BL O-0196-25

TRADE MARKS ACT 1994

IN THE MATTER OF:

APPLICATION NO. 506382

TO REVOKE ON THE GROUNDS OF NON-USE

TRADE MARK REGISTRATION
NO. 916328528

OF THE MARK:

KILLARNEY

OWNED BY

KILLARNEY BREWING & DISTILLING HOLDINGS
PUBLIC LIMITED COMPANY

Background

1. These proceedings concern the United Kingdom Trade Mark ("UKTM") 916328528[1] "KILLARNEY". It holds a filing date of 9 February 2017 and a registration date of 24 May 2017. The trade mark stands registered in the name of Killarney Brewing & Distilling Holdings Public Limited Company ("the proprietor") in respect of the following goods and services:

> Class 32: *Beer; lager; porter; stout; ale; craft beers; non-alcoholic beer; non-alcoholic beverages; fruit beverages and fruit juices; soft drinks; smoothies; sports drinks; energy drinks; syrups for making non-alcoholic beverages; preparations for making beverages.*
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> Class 33: *Alcoholic beverages (except beer); spirits and liquors; distilled spirits; whiskey; vodka; gin; rum; brandy; liqueurs; cream liqueurs; cocktails; cider; pre-mixed alcoholic beverages; preparations for making alcoholic beverages.*
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> Class 40: *Spirits distillery services; brewing services; brewing of beer; food and beverage treatment.*

2. On 2 August 2023, TORC BREWING COMPANY LIMITED ("the applicant") applied for the revocation of the above trade mark, in its entirety, relying upon sections 46(1)(a) and (b) of the Trade Marks Act 1994 ("the Act"). Under section 46(1)(a), "the relevant period" is 25 May 2017 to 24 May 2022, with revocation sought from 25 May 2022. Under section 46(1)(b), the relevant period is 2 August 2018 to 1 August 2023, with revocation sought from 2 August 2023.

3. The applicant submits that the proprietor's mark has not been put to genuine use in the UK for the five year periods stated above and, consequently, asks that the mark is revoked.

[1] 1 On 1 January 2021, the UK left the EU after the expiry of the transition period. Under Article 54 of the Withdrawal Agreement, the Registry created comparable UK trade marks for all rights holders with an existing EUTM. As a result of the proprietor having an EUTM being protected as at the end of the Implementation Period, a comparable UK trade mark was automatically created. The comparable trade mark shown here is now recorded on the UK trade mark register, has the same legal status as if it had been applied for and registered under UK law and retains its original filing date.

4. The proprietor filed a counterstatement setting out its intention to defend its application in respect of all goods and services for which it stands registered. In its counterstatement, it maintains that it has put its trade mark to use in respect of all goods and services during the periods set out in the applicant's pleadings under both sections of the Act.

5. In these proceedings the applicant is represented by Niall Tierney of Tierney IP and the proprietor by Sipara Limited. Only the proprietor filed evidence during the course of the evidence rounds. Neither party requested a hearing, although the proprietor elected to file written submissions in lieu. This decision is taken following a careful perusal of the papers.

Relevance of EU Law

6. The provisions of the Act relied upon in these proceedings are assimilated law, as they are derived from EU law. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the Retained EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. That is why this decision refers to decisions of the EU courts which predate the UK's withdrawal from the EU.

Legislation and leading case-law relating to revocation

7. The pertinent legislation is contained in section 46 of the Act, the relevant parts of which read 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)...

(d)...

(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 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) .....

(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."

8. Section 100 is also relevant. It 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."

9. In *easyGroup Ltd v Nuclei Ltd & Ors*[2], Arnold LJ summarised the law relating to genuine use as follows:

"105. The principles applicable to determining whether there has been genuine use of a trade mark have been considered by the CJEU in a considerable number of cases, the principal decisions being Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159, Case C-416/04 P *Sunrider Corp* v *Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bundervsvereinigung Kamaradschaft 'Feldmarschall Radetsky'*[2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], Case C-141/13 *P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089], Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434] and Joined Cases C–720/18 and C–721/18 *Ferrari SpA v DU* [EU:C:2020:854].

[2] [2023] EWCA Civ 1247

106. Ignoring issues which do not arise in the present case, such as use in relation to spare parts or second-hand goods and use in relation to a sub-category of goods or services, the principles may be summarised as follows:

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

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at[36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29]; *Ferrari* at [32].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29]; *Gözze* at [37], [40]; *Ferrari* at [32].

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

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

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned

to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56]; *Ferrari* at [33].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

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

10. As the proprietor's mark is a comparable mark, paragraph 8 of Part 1, Schedule 2A of the Act is also relevant. It reads:

"8(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.

By virtue of the above, use in the EU will be relevant up to 31 December 2020. Thereafter, only use in the UK will be relevant.

The proprietor's evidence

11. The proprietor's evidence comprises a witness statement and twelve supporting exhibits. The statement is made by Mr Barry Spellman, the proprietor's managing director and company secretary (a position held by Mr Spellman since June 2021), and dated 22 January 2024.

12. I take the following from Mr Spellman's statement and accompanying exhibits:

The proprietor was established in the Republic of Ireland on 22 August 2013 under the name Killarney Brewing Company Limited, with two subsequent name changes thereafter. It commenced use of the KILLARNEY mark (and variations thereof) in 2013 and has used it "continuously and extensively" in relation to, for example, the production and sale of beverages and food and beverage treatment services.
The proprietor began brewing craft beers in 2015 at the brewery in its taproom in Killarney, Ireland. Since then, it has brewed beers using its own sourced raw materials and maintained control of the end-to-end brewing process.
From the taproom, visitors are able to enjoy a range of KILLARNEY beers, distilled spirits and wood fired pizzas. The venue is also available to host a variety of events.
The proprietor's state-of-the-art brewery, distillery, restaurant and visitor experience centre opened in August of 2022. To celebrate "a new era of distilling in Ireland", in 2020, 1000 first-fill premium whiskey casks were made available for pre-sale. Mr Spellman informs me that this investment initiative is known as the Cornerstone Cask

Society in which consumers can choose from a single pot still or single malt Irish whiskey and, should they choose to, witness each stage of the maturation process. The first UK investor purchased a cask in October 2021 and the second UK investor paid for their order in October 2022. To date, 329 casks have been sold to consumers in 11 countries, as shown in the table below:

Country	No. of Owners	Single Malt Whiskey	Single Pot Still
Canada	1		1
USA	68	48	119
Ireland	108	22	122
England	1		1
Scotland	1		1
France	2		2
Germany	3	1	3
Holland	2		4
South Africa	1		1
Switzerland	2		2
U A E	1	71	1
Grand Total		**72**	**257**

The proprietor's brewery represents a €24million investment and is Ireland's largest independently owned brewery and distillery. Various articles in publications such as *The Irish Examiner* and the *Irish Independent* feature news of the brewery's opening[3]. The latter article reads "There will be plenty on offer, for locals and visitors alike at what will be Ireland's first co-located brewery and distillery which houses a host of features… The company is now issuing invitations to whiskey fans who are interested in acquiring some of the first whiskey to be produced and matured in Fossa."

The core range of beers sold under the proprietor's mark includes different styles of lager, IPA, blonde and stout. Mr Spellman explains that the proprietor also produces beers seasonally, which may only be available for a limited period. Nevertheless, he submits that the proprietor has "consistently" manufactured and sold a wide range of beers since 2015.

Mr Spellman encloses several examples of how the proprietor's beers have been labelled in recent years, and some examples from its Instagram page as to how they were presented prior. I reproduce some of those examples below:

[3] 6 April 2021; 8 September 2021 ("BS9")

[4]

[5]

[6]

The proprietor has been the recipient of several international awards in recognition of its beers, such as the World Beer Award in 2018 (Full Circle IPA) and the Gold Award at the 2021 Brussels Beer Challenge (Rutting Red Ale).

The proprietor's goods are featured on beer ratings website "Untappd" and, as of January 2024, its goods have received 29,107 ratings.

The proprietor's beers are available to purchase online from Craft Beers Delivered[7] for delivery to consumers across Ireland, the UK and EU. Prices are displayed in Euros.

In 2018 the proprietor produced its first gin; KILLARNEY Heather Honey Gin.

[4] Instagram, 3 September 2021 (*https://www.instagram.com/killarneybrewingdistilling/*)
[5] Instagram, 4 June 2020
[6] Instagram, 16 November 2017
[7] *https://www.craftbeersdelivered.com/index.php*

Instagram – 29 September 2021

The proprietor first used the mark in respect of Irish whiskey in March of 2020 by way of producing a limited release 8-year-old Irish whiskey. It also produced a limited release "1092 Taproom Series" blending Irish whiskey and Export Stout, as featured in an online article for Irish Whiskey Magazine on 15 April 2021.

[8]

[9]

The proprietor's mark has been used consistently in respect of the gin and whiskey goods since 2018 and 2020, respectively.

The proprietor received its Irish distilling licence in 2023 with its inaugural whiskey due to launch in 2028.

In addition to its use on various labels, the proprietor's mark has also been used in respect of goods including glasses, beer pump clips and packaging, as seen below:

[8] Instagram, 1 May 2021
[9] Instagram, 19 February 2022

Instagram 12 December 2020

10 September 2021

Prior to 2022, the majority of direct sales pertaining to the goods sold under the proprietor's mark were made to consumers based in the Republic of Ireland. In 2022, the proprietor expanded its direct export operations to other EU countries such as Sweden, Poland and France. Whilst a proportion of sales are made from the premises of the proprietor's brewery, its goods have also been distributed to retailers such as off-licence shops, pubs, restaurants, supermarkets and hotels throughout the Republic of Ireland. Its beer products are currently supplied to approximately 200 outlets (such as off-licence shops and supermarkets) and its distilled products to approximately 30 outlets "around Ireland". Mr Spellman estimates that the numbers between 2018-2020 were "similar" to the present position.

Mr Spellman encloses various invoices to locations across Ireland showing sales of beer and gin products.

Mr Spellman explains that the proprietor plans to "officially enter" the United Kingdom market in the third quarter of 2024. Such plans have been in consideration for several years but were impeded by the Covid-19 pandemic and subsequent effects of mandated lockdowns. To that end, the proprietor has engaged the services of C&C Group, a renowned distributor of beverages in the UK.

Mr Spellman encloses a table showing the annual revenue generated by sales of its beer products between 2016 and 2022, with the accumulative total standing at €4,643,484. Figures prior to 2022 relate "primarily" to sales in the Republic of Ireland, with figures for 2022 also including sales into the European Union.

The proprietor's annual revenue pertaining to its distilled goods (gin and whiskey) from between 2018 and 2022, accumulatively, stands at €115,676.

To promote its mark, the proprietor makes use of its website, social media channels and "point of sale material". As of January 2024, the proprietor has accrued 10,000 Facebook followers and 9,514 Instagram followers.

An extract from a 2022 report concerning the proprietor's social media effectiveness shows that the United Kingdom was the proprietor's third largest country, by social media audience, on both Facebook and Instagram.
As for the proprietor's investment in the promotion of its mark, the respective annual totals amount to €3,185.70 in 2015, €6,818.68 in 2016, €8,432.72 in 2017, €8,662,86 in 2018, €12,006.65 in 2019, €26,412.01 in 2020, €67,094.27 in 2021, €95,727.64 in 2022 and €32,175.56 in 2023.

Partial use

13. In the proprietor's written submissions filed in lieu of a hearing, it makes some degree of concession in regard to which goods it has put the earlier mark to use on. It states:

> "18. The Proprietor concedes that the Contested Mark has only been used in respect of some Registered Goods and Services.
>
> 19. The Proprietor contends that the Contested Mark was used in respect of "beer, lager, porter, stout, ale; craft beers" in class 32, as seen in Exhibits BS2 – BS4, BS8 and BS10. The Registered Proprietor has produced more than one type of beer under the Contested Mark, so it is proportionate and fair to retain the wider terms, for example "beer".
>
> 20. The Proprietor contends that the Contested Mark was used in respect of "alcoholic beverages (except beer); spirits; distilled spirits; whiskey; gin" in class 33, as seen in Exhibits BS5 – BS7 and BS11. Again, the Registered Proprietor has produced more than one type of spirit under the Contested Mark, so it is proportionate and fair to retain the wider terms, for example "spirits" and "distilled spirits"."

DECISION

14. I begin by reminding myself of the relevant periods in play in these proceedings (shown in paragraph 2 above).

15. In *Awareness Limited v Plymouth City Council*[10], Mr Daniel Alexander Q.C. as the Appointed Person stated:

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

and further at paragraph 28:

> "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."

[10] Case BL O/236/13

16. In *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd*[11], Mr Geoffrey Hobbs Q.C., 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:
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> > [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."

[11] Case BL 0/404/13

17. In *Leno Merken BV v Hagelkruis Beheer BV*[12], the the Court of Justice of the European Union ("CJEU") noted that:

> "36. 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
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> "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."
>
> And
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> "55. Since the assessment of whether the use of the trade mark is genuine is carried out by reference to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark serves to create or maintain market shares for the goods or services for which it was registered, it is impossible to determine a priori, and in the abstract, what territorial scope should be chosen in order to determine whether the use of the mark is genuine or not. A de minimis rule, which would not allow the national court to appraise all the circumstances of the dispute before it, cannot therefore be laid down (see, by

[12] Case C 149/11

analogy, the order in *La Mer Technology*, paragraphs 25 and 27, and the judgment in *Sunrider v OHIM*, paragraphs 72 and 77)."

The court held that:

> "Article 15(1) of Regulation No 207/2009 of 26 February 2009 on the Community trade mark must be interpreted as meaning that the territorial borders of the Member States should be disregarded in the assessment of whether a trade mark has been put to 'genuine use in the Community' within the meaning of that provision.
>
> A Community trade mark is put to 'genuine use' within the meaning of Article 5(1) of Regulation No 207/2009 when it is used in accordance with its essential function and for the purpose of maintaining or creating market share within the European Community for the goods or services covered by it. It is for the referring court to assess whether the conditions are met in the main proceedings, taking account of all the relevant facts and circumstances, including the characteristics of the market concerned, the nature of the goods or services protected by the trade mark and the territorial extent and the scale of the use as well as its frequency and regularity."

18. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*[13], Arnold J. reviewed the case law since the *Leno* case and concluded as follows:

> "228. Since the decision of the Court of Justice in Leno there have been a number of decisions of OHIM Boards of Appeal, the General Court and national courts with respect to the question of the geographical extent of the use required for genuine use in the Community. It does not seem to me that a clear picture has yet emerged as to how the broad principles laid down in *Leno* are to be applied. It is sufficient for present purposes to refer by way of illustration to two cases which I am aware have attracted comment.

[13] [2016] EWHC 52

229. In Case T-278/13 *Now Wireless Ltd v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* the General Court upheld at [47] the finding of the Board of Appeal that there had been genuine use of the contested mark in relation to the services in issues in London and the Thames Valley. On that basis, the General Court dismissed the applicant's challenge to the Board of Appeal's conclusion that there had been genuine use of the mark in the Community. At first blush, this appears to be a decision to the effect that use in rather less than the whole of one Member State is sufficient to constitute genuine use in the Community. On closer examination, however, it appears that the applicant's argument was not that use within London and the Thames Valley was not sufficient to constitute genuine use in the Community, but rather that the Board of Appeal was wrong to find that the mark had been used in those areas, and that it should have found that the mark had only been used in parts of London: see [42] and [54]-[58]. This stance may have been due to the fact that the applicant was based in Guildford, and thus a finding which still left open the possibility of conversion of the Community trade mark to a national trade mark may not have sufficed for its purposes.

230. In *The Sofa Workshop Ltd v Sofaworks Ltd* [2015] EWHC 1773 (IPEC), [2015] ETMR 37 at [25] His Honour Judge Hacon interpreted *Leno* as establishing that "genuine use in the Community will in general require use in more than one Member State" but "an exception to that general requirement arises where the market for the relevant goods or services is restricted to the territory of a single Member State". On this basis, he went on to hold at [33]-[40] that extensive use of the trade mark in the UK, and one sale in Denmark, was not sufficient to amount to genuine use in the Community. As I understand it, this decision is presently under appeal and it would therefore be inappropriate for me to comment on the merits of the decision. All I will say is that, while I find the thrust of Judge Hacon's analysis of *Leno* persuasive, I would not myself express the applicable principles in terms of a general rule and an exception to that general rule. Rather, I would prefer to say that the assessment is a multi-factorial one which includes the geographical extent of the use."

19. The General Court ("GC") restated its interpretation of *Leno Merken* in *TVR Automotive Ltd v OHIM*[14] (see paragraph 57 of the judgment). This case concerned national (rather than local) use of what was then known as a Community trade mark (now a European Union trade mark). Consequently, in trade mark opposition and cancellation proceedings the registrar continues to entertain the possibility that use of an EUTM in an area of the Union corresponding to the territory of one Member State may be sufficient to constitute genuine use of an EUTM. This applies even where there are no special factors, such as the market for the goods/services being limited to that area of the Union.

20. Whether the use shown is sufficient for this purpose will depend on whether there has been real commercial exploitation of the marks, in the course of trade, sufficient to create or maintain a market for the services at issue in the European Union during the relevant five-year period. In making the assessment I am required to consider all relevant factors, including: The scale and frequency of the use shown; the nature of the use shown; the services for which use has been shown; the nature of those services and the market(s) for them and the geographical extent of the use shown.

21. Although there are a number of relevant periods at play in these proceedings, if I conclude that the proprietor has used its trade mark in the most recent relevant period i.e. 2 August 2018 to 1 August 2023, that is sufficient to save the registration by virtue of section 46(3). Given the concessions made by the proprietor, set out above, I need only consider whether the proprietor has shown use in the relevant territory, during the relevant period(s), in respect of the remaining goods relied upon.

22. The proprietor has made clear that the use made of its mark, to date at least, has predominantly been carried out in Ireland which, whilst outside of the United Kingdom, is a long-standing member of the European Union. As I've already stated, use in the European Union is relevant to the present assessment up to 31 December 2020. I also keep in mind that the case law indicates that use in one member state may be sufficient.

[14] Case T-398/13

23. I begin by briefly addressing the way in which the proprietor's mark has been displayed in relation to the relevant goods. The mark at issue is a word-only mark and, in some examples from the proprietor's exhibits, it is presented in isolation, though I note that in other examples "KILLARNEY" is presented alongside a figurative element, sometimes with "BREWING COMPANY" written beneath. Even in these examples the word itself is unaltered and the adopted font fairly unremarkable. The additional elements in the evidenced marks, in my view, do not impact its capacity to continue to indicate economic origin, nor compromise the distinctive character of the mark as registered. Weighing those considerations, and having kept in mind that use of a mark generally encompasses both its independent use and its use as part of another mark taken as a whole or in conjunction with that other mark[15], I find the variant use exhibited in the proprietor's evidence is acceptable.

24. I begin by considering use in the United Kingdom (this being the only relevant territory from 1 January 2021). The evidence shows that two UK consumers subscribed to the proprietor's Cornerstone Cask Society by purchasing the proprietor's whiskey made available for pre-sale in 2020. I note, however, that the transactions are likely to have been completed after the end of the transition period (Mr Spellman notes, for example, that the first UK investor made its purchase in October of 2021). I have considered the proprietor's following submission, made in Mr Spellman's witness statement:

> "Additionally, the Distilled Products are sold at Kerry Airport, which has daily direct flights to Luton, Stansted and Manchester, thereby providing direct exposure of the Distilled products to consumers based in the United Kingdom."

To my mind, this point is not particularly compelling. Any "exposure" of this nature is likely to be limited to coincidental circumstances in which consumers returning to the UK, for example, may happen upon the proprietor's goods at the airport; the proprietor is not deliberately targeting UK consumers as such. It does not, in my view, demonstrate an effort to *create or preserve* a share in the relevant market. I turn briefly to consider the proprietor's reference to the challenges presented by the Covid-19 pandemic and the hindrance this has placed upon its plans to expand "officially" into

[15] *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12

the UK market. Whilst I can appreciate the commercial obstacles the pandemic may have presented it would, to my mind, seem reasonable to expect the proprietor to have made further progress in this respect in the time that has lapsed since various barriers or restrictions were relieved. Still, Mr Spellman explains that the proprietor has since appointed the services of a UK distributor which shows at least an intention to expand "officially" into the UK market, albeit some years beyond the period in which this would be considered relevant. For these reasons, I do not find the proprietor has shown genuine use after 31 December 2020.

25. What the proprietor must therefore overcome is whether the use it has shown (predominantly in Ireland) prior to that date is sufficient to satisfy the use provisions. In making that determination, I keep in mind, for example, *Industria de Diseño Textil, SA (Inditex) v EUIPO*[16], in which the GC held that representative invoices showing sales of pasta in Italy totalling something over €40,000 were sufficient to show genuine use in the EU, when taken together with marketing material and evidence of regular use over the relevant period. Whilst I have not been informed of the size of the relevant market in the present proceedings, nor the proprietor's specific share, I find the sales generated by goods sold under its mark are significant; revenue of its beer products surpassed €700,000 in 2018 and 2019, respectively, €300,000 in 2020, €550,000 in 2021 and reached nearly €900,000 in 2022. The revenue generated by sales of the proprietor's distilled goods is more modest but nonetheless demonstrates consistent engagement with such products throughout the course of the relevant period(s). In 2018, its revenue in that respect reached nearly €9,000, in 2019 it stood at €12,350, in 2020 at €7,276, in 2021 at €56,293 and in 2022 at €30,865. I also find significance in the investment the proprietor has made to the promotion of its mark, having spent, by way of example, in excess of €12,000 in 2019, €26,000 in 2020, €67,000 in 2021 and €95,000 in 2022. It seems clear that sales of its beer and distilled spirits have been made consistently, albeit predominantly in Ireland. In that respect, the proprietor makes use of an online website to facilitate such sales and its goods are stocked in outlets throughout Ireland (with its beer products supplied to approximately 200 outlets and its distilled products to approximately 30 outlets). The proprietor has also been the recipient of a number of accolades during the relevant period, such as the "World Beer Award" in 2018. It has also utilised various social media platforms such as Facebook and

[16] T-467/20, EU:T:2021:842

Instagram, as well as its own website, to further promote the goods available under its earlier mark. Whilst I acknowledge that some of the figures set out above concern periods of time beyond December 2020, and I accept that the proprietor's failure to satisfy UK use after the transition period represents a fairly significant proportion of the relevant period(s), I must consider the whole picture created by both the proprietor's narrative evidence and its supporting exhibits. In doing so, I take the view that the weight of the proprietor's evidence prior to the expiry of the transition period is quantitatively significant to an extent which can satisfy the relevant use provisions, notwithstanding the lack of relevant evidence beyond the end of December 2020.

26. When it comes to determining a fair specification, in *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*[17], Mr Geoffrey Hobbs Q.C., 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."

27. In *Merck KGaA v Merck Sharp & Dohme Corp & Ors,*[18] the Court of Appeal set out the proper approach to partial revocation, as follows:

> "245. First, it is necessary to identify the goods or services in relation to which the mark has been used during the relevant period.
>
> 246. Secondly, the goods or services for which the mark is registered must be considered. If the mark is registered for a category of goods or services which is sufficiently broad that it is possible to identify within it a number of subcategories capable of being viewed independently, use of the mark in relation to one or more

[17] BL O/345/10
[18] [2017] EWCA Civ 1834

of the subcategories will not constitute use of the mark in relation to all of the other subcategories.

247. Thirdly, it is not possible for a proprietor to use the mark in relation to all possible variations of a product or service. So care must be taken to ensure this exercise does not result in the proprietor being stripped of protection for goods or services which, though not the same as those for which use has been proved, are not in essence different from them and cannot be distinguished from them other than in an arbitrary way.

248. Fourthly, these issues are to be considered having regard to the perception of the average consumer and the purpose and intended use of the products or services in issue. Ultimately it is the task of the tribunal to arrive at a fair specification of goods or services having regard to the use which has been made of the mark.

249. This approach does strike an appropriate balance. It gives effect to the clear intention of the EU legislature that marks must actually be used or, if not used, be subject to revocation. […] It is also fair to proprietors for it does not require a proprietor to prove that he has used his mark in relation to all possible variations of the goods or services covered by its registration but only those which are sufficiently distinct to constitute coherent categories or subcategories. I am also satisfied that it gives appropriate protection to the legitimate interest of a proprietor in being able in the future to extend his range of goods or services within the scope of the terms describing the goods or services for which its mark is registered."

28. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch) at [47], the late Carr J pointed out that 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.

29. I keep in mind that it is not for the proprietor to show use of each individual term relied upon, whilst I am also mindful not to allow too wide a protection. Having carefully considered the proprietor's evidence, and having due regard to the concessions it has made and the relevant case law, including how the average consumer would perceive the goods for which use has been shown, I find it appropriate for the proprietor to retain *beer; lager; porter; stout; ale; craft beers* and *non-alcoholic beer* in class 32 and *whiskey* and *gin* in class 33.

30. I do not consider the evidence sufficient to support the retention of any of the proprietor's services in class 40 and, nonetheless, it appears that the proprietor has made some degree of concession in that regard in its submissions in lieu (shown above).

Conclusion

31. The application has succeeded, in part. Subject to any successful appeal against my decision, the contested mark is revoked effective from 25 May 2017[19] in respect of:

Non-alcoholic beverages; fruit beverages and fruit juices; soft drinks; smoothies; sports drinks; energy drinks; syrups for making non-alcoholic beverages; preparations for making beverages (class 32)

Alcoholic beverages (except beer); spirits and liquors; distilled spirits; vodka; rum; brandy; liqueurs; cream liqueurs; cocktails; cider; pre-mixed alcoholic beverages; preparations for making alcoholic beverages. (class 33)

Spirits distillery services; brewing services; brewing of beer; food and beverage treatment. (class 40)

32. The proprietor may retain "*beer; lager; porter; stout; ale; craft beers* and *non-alcoholic beer*" in class 32 and "*whiskey* and *gin*" in class 33.

Costs

[19] This being the earliest date of revocation sought (under section 46(1)(a) of the Act)

33. Both parties have achieved a measure of success, with the greater part going to the applicant who is, consequently, entitled to a contribution towards its costs. Awards of costs in proceedings are governed by Annex A of Tribunal Practice Notice ("TPN") 1 of 2023. Applying that guidance, I award costs to the applicant on the following basis (having kept in mind that I have found a partial success):

Official fee:	£200
Filing the application and reviewing the counterstatement:	£300
Reviewing the proprietor's evidence:	£200
Total	**£700**

34. I order Killarney Brewing & Distilling Holdings Public Limited Company to pay to TORC BREWING COMPANY LIMITED the sum of **£700**. This sum is to be paid within 21 days of the expiry of the appeal period or within 21 days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 4th day of March 2025

Laura Stephens
For the Registrar
The Comptroller-General