evidence required in any particular case where satisfaction is required depends on the nature of the inquiry and the nature and purpose of the decision which is to be made. For example, where a tribunal has to be satisfied as to the age of a person, it may sometimes be sufficient for that person to assert in a form or otherwise what his or her age is, or what their date of birth is; in others, more formal proof in the form of, for example, a birth certificate will be required. It all depends who is asking the question, why they are asking the question, and what is going to be done with the answer when it is given. There can be no universal rule as to what level of evidence has to be provided in order to satisfy a decision-making body about that of which that body has to be satisfied.

22. When it comes to proof of use for the purpose of determining the extent (if any) to which the protection conferred by registration of a trade mark can legitimately be maintained, the decision taker must form a view as to what the evidence does and just as importantly what it does not *'show'* (per Section 100 of the Act) with regard to the actuality of use in relation to goods or services covered by the registration. The evidence in question can properly be assessed for sufficiency (or the lack of it) by reference to the specificity (or lack of it) with which it addresses the actuality of use."

30. The proprietor's mark is a comparable mark based on an earlier EUTM. This means that use of the mark in the EU prior to (and including) IP Completion Day (being 31 December 2020) is relevant to the present assessment.[11] By virtue of being a Member State prior to this date, the UK still formed part of the relevant territory of the EU. From 1 January 2021 onwards, however, the relevant territory is the UK only. On this point, I refer to the case of *Leno Merken BV v Hagelkruis*

[11] See paragraph 4 of Tribunal Practice Notice 2/2020

Beheer BV, Case C-149/11, wherein the Court of Justice of the European Union noted that:

> "It should, however, be observed that … the territorial scope of the use is not a separate condition for genuine use but one of the factors determining genuine use, which must be included in the overall analysis and examined at the same time as other such factors. In that regard, the phrase 'in the Community' is intended to define the geographical market serving as the reference point for all consideration of whether a Community trade mark has been put to genuine use."
>
> And
>
> "50. Whilst there is admittedly some justification for thinking that a Community trade mark should – because it enjoys more extensive territorial protection than a national trade mark – be used in a larger area than the territory of a single Member State in order for the use to be regarded as 'genuine use', it cannot be ruled out that, in certain circumstances, the market for the goods or services for which a Community trade mark has been registered is in fact restricted to the territory of a single Member State. In such a case, use of the Community trade mark on that territory might satisfy the conditions both for genuine use of a Community trade mark and for genuine use of a national trade mark."

31. In respect of the framing of a fair specification, I remind myself of the case of *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited,* BL O/345/10, wherein Mr Geoffrey Hobbs Q.C., sitting as the 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."

32. Further, I note the case of *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation as follows (at [47]):

"iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) ("Thomas Pink") at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Pl*c [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed

independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46."

33. During these proceedings, the parties made various submissions in respect of the evidential burden and the case law that is relevant to the assessment of proof of use. The applicant's argument boiled the position down to being a three step test in that I must first examine the evidence relied on, then I must consider what does that evidence prove, as a whole, before making a determination as to what a fair specification is based on the use shown. The proprietor's argument in response was that this was a 'divide and conquer' approach which did not take a wholistic view of the evidence. While I agree that I must take the evidence as a whole, this does not mean that just because it is voluminous and detailed that it is satisfactory in showing genuine use for all goods at issue. On this point I agree with the applicant in that if there are individual issues with different items of evidence that renders that specific evidence of little or no assistance, then that must effect the overall evidential picture. While I am entitled to make inferences based on the evidence before me, the sheer volume of evidence coupled with the fact that the proprietor is a large company does not simply mean that I must make every inference in favour of the proprietor. Put simply, if I am not satisfied that such an inference is reasonable to make then I will not make it. On this point, I remind myself of the comments of Mr Daniel Alexander Q.C. in *Plymouth Life* (cited above and also referred to by the applicant at the hearing) that I will be justified in rejecting evidence if it is insufficiently solid. I do not consider this a necessarily controversial approach and I will proceed to assess it in the ordinary way.

34. In determining the issue of genuine use, I consider it appropriate to undertake a detailed assessment of the evidence in respect of the goods at issue separately

and, at the same time (so long as use is proven), make a determination as to the fair specification of those goods. That being said, where I consider it appropriate to do so, I will seek to group any relevant goods together.

Horological and chronometric instruments.

35. I note that the evidence before me in respect of goods that fall under the above term is extensive. For the purpose of the present assessment, I do not consider it necessary to discuss this evidence in full. I will, instead, conduct a brief assessment of the proprietor's use of goods within this term. I note that, as an example, the proprietor has provided sample invoices that show the wholesale of €165,227.86 worth of watches in the EU between 2017 and 2020[12] and £211,792.43 worth of watches in the UK between 2018 and 2022.[13] The evidence sets out that these figures are taken only from certain samples invoices and are, therefore, only representative of a fraction of the total sales by the proprietor. While noted, no further information is provided as to the actual size of the use.

36. The above issues with the vague sales figures are noted, however, I note that additional evidence has been provided regarding sponsorship activity and press coverage. In respect of the first point, I note that evidence is before me regarding sponsorship of the Red Bull Cliff Diving World Series.[14] The evidence sets out that the proprietor has sponsored this event since 2019 and sets out that it a prestigious international event that occurs across Europe. In respect of the latter point, I note that the evidence includes press coverage that demonstrates that the proprietor has, during the relevant period, enjoyed a presence in various print publications and on third party websites in the EU.[15] This includes evidence of MIDO's presence in a range of magazines such as Germany's version of GQ, Der Spiegel, Uhren Magazine and L'Orologio and on online websites such as thewatchobserver.fr. In support of the print publication evidence, the proprietor has provided additional

[12] MKAH3
[13] MKAH4 and MKAH6 to MKAH10
[14] See MKAH22 which confirms the proprietor's presence at an event in Spain in 2019
[15] MKAH20 and MKAH21

evidence regarding those publications' circulation figures in Germany.[16] Having reviewed these figures, I note that they cover magazines with limited circulation figures (in the region of 4,000 issues circulated) to magazines with substantial circulation figures in the hundreds of thousands of issues in circulation (I note that this goes as high at 739,213 issues circulated for Der Spiegel),

37. On balance of the evidence discussed above, I am satisfied that the proprietor's evidence is sufficient to demonstrate genuine use of goods that fall within the above term. Having said that, the only goods covered by such evidence is the proprietor's range of watches. The proprietor did not dispute this but submitted that there are a number of authorities that provide support for the full specification being maintained despite use only being shown for one category of goods. These authorities include the *Euro Gida* and *Titanic Spa* cases (both of which are cited above). In addition, the proprietor made reference to the case of *Guccio Gucci SPA* (Case BL O/424/14) and a Tribunal decision, being *IWATCH* (Case BL O/307/16), wherein the Hearing Officer determined that the use of watches and the parts and fittings of the same was sufficient to grant a fair specification for the broader term which, in that case, was "horological and chronometric apparatus and instruments". In response, the applicant referred to the case of *Roger Maier and Another v ASOS*[17] in support of the argument that where terms are sufficiently broad and have identifiable sub-categories within them that are capable of being viewed independently, then use in relation to only one or more of those sub-categories does not constitute use of the mark in relation to all the other sub-categories.

38. Because I consider that it is of no relevance, I will discuss the proprietor's reference to the *IWATCH* decision first. At paragraph 39 of that decision, the Hearing Officer confirmed that the use of "horological and chronometric apparatus and instruments" was not contested by the applicant and, further, he set out that nothing turned on this issue. Therefore, I fail to see how it is relevant to the assessment I must now make. Conversely, I note that there is an additional UK IPO decision

[16] See MKAH38 and the associated breakdown at paragraph 20 of the witness statement of Ms Koenig and Mr Haller
[17] [2015] EWCA Civ 220

before me (as submitted by the applicant) wherein a different Hearing Officer found that use of watches alone was such that a specification of 'horological and chronometric instruments' was unsustainable and, in that case, the term was limited to 'watches'.[18] While these decisions are noted, neither of them are binding upon me and I will say no more about them.

39. Moving to the actual application of the aforementioned case law, I note that the wording of the test set out in *Euro Gida* was that it must be based on 'the perceptions of the average consumer'. As for *Titanic Spa*, I note that at paragraph 47(iv), Mr Justice Carr looked at how an average consumer would fairly describe goods[19] in relation to which the trade mark has been used. Further, the latter case explains that use in relation to one sub-category will not constitute use in relation to all other sub-categories of goods. Similarly, I note that, as per paragraph 65 of *ASOS*, a specification is not to be cut down to precise goods for which the mark has been used if the average consumer considers that the goods used form their own sub-categories. In such a scenario, the mark must be limited accordingly. Lastly, the *Guccio Gucci* case sets out that the real question is not whether a narrow specification would suffice, but whether the wide specification is justifiable and makes more sense. The answer to this question is, as set out by Mr Alexander Q.C., dependent upon (to some degree) the nature of the wider specification.

40. For the most part, the wording of the tests set out in the case law discussed above confirm that the assessment of a fair specification is, in essence, focused on the perception of the average consumer. In considering that position, I am not convinced that average consumers would, upon viewing a range of watches (regardless of if they were digital, automatic or analogue), describe them as *horological and chronometric instruments*. I note that there is nothing before me in evidence to suggest that this is how the actual consumer describes such goods. As a result (and to borrow the wording used in the *Guccio Gucci* case), I am not convinced that this broader specification is justifiable and neither does it make

[18] HAMILTON & INCHES, Case BL O/090/17
[19] While services are specifically referred to in the *Titanic Spa* case, the question applies equally to goods, as is the case here

more sense in light of the use made of it. As such, I conclude that the proprietor should not be permitted to retain the full term.

41. In light of the above, the issue now before me is what specification is appropriate. The applicant's case is that the specification should be limited to either "analogue watches" or "watches other than connected watches or smartwatches". During the hearing, Mr Selmi set out that the average consumer would not categorise the goods in such an artificial way. In respect of the term 'analogue watches', I agree with Mr Selmi and I see no reason why the average consumer would, upon being confronted with a series of watches, seek to describe them using the precise type of watch that they are. Even if it were the case that an undertaking only sold analogue watches (or digital ones, for that matter), I see no reason why the average consumer would look to make such a distinction in their description of the same. As a result, I reject the applicant's pleaded case that these goods should be limited to 'analogue watches'.

42. In considering the alternative argument that the specification should be limited to 'watches other than connected watches and smartwatches', I make a similar finding to that reached above. Put simply, I see no reason why the average consumer would look to articulate specific exclusions when considering the use made of the goods by the proprietor. In considering this point, I remind myself that the applicant argued that the present situation can be likened to goods such as 'alcoholic beverages, except beers' in class 33 on the basis that it is a term that explicitly excludes goods from another class (beers are natural to class 32).[20] While this is noted, such a consideration would not cross the average consumer's mind and I agree with Mr Selmi's argument that such a term is artificial. As a result, I reject the applicant's alternative case that these goods should be limited to 'watches other than connected watches and smartwatches'.

43. I have found that the term as registered, being "horological and chronometric instruments", is too broad in light of the use made of the mark. I have also found

[20] Additional references to other goods were mentioned but, for illustrative purposes, I have only mentioned one example.

that the proposed terms of the applicant, being “analogue watches” and “watches other than connected watches and smartwatches” are not natural categorisations that the average consumer would make and are, therefore, not appropriate. Instead, I consider that the most appropriate conclusion in the circumstances is that the term be limited to “watches”. This is on the basis that when confronted with the use before me, the average consumer would simply refer to it as covering “watches”. Further, I consider that this term is a suitable sub-category of goods and is sufficiently broad enough so as to offer appropriate protection to the proprietor. Further, it is not too limiting that it can be said to strip the proprietor of any fair protection associated with the use made of the mark.

44. In respect of the fair specification point, I note that submissions were put before me regarding the effect of the Nice Classification. At the hearing, Mr Selmi made reference to the case of *Pathway*[21] wherein Carr J held, at paragraph 79 of his judgment, albeit obiter, that the Nice Classification would be relevant to revocation if the term were unclear or imprecise. In the present case, the arguments of the applicant are noted, however, as set out above, the assessment I must make is based on the perception of the average consumer. Put simply, I find that the average consumer would view “watches” as being a term that is sufficiently clear and precise in describing the goods at issue. As a result, I see no reason why the Nice Classification would be relevant and find that the addition of an exclusion regarding ‘connected watches’ and ‘smartwatches’ would not assist in adding clarity. I consider that the exclusion of such in a class 14 specification serves no purpose (they are naturally excluded by virtue of being class 9 goods, in any event) and would not be something that average consumers would refer to in their description of the goods shown in evidence.

[21] *Pathway IP SARL v Easygroup Ltd* [2018] EWHC 3608 (Ch)

Precious metals and their alloys and goods in precious metals or coated therewith, not included in other classes; precious stones.

45. The proprietor claims that its use of its range of watches in precious metals and precious stones constitutes use of the above term. In support of this claim, the proprietor has filed evidence of wholesale figures in relation to its watches that contain diamonds in the UK. In total, this covers wholesale of £16,267.11 between 2018 and 2022. The proprietor has also provided catalogue evidence to demonstrate that it sells watches in precious stones[22] and in precious metals.[23] While this evidence is noted, I do not consider it to be of any particular assistance. This is on the basis that I do not consider that use of watches in precious metals, their alloys or those that incorporate precious stones is sufficient use of "precious metals and their alloys" or "precious stones". This is because the sale of goods made of or incorporating these materials is not a genuine attempt to create or preserve a market share in the actual materials themselves. As such, the proprietor's reliance upon "precious metals and their alloys" and "precious stones" must fail.

46. While the above finding is noted, the same cannot be said for "goods made of these materials or coated therewith" (insofar as it can be used to relate to precious metals only as such protection exists for 'precious stones')[24] as use of watches in these materials would satisfy use of the same. While that may be the case, I do not consider that such an assessment is necessary in the present case. The reason for this is twofold. Firstly, only watches are shown in the evidence meaning that any such retainment of the above term would be limited to "watches made of precious metals or coated therewith." Secondly, I have found genuine use for "watches" and as that term is not limited to the materials of which the watches may be made, it can reasonably be said to cover watches made of precious metals or coated therewith. Therefore, the granting of a limited version of the aforementioned

[22] See, for example, pages 5 to 7 of MKAH16
[23] Se, for example, page 4 o MKAH18
[24] As the term at issue cannot be said to cover 'goods made of precious stones'

term offers nothing beyond that which is provided by the retaining of the terms “watches”.

Jewellery.

47. The proprietor’s position is that, as a matter of interpretation, a watch is a type of jewellery. In support of this position, the proprietor filed evidence of press coverage that shows its range of watches alongside side photos of necklaces and earrings[25] as well as a bracelet.[26] While this evidence is noted, I do not consider it particularly convincing as the categorisation of third party publications are not relevant to my assessment. On this point, I accept that watches and jewellery may overlap in trade channels and may also often be displayed together in fashion magazines, however, I am of the view that they are distinct categories of goods and are, therefore, not the same. The issue before me is not whether such goods are similar but whether use of watches supports a claim that the proprietor should retain jewellery in its specification. In my view, it does not and, therefore, I do not consider that the evidence demonstrating use in relation to watches is of any assistance to the proprietor in demonstrating genuine use of ‘jewellery’. Alternatively, if I am wrong to find that a watch is not an item of jewellery, then the proprietor is adequately protected for such by virtue of retaining “watches” in its specification. In my view, if watches are a subset of jewellery, then they would form their own distinct sub-category and would be identified as such by the average consumer.

CONCLUSION

48. The outcome of this decision is that the proprietor’s mark is to be revoked for the following goods:

Class 14:	Precious metals and their alloys and goods in precious metals or coated therewith, not included in other classes; jewellery, precious stones; horological and chronometric instruments.

[25] See page 1 of MKAH36
[26] See page 7 of MKAH36

49. The mark may, however, remain registered for those goods I have found to be reflective of a fair specification. Those goods are as follows:

Class 14: Watches.

50. As I have set out above, the proprietor did not seek to file any evidence in respect of the earlier relevant period in respect of the 46(1)(a) grounds. Instead, it chose to rely on the provision set out in section 46(3) of the Act. This means that where the mark is to be revoked, it is to be done so from the earliest date sought. Therefore, the revoked goods under the proprietor's mark have an effective revocation date of 25 November 2003.

COSTS

51. In the parties' skeleton arguments, they indicated their intention to claim costs off the scale. As I have mentioned above, these proceedings are connected to a series of 13 different revocation applications between the parties. At the first hearing of the connected proceedings, it was decided that the issue of costs was not to be addressed at any of the connected hearings. Instead, the parties requested that the issue of costs be dealt with at the conclusion of all matters. I agreed with this proposal.

52. In discussing the issue of costs at that hearing, it was mentioned that the parties wished to file additional documents in support of their claim for off-scale costs. So while I make no decision on costs at this stage, I do hereby direct the parties to file any written submissions and additional documentation in support of their costs claim within 28 days from the date of issue of this decision. Upon the receipt of these submissions and additional documents, I will list one hearing to deal with the costs for all of these connected matters.

APPEAL PERIOD

53. For the avoidance of doubt, I wish to point out that the appeal period relating to this decision will not begin to run until I have issued my supplementary decision on costs.

Dated this 6th day of November 2023

A COOPER
For the Registrar