

O-232-14

TRADE MARKS ACT 1994

**IN THE MATTER OF REGISTRATION NO. 2316187
OF THE TRADE MARK**

The logo consists of the words "LIP-ICE" in a bold, italicized, sans-serif font. The letters are white with a red outline, set against a red rectangular background.

AND

**IN THE MATTER OF REGISTRATION NO. 2324905
OF THE TRADE MARK**

The logo consists of the words "LIP-ICE" in a bold, italicized, sans-serif font. The letters are white with a black outline, set against a black rectangular background.

BOTH IN THE NAME OF MULTIBRANDS INTERNATIONAL LIMITED

**AND THE CONSOLIDATED APPLICATIONS FOR REVOCATION THERETO
UNDER NOS. 500018 AND 500019**

BY THE MENTHOLATUM COMPANY

Background and pleadings

1. On 19 April 2013, The Mentholatum Company (“the applicant”) filed applications for the revocation, on the grounds of non-use, of two trade mark registrations owned by Multibrands International Limited (“the registered proprietor”).

(i) 2316187



The applicant claims the colour white as an element of the mark.

Filing date: 14 November 2002

Date of completion of the registration procedure: 13 June 2003

Registered in class 3 for *cosmetics*.

(ii) 2324905



Filing date: 26 February 2003

Date of completion of the registration procedure: 8 August 2003

Registered in class 5 for *treatments for chapped and dry, cracked lips in the form of sticks*.

2. The applicant seeks revocation of the registrations in full under sections 46(1)(a) and 46(1)(b) of the Trade Marks Act 1994 (“the Act”). It claims that no use was made of mark (i) for the goods as registered in the following five year periods:

- 14 June 2003 to 13 June 2008, with an effective revocation date of 14 June 2008 (under section 46(1)(a));
- 17 November 2007 to 16 November 2012, with an effective revocation date of 17 November 2012 (under section 46(1)(b)).

- 21 January 2008 to 20 January 2013, with an effective revocation date of 21 January 2013 (under section 46(1)(b)); and
- 19 April 2008 to 18 April 2013, with an effective revocation date of 19 April 2013 (under section 46(1)(b));

3. For mark (ii), the periods of claimed non-use under section 46(1)(b) are the same as those for mark (i); while the dates for section 46(1)(a) are 9 August 2003 to 8 August 2008, with an effective revocation date of 9 August 2008.

4. The registered proprietor filed counterstatements in which it opposed the applications for revocation. It stated that the marks had been put to genuine use for all the registered goods. The registered proprietor drew attention to section 46(2) of the Act:

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

The registered proprietor claims that use of the marks aurally, in writing and in standard written characters does not alter the distinctive character of the marks.

5. At this point, the proceedings were consolidated.

6. The registered proprietor filed evidence. The applicant filed no evidence, but did file written submissions. The parties were given the option to have a decision made from the papers or after a hearing. The applicant filed written submissions in lieu of a hearing; the registered proprietor did not request a hearing or file submissions.

Evidence

7. Rizwana Haider is the registered proprietor’s Sales Director. She has provided a witness statement dated 17 September 2013. She states that the facts contained in her statement are true to the best of her knowledge and belief and that she has been advised as to the consequences of making a false statement.

8. Ms Haider states that the evidence she provides is a representative sample of the large volume of use of the marks which has been made. She states that the registered proprietor has used the marks continuously since at least 2008. The evidence she has provided is as follows:

- Item 1¹: 10 invoices on Multibrands headed paper addressed to retailers, whose addresses are in the UK for delivery in the UK or for export to Portugal and Gibraltar. The dates of the invoices range from 20 November 2008 to 18 January 2013. The goods listed are LIPICE ANTI-WRINKLE, LIPICE CHERRY, LIPICE ORIGINAL, LIPICE INTENSE CARE, LIPICE FOR MEN,

¹ The evidence is all contained in a single exhibit, RH1.

LIPICE STRAWBERRY, LIPICE PINK GLOSS and LIPICE SUNCARE. Ms Haider states that these are all lip balm products in stick form for application to the face. The net amounts on the invoices (some include other items with other brands) attributable to LIPICE total £7898.64.

- Item 2 consists of ten pages which Ms Haider describes as showing advertising used by Multibrands to promote its LIPICE product in the UK. She states that the advertising is in English (one page is in Arabic), there is use of a Bradford phone number, and the prices are in sterling. Ms Haider states that the advertising took place between November 2007 and August 2010, with trade brochure use in 2009. The representations are very poorly produced: it is not possible to decipher the majority of the writing on these pages. The pages show content which appears to be targeted at the trade. The mark is shown as follows:



It is possible to see pricing in sterling on page 9 of item 2, which is said to have been used as advertising from December 2008 and during 2009. The prices of the LIPICE goods range from 65p to £1.05. Page 10 is shown below. It refers to approval by the Vegetarian Society.

LIPICE

Advertising - Technical Sheet August 2008

Lipice®

- Enriched lipbalm with natural nutrients
- Lasting care with pro vitamins B5 & E, & Lysine Amino acids
- UVA/UVB SPF 15 protection as standard
- Very attractive & innovative patented packaging
- Stunning Shelf Appeal
- Well known brand with proven sales track record
- Approved for use by the Vegetarian Society



www.lipice.eu.com

MULTIBRANDS™

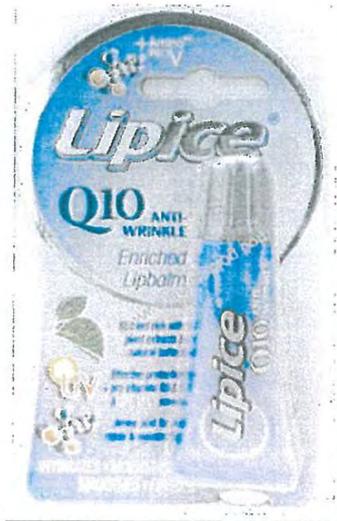
- Item 3 consists of twenty pages which Ms Haider states show a small sample of a large number of historical pages from Multibrands' website, obtained via the WayBack Machine internet archive. The use is all as shown below:



[CLICK HERE TO SEE THE ENTIRE LIPICE RANGE](#)

The content was captured on 23 October 2010, 3 May 2012 and 12 May 2012. The copyright information refers to the registered proprietor as being headquartered in Bradford. Approval by the Vegetarian Society is referred to in the content. Ms Haider refers to this in her statement as the Vegetarian Society of Great Britain.

- Item 4 consists of two pages, the first of which is a historical page from the registered proprietor's website which appears to be targeted at the trade. The second page is an image taken from Youtube, which Ms Haider states is a video which has been available to access from the registered proprietor's website. She states that the two pages show indications of UK use because the words are in English and are spoken with an English accent, referring to the registered proprietor being located in Bradford. The website page content was captured on 24 March 2012 and the video was uploaded on 4 October 2010.
- Item 5 consists of seven pages from an independent blog called The Chap British Grooming Junkie dated 9 January 2011. It refers to Lipice Q10 costing £1.99 and being available from Costcutter, Londis, Poundland and Poundworld. The image shown is this:



Decision

9. Section 46 of the Act reads as follows:

“(1) The registration of a trade mark may be revoked on any of the following grounds—

(a) that within the period of five years following the date of completion of the registration procedure it has not been put to genuine use in the United Kingdom, by the proprietor or with his consent, in relation to the goods or services for which it is registered, and there are no proper reasons for non-use;

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

(c) that, in consequence of acts or inactivity of the proprietor, it has become the common name in the trade for a product or service for which it is registered;

(d) that in consequence of the use made of it by the proprietor or with his consent in relation to the goods or services for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of those goods or services.

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

(3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as is referred to in that

paragraph is commenced or resumed after the expiry of the five year period and before the application for revocation is made.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

11. Section 100 of the Act states:

"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."

12. In *Dosenbach-Ochsner AG Schuhe und Sport v Continental Shelf 128 Ltd* ('CATWALK'), BL O/404/13, Mr Geoffrey Hobbs QC, sitting as the appointed person, stated:

“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.”

13. The use of the marks has been like this, with little difference in representation between the various exhibits:



The use has not been of the marks in the form in which they are registered:



14. The question to be asked is whether the use that has been made of the marks is use in a form differing in elements which do not alter the distinctive character of the marks in the form in which they are registered. As the two registered marks are

effectively identical (there is a colour claim in mark (i)), I will treat them as being the same and will refer to them in the singular. The applicant submits that the position of the lower case 'ice' next to the letters 'Lip' gives the impression of a single word, rather than two words separated by a hyphen, as in the registered form. The applicant claims that the used form of the mark alters the distinctive character of the mark compared to its registered form and is therefore outside of the ambit of section 46(2) of the Act.

15. In *Bud/Budweiser Budbrau* [2003] RPC 25, Lord Walker of Gestingthorpe said:

“43 ...The first part of the necessary inquiry is, what are the points of difference between the mark as used and the mark as registered? Once those differences have been identified, the second part of the inquiry is, do they alter the distinctive character of the mark as registered?

....

45 ... It is for the registrar, through the Hearing Officer's specialised experience and judgment, to analyse the “visual, aural and conceptual” qualities of a mark and make a “global appreciation” of its likely impact on the average consumer, who “normally perceives a mark as a whole and does not proceed to analyse its various details.”

16. Mr Richard Arnold QC, sitting as the Appointed Person in *REMUS* (BL O/061/08) stated:

“35. I do not consider that the subsequent developments discussed above undermine the correctness of the view which I articulated in *NIRVANA*^[2] as follows:

‘33. The first question [in a case of this kind] is what sign was presented as the trade mark on the goods and in the marketing materials during the relevant period...

‘34. The second question is whether that sign differs from the registered trade mark in elements which do not alter the latter's distinctive character. As can be seen from the discussion above, this second question breaks down in the sub-questions, (a) what is the distinctive character of the registered trade mark, (b) what are the differences between the mark used and the registered trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)? An affirmative answer to the second question does not depend upon the average consumer not registering the differences at all.’”

17. In *OAo “Alfa-Bank v Alpha Bank A.E.* [2011] EWHC 2021 (Ch), although Briggs J cautioned against elevating *NIRVANA* to a statutory test, observing that there are bound to be occasions where the addition of a word or words would not alter the distinctive character of the mark as registered, he stated that the *NIRVANA* formula was:

² BL O/262/06

“a perfectly sound and authoritative unpicking of the test laid down in section 6(A)(4)(a) of the Act”.³

18. In making my assessment of whether the use shown in the evidence complies with section 46(2), I will follow the *NIRVANA* formula which is, in essence, the enquiry articulated by Lord Walker. I need to ascertain the differences between the marks and evaluate whether the differences alter the distinctive character of the mark as registered. In order to answer that question, I also need to determine the distinctive character of the mark in its registered form. This will be my starting point.

19. The registered mark is LIP-ICE. It will be seen, heard and understood as a two-syllable, two-word mark consisting of the well-known words LIP and ICE. Lip is not distinctive for products to be applied to the lips, which is what Ms Haider states the mark has been used upon. Ice may be allusive to products which cool or soothe the lips, but it is not descriptive of such products. In combination, the mark LIP-ICE has an average degree of distinctive character.

20. The next point in the enquiry is to establish the differences between the mark used and the mark in the form in which it is registered:

Mark registered	Mark used
	

21. The evidence does not show use of the mark as registered, i.e. with the words LIP and ICE separated by a hyphen. Nor does the evidence show use of the words LIP ICE (i.e. separated by a space, rather than a hyphen). “Lipice”, which is how the mark has been used, creates the visual impression of a single, invented, word. Aurally, it may be pronounced as Lipeece or Lip-ice. If the mark is seen, and these goods are overwhelmingly purchased by visual selection, there is no meaning or concept attributable to the invented word Lipice. Nor will there be any recognisable meaning if Lipice is articulated as Lipeece. Only if it is said as Lip-ice will the aural use of the mark coincide with the registered form of the mark. There is a marked difference between the single, invented word Lipice and the registered form LIP-ICE, where the hyphen causes the mark to separate naturally into two well-known words.

22. Appreciated globally (visually, aurally and conceptually) the likely impact on the average consumer, who “normally perceives a mark as a whole and does not proceed to analyse its various details” will be different in the case of the registered mark as opposed to the mark as used. I do not believe that the average consumer

³ Section 6A(4)(a) mirrors the wording under the relevant part of section 46(2) of the Act.

will pick out Lip and Ice from the way in which the mark is used unless an unnatural dissection process takes place, which is not how the average consumer perceives trade marks. There is no doubt in my mind that the differences I have described on a visual, aural and conceptual level alter the overall distinctive character of the mark in its registered form. Invented words have a high degree of distinctive character. The registered mark is averagely distinctive; the mark in use has a higher than average level of distinctive character (it has a high level). In relation to the registered proprietor's defence that the mark in aural use is use of the mark in its registered form, (i) that is debateable: it could be pronounced Lipeece; and (ii) if I were to follow that line of argument, marks which have wildly different spelling (and meanings) which are identical aurally would qualify under section 46(2), such as Isle and Aisle, or Right and Write. That cannot be correct. Lastly, none of the evidence points towards aural use of the mark; the exhibits show the mark in advertisements and on packaging only, and these are goods which are purchased visually.



23. Use of **Lipice**® is use in a form differing in elements which alters the distinctive character of the mark in the form in which it was registered. It follows that the use falls outside of section 46(2) of the Act. Section 46(2) connects directly to section 46(1): if the use falls outside of section 46(2), it cannot assist in proving genuine use as prescribed by sections 46(1)(a) and (b) (my emphasis):

“(1) The registration of a trade mark may be revoked on any of the following grounds—

(a) that within the period of five years following the date of completion of the registration procedure it has not been put to genuine use in the United Kingdom, by the proprietor or with his consent, in relation to the goods or services for which it is registered, and there are no proper reasons for non-use;

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

...

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

Outcome

24. The registered proprietor has not shown genuine use of its registered marks during the pleaded periods. Therefore,

(i) registration 2316187 is revoked from 14 June 2008 under section 46(6)(b) of the Act; and

(ii) registration 2324905 is revoked from 9 August 2008 under section 46(6)(b) of the Act.

Costs

25. The applicant has been successful and is entitled to a contribution towards its costs, which I assess on the standard published⁴ scale, taking into account the consolidation, as follows:

Preparing statements and considering the counterstatements	£200
Application fees	£400
Considering the registered proprietor's evidence	£500
Written submissions	£400
Total:	£1500

26. I order Multibrands International Limited to pay The Mentholatum Company the sum of £1500. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 28th day of May 2014

**Judi Pike
For the Registrar,
the Comptroller-General**

⁴ Tribunal Practice Notice 4/2007.