

O-291-05

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 81840
BY LIDL STIFTUNG & CO KG
FOR REVOCATION OF TRADE MARK No. 2155597
STANDING IN THE NAME OF DAVIDE BARONI**

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BACKGROUND

1. Trade Mark No. 2155597 is a series of two trade marks, BARONI'S and BARONI, and is registered in respect of "Edible oils; olive oil; preserved, dried and cooked fruits and vegetables; jellies, jams and fruit sauces; meat extracts". It stands in the name of Davide Baroni.
2. On 18 August 2004 Lidl Stiftung & Co. KG applied for this registration to be revoked under the provisions of Section 46(1)(a) of the Act on the basis that there has been no genuine use of the mark(s) by the proprietor or with his consent in the UK within the five year period following the date of completion of the registration procedure. Furthermore, there are no proper reasons for non-use.
3. The registered proprietor filed a counterstatement claiming that the mark had been put to use in relation to the goods for which it is registered during the relevant period. It is not suggested that there are proper reasons for non-use in respect of any of the goods of the registration.
4. The case thus proceeded on the basis that the applicant was seeking full removal and the proprietor full retention of the specification set out above.
5. Only the registered proprietor has filed evidence. The parties were afforded the usual opportunity to say whether they wished to be heard or to file written submissions in lieu of a hearing. Neither side has asked to be heard. Written submissions have been received from Urquhart-Dykes & Lord LLP on behalf of the applicant for revocation.

DECISION

The Law

6. Section 46 reads:

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

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

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

7. Section 100 is also relevant and reads:

"100. 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."

Guiding principles

8. These can be found in the ECJ's judgement in *Ansul BV and Ajax Brandbeveiliging BV (Minimax)* [2003] RPC 40. I will record the relevant paragraphs in full:

“36 “Genuine use” must therefore be understood to denote use that is not merely token, serving solely to preserve the rights conferred by the mark. Such use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of goods or services to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the product or service from others which have another origin.

37 It follows that “genuine use” of the mark entails use of the mark on the market for the goods or services protected by that mark and not just internal use by the undertaking concerned. The protection the mark confers and the consequences of registering it in terms of enforceability *vis-à-vis* third parties cannot continue to operate if the mark loses its commercial *raison d’être*, which is to create or preserve an outlet for the goods or services that bear the sign of which it is composed, as distinct from the goods or services of other undertakings. Use of the mark must therefore relate to goods or services already marketed or about to be marketed and for which preparations by the undertaking to secure customers are under way, particularly in the form of advertising campaigns. Such use may be either by the trade mark proprietor or, as envisaged in Art.10(3) of the Directive, by a third party with authority to use the mark.

38 Finally, when assessing whether there has been genuine use of the trade mark, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, in particular whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark.”

9. The applicant's written submissions also refer me to a number of other authorities notably *La Mer Technology Inc v Laboratoires Goemar SA* [2004] F.S.R. 38 (and one might add that same case in the Court of Appeal on return from the ECJ under reference [2005] EWCA Civ 978), *Philosophy Di Alberta Ferretti Trade Mark* [2003] RPC 15 and *Riviera Trade Mark* [2003] RPC 50.

Relevant dates

10. This action is brought under the terms of Section 46(1)(a) and, therefore, relates to a five year period of claimed non-use following the date of completion of the registration

procedure. That procedure was completed on 21 May 1999. The relevant five year period, therefore, runs from 22 May 1999 to 21 May 2004.

The proprietor's evidence

11. A short witness statement has been filed by Davide Baroni, the registered proprietor by assignment from the previous owner Baroni Italian Foods UK Limited. His evidence is as follows:

“2. My Company was founded in 1997 and specialises in the supply of various products to groceries and restaurants in the UK, including in particular olive oil. The olive oil is produced and packaged in Italy and sold in the UK under the brand name BARONI, the mark in suit.

3. The range of BARONI olive oil marketed by my Company comprises six varieties: four extra virgin, one olive oil and one pomace olive oil. Each is noted for its specific characteristics and each is suited to a different culinary use.

There is now produced and shown to me marked Exhibit DB 1 a bundle of sample labels and promotional literature relating to my Company's BARONI brand product range.

4. Turnover figures for the amount of olive oil sold by my Company in the UK under the BARONI brand name in the last five years or so are as follows:

Years	£
08/1999-06/2000	192,232
07/2000-06/2001	246,381
07/2001-06/2002	220,865
07/2002-06/2003	264,326
07/2003-08/2004	279,672

There is now produced and shown to me marked Exhibit DB 2 copies of invoices showing sales of my company's BARONI brand products to various UK companies.

5. My Company has since the year 2001 operated a web site under the url *baroniitalianfoods.com* to advertise and promote its range of BARONI brand products.

There is now produced and shown to me marked Exhibit DB 3 a print-out of the home page of my Company's web site.”

12. On the basis of that evidence the applicant's written submissions indicate that “The evidence submitted by the proprietor appears to relate solely to use on olive oil”. That is also my view of the matter. I would merely add that the turnover figures given by Mr Baroni

suggest a trade of reasonably significant size given that it appears to be a one-product business. I do not think there can be any doubt that the proprietor has a valid defence to the revocation action in so far as olive oil is concerned.

Partial revocation

13. In the light of the above the only issue for determination is the scope of the specification to which the registered proprietor is entitled. The applicant has, rightly, reminded me of the principles set out in *David West (trading as Eastenders) v Fuller Smith & Turner Plc* [2003] F.S.R. 44 and *Thomson Holidays Ltd v Norwegian Cruise Line Ltd* [2003] RPC 32. The following extract is from the latter case:

“30 Pumfrey J. was, I believe, correct that the starting point must be for the court to find as a fact what use has been made of the trade mark. The next task is to decide how the goods or services should be described. For example, if the trade mark has only been used in relation to a specific variety of apples, say Cox’s Orange Pippins, should the registration be for fruit, apples, eating apples, or Cox’s Orange Pippins?”

31 Pumfrey J. in *Decon* suggested that the court’s task was to arrive at a fair specification of goods having regard to the use made. I agree, but the court still has the difficult task of deciding what is fair. In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use. The court, when deciding whether there is confusion under s.10(2), adopts the attitude of the average reasonably informed consumer of the products. If the test of infringement is to be applied by the court having adopted the attitude of such a person, then I believe it appropriate that the court should do the same when deciding what is the fair way to describe the use that a proprietor has made of his mark. Thus, the court should inform itself of the nature of trade and then decide how the notional consumer would describe such use.”

14. The question as to how tightly a specification needs to be drawn in the light of the use shown is a matter for determination on a case by case basis having regard to these principles. Two cases illustrate how the Courts (in the UK and Europe) have approached the matter. In *H Young (Operations) Ltd v Medici Ltd (Animale)* [2004] F.S.R. 19 the claimant had a broad specification of goods in Class 25 (the clothing class) but made use of its mark on a more restricted range of goods which the defendant sought to characterise as ‘casual surf type wear for men’ or ‘casual surf type wear for women aged under 30’ (with a view to distinguishing such goods from its own particular segment of the clothing market). Jacob J (as he was then) dealt with the matter as follows:

“ 20 The reason for bringing the public perception in this way is because it is the public which uses and relies upon trade marks. I do not think there is anything technical about this: the consumer is not expected to think in a pernickety way because the average consumer does not do so. In coming to a fair description the notional average consumer must, I think, be taken to know the purpose of the description. Otherwise they might choose something too narrow or too wide. Thus, for instance, if there has only been use for three-holed razor blades imported from Venezuela (Mr T.A. Blanco White’s brilliant and memorable example of a narrow specification) “three-holed razor blades imported from Venezuela” is an accurate description of the goods. But it is not one which an average consumer would pick for

trade mark purposes. He would surely say "razor blades" or just "razors". Thus the "fair description" is one which would be given in the context of trade mark protection. So one must assume that the average consumer is told that the mark will get absolute protection ("the umbra") for use of the identical mark for any goods coming within his description and protection depending on confusability for a similar mark or the same mark on similar goods ("the penumbra"). A lot depends on the nature of the goods--are they specialist or of a more general, everyday nature? Has there been use for just one specific item or for a range of goods? Are the goods on the High Street? And so on. The whole exercise consists in the end of forming a value judgment as to the appropriate specification having regard to the use which has been made.

21 Moreover, trade marks do not normally vanish at the time of purchase. Labels are a constant reminder of the maker. An average consumer would bear this in mind in formulating a fair description. That is a particular answer to Mr Mellor's suggestion that the fair description should be limited to the intended age of the purchaser. Today's girl surfer is tomorrow's wearer of elegant "Animale."

22 Thus I do not accept Mr Mellor's submission that the specification should be limited to exactly the kind (including "image") of goods for which use has been proved. It follows that I do not accept Mr Mellor's suggestion that the goods of the parties are so far distinct in commercial terms that there can be a sensible revocation confining "Animal" to "surf-type" goods. This would not be a meaningful distinction to most members of the public (including some of the witnesses). Nor does it make sense to try to limit the mark to younger adults. This is an exercise in pigeon holing which I do not think the ordinary consumer would undertake if asked to form, for trade mark purposes, a fair description of the goods for which the mark had been used.

23 So, should "clothing" in the specification be qualified in some other way? The term covers a very wide spectrum of different sorts of garments. But putting aside such specialist things as diving suits, wetsuits, bullet-proof vests and so on, there is a core of goods which are likely to be bought by ordinary consumers for different purposes in their daily wear. The same woman or girl is likely to own T-shirts, jeans, dresses, both formal and informal. Both parties' goods could easily end up in the same wardrobe or drawer. He or she knowing of the range of goods for which use has been proved would, I think, take "clothing" to be fair as a description. He or she might limit the clothing to "casual clothing" but I have concluded in the end that "clothing" is appropriately fair."

Thus, it was neither appropriate nor necessary to sub-categorise the goods by reference to e.g. age, style or image.

15. In *Reckitt Benckiser (España) SL v OHIM (Aladin) Case T-126/03* the Court of First Instance had before it on appeal a case where the OHIM Opposition Decision had been of the view that the opponent had shown proof of use in relation to "a product for polishing metal consisting of cotton impregnated with a polishing agent (magic cotton)". That is to say, a sub-category of the specification for which the mark was registered, 'polish for metals'. In finding that the Opposition Division's (and Board of Appeal's) approach was overly restrictive the CFI held that:

“45 It follows from the provisions cited above that, if a trade mark has been registered for a category of goods or services which is sufficiently broad for it to be possible to identify within it a number of sub-categories capable of being viewed independently, proof that the mark has been put to genuine use in relation to a part of those goods or services affords protection, in opposition proceedings, only for the sub-category or sub-categories relating to which the goods or services for which the trade mark has actually been used actually belong. However, if a trade mark has been registered for goods or services defined so precisely and narrowly that it is not possible to make any significant sub-divisions within the category concerned, then the proof of genuine use of the mark for the goods or services necessarily covers the entire category for the purposes of the opposition.”

and

“49 It follows that, by providing the undisputed proof of genuine use of the mark in respect of a ‘product for polishing metals consisting of cotton impregnated with a polishing agent (magic cotton)’, which is evidently a ‘polish for metals’ within the meaning of the sub-category of goods to which the earlier mark relates, the applicant has properly established that the mark had been put to genuine use for that sub-category as a whole, it not being necessary to draw any distinction in that regard by reference to the public concerned.”

16. Applying these principles to the current case, it seems to me there is a relatively straightforward answer so far as most of the terms in the registered specification are concerned. There has been no use in respect of “preserved, dried and cooked fruits and vegetables; jellies, jams and fruit sauces; meat extracts”. The registration stands to be revoked in respect of this group of goods.

17. Equally clearly, genuine use has been established in respect of ‘olive oil’. Mr Baroni’s evidence in this case is that his company markets six varieties of olive oil, four of them in the extra virgin category, one olive oil and one pomace olive oil. Each is said to be noted for its specific characteristics and each is suited to a different culinary use. In keeping with the guidance from the above cases it would not be appropriate to reflect such sub-categorisations in the trade mark specification. Olive oil is an apt description from both the trade and consumer perspective.

18. The remaining item is ‘edible oils’. Is the registered proprietor entitled to retain this term?

19. Neither side has offered any evidence to show the true extent and meaning of the term. I have little doubt that it includes olive oil. But that is not an answer to the question whether the proprietor should be entitled to retain the broad term in order to reflect the circumstances of the trade and the way the public would perceive the use (per *Thomson Holidays*).

20. The *Animale* and *Aladin* cases suggest that artificial sub-divisions of goods’ categories are to be eschewed. One view of the matter is that, within the range of available food products or food ingredients, edible oils in themselves constitute a recognisable class and no further sub-division is necessary or appropriate. But I doubt that consumers would take such a broad brush view of the matter. On the contrary, I think it is reasonable to suppose that

consumers who wished to purchase olive oil would ask for precisely that category of goods. It is after all how the goods would be identified in trade.

21. As I have already said I have been given no information on the full extent of the term edible oils. I take it to include, for instance, palm oil, coconut oil, sunflower oil, soyabean oil and corn oil. No doubt it would also embrace oils from other plants, nuts or seeds that are capable of yielding oils for food products or ingredients. There is no suggestion that the proprietor's trade covers any such goods. In fact it strikes me that the manufacture, distribution and uses of such products is rather different to that of olive oil to the point where they would be likely to be regarded by consumers as constituting commercially distinct items notwithstanding that their uses may overlap. That state of affairs is rather borne out by the fact that the registered proprietor saw fit to identify olive oil as a specific item of interest in his specification.

22. I have, therefore, come to the conclusion that the need to arrive at a fair specification would be satisfied by retention of the term olive oil. The case for revocation is made out in respect of 'edible oils' in addition to the other items referred to above.

23. To summarise, the registration falls to be revoked under Section 46(5) in respect of "edible oils; preserved, dried and cooked fruits and vegetables; jellies, jams and fruit sauces; meat extracts". Revocation will take effect from 21 May 2004.

COSTS

24. The applicant for revocation has been largely successful and is entitled to an award of costs reflecting the extent of that success. I order the registered proprietor to pay the applicant for revocation the sum of £800. 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 27th day of October 2005

**M REYNOLDS
For the Registrar
the Comptroller-General**