

BL O/0477/24

TRADE MARKS ACT 1994

IN THE MATTER OF
UK TRADE MARK REGISTRATION No. 914895932
IN THE NAME OF
LIVE ROUPAS ESPORTIVAS LTDA.
FOR THE TRADE MARK:

LIVE!

IN CLASSES 25 AND 35

-AND-

AN APPLICATION FOR THE REVOCATION THEREOF UNDER No. 504591
BY
LIVE UNLIMITED LIMITED

Background and pleadings

1. LIVE ROUPAS ESPORTIVAS LTDA. (“**the Proprietor**”) is the registered proprietor of the figurative mark shown on the cover page of this decision. The mark is a comparable UK trade mark (EU),¹ which was filed on 9 December 2015 and completed its registration procedure on 20 June 2016. It is registered in respect of the following goods and services:

Class 25

Tops (clothing); sports bras; hooded jackets, hooded sweaters; sweatshirts; jackets (clothing); vests; shirts; t-shirts; tank tops; base layer apparel; blouses; pants; capri trouser pants; tights; leggings; shorts; skirts; dresses; swimwear; gloves (clothing); socks; hats; bikinis; sneakers.

Class 35

Retail store services and on-line retail store services of clothing articles, namely, tops (clothing), sports bras, hoodies, sweatshirts, jackets (clothing), vests, shirts, t-shirts, tank tops, base layers, blouses, pants, capri trouser pants, tights, leggings, shorts, skirts, dresses, swimwear, gloves (clothing), socks, hats, bikinis, sneakers.

2. On 16 February 2022, Live Unlimited Limited (“**the Applicant**”) sought revocation of the trade mark registration on the grounds of non-use based upon sections 46(1)(a) and 46(1)(b) of the Trade Marks Act 1994 (“**the Act**”). The Applicant did not notify the Proprietor of its intention to revoke the mark prior to 16 February 2022.

3. Revocation is sought under Section 46(1)(a) in respect of the five-year period following the date of completion of the registration procedure, namely 21 June 2016 to 20 June 2021 (“**the First Relevant Period**”). Revocation is therefore sought from 21 June 2021.

¹ Following the end of the transition period of the UK’s withdrawal from the EU, all EU trade marks (“EUTM”) registered before 1 January 2021 were recorded as comparable trade marks in the UK trade mark register (and as a consequence, have the same legal status as if they had been applied for and registered under UK law). A ‘comparable trade mark (EU)’ retains the same filing date, priority date (if applicable) and registration date of the EUTM from which it derives.

4. Revocation is sought under Section 46(1)(b) in respect of the following time periods:

- (1) 21 June 2016 to 20 June 2021, with an effective revocation date of 21 June 2021, pursuant to sections 46(1)(b) and 46(6)(b) of the Act. This period is the same as the First Relevant Period with the same date of revocation sought, therefore for ease of reference I shall also refer to it as the First Relevant Period;
- (2) 21 October 2016 to 20 October 2021, with an effective revocation date of 21 October 2021, pursuant to sections 46(1)(b) and 46(6)(b) of the Act (“**the Second Relevant Period**”);
- (3) 16 February 2017 to 15 February 2022, with an effective revocation date of 16 February 2022 (being the date of the application for revocation), pursuant to sections 46(1)(b) and 46(6)(a) of the Act (“**the Third Relevant Period**”).

5. Form TM26N, being the ‘Application to revoke a registration for reasons of non-use’, provides an applicant for revocation with an option to provide a supporting statement. The Applicant did not exercise this option, therefore its Form TM26N did not contain any submissions.

6. The Proprietor filed a counterstatement denying the grounds of revocation, stating that its mark has been used in respect of all the goods and services for which it is registered.

7. Both parties filed evidence during the evidence rounds of these proceedings. The Proprietor also filed evidence in reply. Neither party elected to file submissions.

8. A Hearing took place before me on 6 December 2023, at which the Proprietor was represented by Noel James Akers of N. J. Akers & Co. The Proprietor filed a skeleton argument in advance of the hearing. The Applicant has been represented by Mathys & Squire LLP throughout these proceedings, but elected not to attend the hearing, and did not file any submissions in lieu of attendance.

9. Since the Applicant elected not to provide any submissions at each stage in these proceedings, I proceed with this decision without any submissions from the Applicant.

I therefore make this decision following a careful consideration of all the evidence before me and the oral submissions made by the Proprietor at the hearing.

EVIDENCE FILED

10. The Proprietor's evidence in chief is provided in the Witness Statement of Gabriel Goulart Sens dated 28 November 2022. Mr Sens is the President and Director of the Proprietor, a position he has held since he formed the company in 2002. The Witness Statement has 16 accompanying exhibits labelled GGS1 to GGS16. Mr Sens states that the purpose of his evidence is to demonstrate that genuine use of the trade mark has been made by the Proprietor throughout the relevant periods in issue.

11. The Applicant's evidence is provided in the Witness Statement of Rebecca Tew dated 15 March 2023. Ms Tew is a Trade Mark Attorney at the Applicant's representative firm. The Witness Statement has 3 accompanying exhibits labelled RLT01 – RLT03. The exhibits relate to research Ms Tew conducted in relation to the Proprietor's online activity and information she obtained online from a statistical data website about the size of the 'apparel market' in the UK.

12. The Proprietor's evidence in reply is provided in a second Witness Statement of Mr Sens dated 12 May 2023, and has 5 accompanying exhibits labelled GGS01 to GGS05. The purpose of this evidence is to reply to Ms Tew's Witness Statement.

ASSIMILATED LAW

13. 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.

DECISION

Legislation and Case Law

14. The relevant provisions of 46 of the are as follows:

“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) [...]

(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 existing at an earlier date, that date”.

15. Section 100 of the Act makes it clear that the trade mark proprietor bears the burden of proving genuine use of its trade mark.²

16. As the Proprietor’s mark is a comparable mark (EU), use in the EU remains relevant since parts of the relevant five-year periods fall prior to IP Completion Day (i.e. before 31 December 2020). Therefore the Proprietor can rely upon use of the corresponding EUTM in the EU, including the UK, prior to IP Completion Day pursuant to paragraph 8 of Schedule 2A of the Act. Any use after IP Completion Day (i.e. 1 January 2021) must relate solely to use in the UK.

17. The law relating to genuine use of a registered trade mark was summarised by Arnold LJ in *easyGroup Ltd v Nuclei Ltd & Ors*³ 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*

² Also see *Ferrari SpA v DU*, C-721/18, at paragraphs 73 to 83.

³ [2023] EWCA Civ 1247.

Office for Harmonisation in the Internal Market (Trade Marks and Designs) [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bundervsvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], Case C-141/13 *P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089], Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434] and Joined Cases C-720/18 and C-721/18 *Ferrari SpA v DU* [EU:C:2020:854].

“106. [...] 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].

107. [...] The General Court of the European Union has repeatedly held that genuine use of a trade mark cannot be proved by means of probabilities or suppositions, but must be demonstrated by solid and objective evidence of effective and sufficient use of the trade mark on the market concerned: see e.g. Case T-78/19 *Lidl Stiftung & Co KG v European Union Intellectual Property Office* [EU:C:2020:166] at [25]. It has also repeatedly held that the smaller the commercial volume of the exploitation of the mark, the more necessary it is for the proprietor to produce additional evidence to dispel any doubts as to the genuineness of its use: see e.g. *Lidl* at [33]. In *Awareness Ltd v Plymouth City Council* [2013] RPC 24 Daniel Alexander QC sitting as the Appointed Person said:

“19. For the tribunal to determine in relation to what goods or services there has been genuine use of the mark during the relevant period, it should be provided with clear, precise, detailed and well-supported evidence as to the nature of that use during the period in question from a person properly qualified to know. ...

22. ... 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 ... 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.”

18. In *Awareness Ltd*, the Appointed Person goes on to say that:

“28. [...] 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 [...].”

19. I also note Mr Alexander's comments in *Guccio Gucci SPA v Gerry Weber International AG*.⁴ He stated:

“The Registrar says that it is important that a party puts its best case up front – with the emphasis both on “best case” (properly backed up with credible exhibits, invoices, advertisements and so on) and “up front” (that is to say in the first round of evidence). [...] The rule is not just “use it or lose it” but (the less catchy, if more reliable) “use it – and file the best evidence first time round – or lose it”.”

20. The genuine use provision is not there to assess economic success or large-scale commercial use.⁵ In assessing the evidence, I must consider what the evidential picture as a whole shows me, not whether each piece of evidence shows use by itself.⁶

21. As regards the territorial scope of the use of an EUTM, in *Walton International*,⁷ Arnold J (as he then was), after setting out the eight applicable principles when assessing genuine use (which are the same as the eight principles he subsequently set out in *easyGroup Ltd*),⁸ added the further three principles when assessing genuine use in the EU:

“118. *The law with respect to genuine use in the Union.* Whereas a national mark needs only to have been used in the Member State in question, in the case of a EU trade mark there must be genuine use of the mark “in the Union”. In this regard, the Court of Justice has laid down additional principles to those summarised above which I would summarise as follows:

(9) 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 Union:
Leno at [44], [57].

⁴ Case BL O/424/14.

⁵ *MFE Marienfelde GmbH v OHIM*, Case T-334/01.

⁶ *New Yorker SHK Jeans GmbH & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-415/09, paragraph 53.

⁷ *Walton International Ltd & Anor v Verweij Fashion BV*, [2018] EWHC 1608 (Ch), (which is also a decision by Arnold LJ, or Arnold J as he then was, that predates his decision in *easyGroup Ltd*).

⁸ *Ibid.*, paragraphs 114 and 115.

(10) While it is reasonable to expect that a EU trade mark should be used in a larger area than a national trade mark, it is not necessary that the mark should be used in an extensive geographical area for the use to be deemed genuine, since this depends on the characteristics of the goods or services and the market for them: *Leno* at [50], [54]–[55].

(11) It cannot be ruled out that, in certain circumstances, the market for the goods or services in question is in fact restricted to the territory of a single Member State, and in such a case use of the EU trade mark in that territory might satisfy the conditions for genuine use of a EU trade mark: *Leno* at [50].”

22. The law makes it clear that the evidence must be viewed as a whole. In reaching my conclusions on the evidence, I not only have regard to the genuine use case law I have already set out, but I also have regard to the following decisions of the Court of Appeal and the General Court:

(1) *Laboratoire de la Mer Trade Mark*⁹

(a) This is a Court of Appeal decision that held that sales under the mark to the trade (specifically wholesale sales) can qualify as genuine use. In this case, involving an action for revocation of a trade mark, the registered proprietor had sold about £800 worth of goods in the relevant five year period. The goods were shipped from France over a period of five months in five separate deliveries to an agent in the UK. The agent made preparations to sell the products, however there was no evidence of any sales to the public having taken place, and shortly afterwards the agent ceased trading. The only sales that could be relied on were the £800 worth which had been sold to the agent.

(b) In his decision, Neuberger L.J. (as he then was) addressed the question of “minimal” use, concluding that the case law makes it clear that “minimal” use will not of itself disqualify the use from being “genuine”,¹⁰ and that when addressing the question as to whether use is sufficient to preserve or create

⁹ [2006] FSR 5

¹⁰ *Ibid.* paragraph 43.

market share, one should not adopt the approach that “*in order to be genuine, the use of the mark must be such as to achieve a significant market share*”.¹¹ He also stated:

“45. The notion that the use of the trademark must be substantial or significant before it qualifies as “genuine” seems to me to run into two difficulties in any event. The first is that it does not involve attributing the word “genuine” its natural meaning [...].

46. Secondly, once one imposes a requirement of significance or substantiality, it becomes potentially difficult, time-consuming, and expensive to decide whether, in any particular case, that requirement is satisfied. [...].

47. Although the use of the instant mark within the jurisdiction can be said to be close to exiguous, I do not think it could be characterised as *de minimis*. Even if it could be so characterised, I do not consider that that concept would be a useful or helpful one to invoke or apply, even if it had not been effectively ruled out by the European Court.

48. I turn to the suggestion, which appears to have found favour with the judge, that in order to be “genuine”, the use of the mark has to be such as to be communicated to the ultimate consumers of the goods to which it is used. Although it has some attraction, I can see no warrant for such a requirement, whether in the words of the directive, the jurisprudence of the European Court, or in principle. Of course, the more limited the use of the mark in terms of the person or persons to whom it is communicated, the more doubtful any tribunal may be as to whether the use is genuine as opposed to token. However, once the mark is communicated to a third party in such a way as can be said to be “consistent with the essential function of a trademark” as explained in [36] and [37] of the judgment in *Ansul*, it appears to me that genuine use for the purpose of the directive will be established.

¹¹ Ibid. paragraph 44.

49. A wholesale purchaser of goods bearing a particular trademark will, at least on the face of it, be relying upon the mark as a badge of origin just as much as a consumer who purchases such goods from a wholesaler. The fact that the wholesaler may be attracted by the mark because he believes that the consumer will be attracted by the mark does not call into question the fact that the mark is performing its essential function as between the producer and the wholesaler.”

(2) *Fruit of the Loom v EUIPO*¹²

(a) This decision relates to an appeal brought against the decision of the Second Board of Appeal of EUIPO relating to revocation proceedings. The Second Board of Appeal had concluded that the trade mark proprietor had not proven genuine use of its trade mark in relation to clothing goods. The General Court however disagreed, stating in its judgement that (my emphasis):

“48. It should be noted, in the first place, that, according to case-law, genuine use of a mark indeed requires that it be used publicly and outwardly (see judgment of 15 July 2015 in *λ*, T-215/13, not published, EU:T:2015:518, paragraph 21 and the case-law cited). Consequently, the mere use of a mark in the context of the proprietor’s relations with its employees and agents cannot be classified as genuine use within the meaning of Article 15(1) of Regulation No 207/2009.

49. Nevertheless, as has been held, **the outward use of a mark does not necessarily mean use aimed at end consumers**. Genuine use of the mark relates to the market on which the proprietor of the EU trade mark pursues its commercial activities and on which it hopes to put its mark to use. Accordingly, taking the view that outward use of a mark, within the meaning of the case-law, must consist of use aimed at end consumers would effectively mean that marks used only in inter-corporate relations cannot enjoy the protection of Regulation

¹² Case T-431/15.

No 207/2009. **The relevant public to which marks are addressed do not comprise only end consumers**, but also specialists, industrial customers and other professional users (see judgment of 21 November 2013 in *RECARO*, T-524/12, not published, EU:T:2013:604, paragraph 25 and the case-law cited).

50. It must be stated that, in a market such as that of the European Union, in order to create or preserve an outlet for goods such as those at issue in the present case, it is common (and even necessary where a manufacturer of such goods does not have its own distribution channels) to direct commercial acts at professionals in the sector concerned and particularly at resellers. Thus, it cannot be ruled out, as a matter of principle, that proven use of a mark in commercial acts directed only at professionals from the sector concerned can be considered use consistent with the essential function of the mark within the meaning of the case-law cited in paragraph 20 above.

51. It must therefore be held that the Board of Appeal was not entitled to rule out the genuineness of the use relied upon by the applicant solely because the commercial acts invoked by the applicant were not directed at end consumers.”

23. I interpret paragraph 50 of the *'Fruit of the Loom'* judgement to encompass professional relationships such as franchise arrangements.

EVIDENCE

24. The three relevant periods span five years and approximately eight months, from 21 June 2016 to 15 February 2022. Since the assessment relates to a comparable mark (EU), any use in the period of 1 January 2021 to 15 February 2022 must relate solely to the UK.

Proprietor's evidence in chief

Background

25. Mr Sens states that the Proprietor is a Brazilian company which was founded in 2002,¹³ and is *“active in the design, manufacture, distribution and sale of a wide range of clothing, in particular beachwear, sportswear, fitness, fashion and leisure garments.”*¹⁴ With regard to its products, I note that they are manufactured in Brazil in the Proprietor's own factories and *“the cycle of each product is managed by LIVE! from yarn preparation to its delivery in stores.”*¹⁵

26. Mr Sens also states that: *“the Proprietor has been active in the distribution and sale of garments under the LIVE! Mark in the EU since June 2016 and prior to 1 January 2021”*; that the mark *“has been used extensively during the relevant periods in the EU and the UK in relation to a wide range of clothing items”*; and that *“a franchise agreement was concluded permitting the sale of clothing items under the LIVE! Mark in the UK”* which led to the opening of a store in London in June 2016 which closed a year later, *“in or around July 2017”*. Mr Sens states that following the closure of the London store, the use of the mark continues in the UK through online sales.

Exclusive UK franchise agreement

27. Mr Sens provides a copy of an exclusive UK franchise agreement (**“the UK Franchise Agreement”**), dated 12 May 2016 with a term of 5 years.¹⁶

28. The parties to the agreement are ‘Live!Style UK Limited’ (the franchisee) – a company incorporated under the laws of the United Kingdom;¹⁷ and ‘Live! Licensing and Franchising LLC.’ (the franchisor) – a company incorporated under the laws of the United States of America. Mr Sens explains that the franchisor is *“a company authorised by the Proprietor to grant licences to use the Live! Mark and the associated*

¹³ I note that in paragraph 4 of his first Witness Statement, Mr Sens states that his company was founded on 29 May 2022. This appears to be a typographical error, since at paragraph 1 of his first Witness Statement, he states that the company was formed in 2002 - a fact which he reiterates in paragraph 1 of his second Witness Statement, which is also corroborated by evidence contained on page 4 of Exhibit GGS13 i.e. that the business has been operational since 2002.

¹⁴ See the first Witness Statement of Mr Sens.

¹⁵ See the franchise brochure, Exhibit GGS13, page 9.

¹⁶ Exhibit GGS4.

¹⁷ George Ross signed the agreement on behalf of the franchisee.

branding". The preamble of the agreement states that the franchisor "*wishes to expand its business*" and that it grants the franchisee the rights necessary to accomplish this.

29. The UK Franchise Agreement grants the franchisee exclusive rights to use the "*Franchised Trademarks*" in the UK, in exchange for an up-front franchise fee upon signature of the agreement, and thereafter monthly royalty payments (calculated as a percentage of the franchisee's monthly gross sales).

30. The agreement defines the term "*Franchised Trademarks*" as the trade marks listed in 'Exhibit I' of the agreement. However, 'Exhibit I' is not included in the evidence provided.¹⁸ That said, I am satisfied that the agreement relates to the trade mark in issue, on the basis of Mr Sens' unchallenged statement that the UK Franchise Agreement relates to "*the use of the Live! Mark*" in the UK – Mr Sens defines the term "*Live! Mark*" in his Witness Statement as UK trade mark registration number 914895932,¹⁹ i.e. the mark in issue.

31. The agreement required the franchisee to choose a location²⁰ for a at least one "*LIVE! retail unit, specialized in beachwear, fitness and casual clothing for men and women,*"²¹ set up the unit (at its own expense) and operate and manage it. Consequently, the franchisee opened a store in London. The franchisee was permitted to sell only the Proprietor's goods bearing the Proprietor's trade mark,²² which it could only source from the Proprietor or franchisor.²³ The agreement also set 'minimum purchase targets' of the Proprietor's goods for the franchisee to adhere to year on year for the duration of the 5 year term.²⁴

32. The franchisee was confined to using only the publicity and marketing materials developed and approved by the franchisor.²⁵ The franchisee also undertook to "*invest a monthly amount equivalent to 2,5% of the gross monthly revenue accrued by the*

¹⁸ I note that the evidence only includes a document in Portuguese (with no translation provided) for a "licença" for "uso de marca", dated 2014 – see pages 25 to 26 of Exhibit GGS4. Despite there being no translation I can deduce that it is a licence agreement between the Proprietor and another Brazilian company, 'Live! Franchising LTDA', in relation to a trade mark, number 906946158 – which is in any event not the trade mark in issue.

¹⁹ Paragraph 2 of the first Witness Statement of Mr Sens, dated 28 November 2022.

²⁰ See Clause 1.4 of the UK Franchise Agreement, Exhibit GGS4.

²¹ See the definition of "FRANCHISE BUSINESS" contained in the franchise agreement, page 2 of Exhibit GGS4.

²² See Clause 10.7 of the UK Franchise Agreement, Exhibit GGS4 - the sale of any products by the franchisee bearing trade marks other than the Proprietor's, carried a penalty of £2,000 GBP per day of infringement.

²³ See Clauses 6.1(f) and 7 of the UK Franchise Agreement, Exhibit GGS4.

²⁴ See Clause 2.3 of the UK Franchise Agreement, Exhibit GGS4.

²⁵ Clause 8 of the UK Franchise Agreement, page 10 of Exhibit GGS4.

*FRANCHISE UNIT in publicity and marketing to the maximum of £8,000 per calendar month.*²⁶

33. The agreement provides the franchisor is not responsible for the success or failure of the franchisee's business and that its *"success shall depend upon the economic circumstances of the country where the business is carried out and, mostly, upon the time, effort and care dispensed by the franchisee in the operation and management of the franchise unit"*.²⁷

34. In addition, the agreement granted the franchisee an option (subject to the payment of an additional fee and the signature of an addendum to the UK Franchise Agreement), to exclusively operate one *"online store"* in the UK selling the Proprietor's goods, using the registered domain name 'www.liveclothing.uk'.²⁸ I note that no addendum has been provided in the body of evidence.

The London Store

35. On 28 June 2016, 'Live!Style UK Limited' opened a retail unit located at 109A King's Road, London. The store traded for approximately one year, and according to Mr Sens' narrative evidence, it closed *"in or around July 2017"* (this period spans all three of the relevant periods).

36. Two undated images of the shop frontage, which Mr Sens states were taken at the time of the launch of the *"LIVE! Shop"* are provided,²⁹ as well as five undated images of the interior of the shop.³⁰ Although the images are undated, they could only have been taken between June 2016 and July 2017 in any event.

37. The images (some of which I include below by way of example) show garments with swing tags displaying the 'LIVE!' mark as well as showing racks of clothing, store mannequins wearing clothing and posters of models. The clothing featured in the shop images include: ***"leggings, sports bras, swimwear, tank tops, shorts, hooded tops and baseball caps"***

²⁶ Ibid. Clause 8.1.1.

²⁷ Ibid. Clause 1.3, page 4 of Exhibit GGS4.

²⁸ See Clauses 1.1 (b), 4.9 and 11 of the UK Franchise Agreement, Exhibit GGS4.

²⁹ See Exhibit GGS7.

³⁰ See Exhibit GGS8.



38. Mr Sens states that after the store closure in July 2017, *“Live!Style UK Limited continued selling clothing under the LIVE! Mark as an online business. In particular, the LIVE! Mark was used in association with sales of clothing via the www.liveclothing.uk website”* i.e. the domain name detailed in the UK Franchise Agreement.

Wholesale sales

39. The Proprietor’s evidence in chief contains sales figures relating to the Proprietor’s sale of its goods to customers in the EU including the UK during the relevant periods. At the hearing, Mr Akers confirmed that these sales values are all wholesale values. I have set out the details below.

(1) EU wholesale sales between 2016 and 2020

(a) The following table was prepared by Mr Sens:

| Country | Year Shipped | Quantity of Items | Value (Reals) | Value (£) |
|----------|--------------|-------------------|-------------------|------------------|
| GERMANY | 2016 | 10 | 705.21 | 105.78 |
| AUSTRIA | 2015 | 4 | 269.6 | 40.44 |
| DENMARK | 2019 | 259 | 15,791.64 | 2,368.75 |
| DENMARK | 2016 | 8 | 749.55 | 112.43 |
| SPAIN | 2017 | 185 | 11,815.24 | 1,772.29 |
| SPAIN | 2016 | 5 | 213.58 | 32.04 |
| FINLAND | 2016 | 98 | 9,979.67 | 1,496.95 |
| FINLAND | 2022 | 2 | 34.97 | 5.25 |
| FRANCE | 2019 | 21 | 91.77 | 13.77 |
| HOLLAND | 2022 | 4 | 41.01 | 6.15 |
| ITALY | 2016 | 1,434 | 106,500.08 | 1,5975.01 |
| ITALY | 2017 | 51 | 3,352.12 | 502.82 |
| ITALY | 2016 | 574 | 36,605.52 | 5,490.83 |
| ITALY | 2017 | 111 | 8,021.65 | 1,203.25 |
| POLAND | 2016 | 7 | 709.77 | 106.47 |
| PORTUGAL | 2019 | 237 | 19,215.69 | 2,882.35 |
| PORTUGAL | 2016 | 111 | 10,325.43 | 1,548.81 |
| PORTUGAL | 2016 | 227 | 22,738.60 | 3,410.79 |
| PORTUGAL | 2020 | 4 | 60 | 9.00 |
| PORTUGAL | 2022 | 8 | 242.95 | 36.44 |
| PORTUGAL | 2019 | 365 | 18,125.69 | 2,718.85 |
| PORTUGAL | 2018 | 2 | 149.06 | 22.36 |
| PORTUGAL | 2019 | 891 | 47,706.51 | 7,155.98 |
| PORTUGAL | 2020 | 396 | 21,329.04 | 3,199.36 |
| PORTUGAL | 2021 | 202 | 12,023.56 | 1,803.53 |
| SWEDEN | 2016 | 539 | 42,876.07 | 6,431.41 |
| | TOTAL | 5755 | 389,673.98 | 58,451.10 |

(b) Mr Sens states that the table and contains, inter alia, details of “sales of clothing” made in the EU (excluding the UK) “under the LIVE! Mark” during the three relevant periods, between 2016 and 2020, although I note the 2016 sales figures have not been apportioned to account for sales made before and after the First Relevant Period.

(c) The sales made between 2016 and 2020 are for a total of 5,535 items with a combined total value of £56,559.30 GBP – this calculation includes all the 2016 sales figures (totalling £20,332.50 GBP) but excludes the sales made in Austria in 2015 (falling before the First Relevant Period) and the sales made after IP Completion Day (since they do not relate to the UK).

(d) Whilst the above table does not provide a breakdown of the goods supplied, Mr Sens provided 8 accompanying wholesale invoices for the sale of

clothing items which were shipped by the Proprietor from Brazil to its customers in Denmark and Portugal (details of which I have included in the table below).³¹

The Denmark invoices were all issued to the same customer and the Portugal invoices were issued to three separate customers. All of these invoices display the Proprietor's mark in the heading:

| Country & Date | Number of invoices | Total value of goods in Euros (excluding freight fees) | Total number of items sold | Goods itemised in the invoices |
|---------------------------|---------------------------|---|-----------------------------------|--|
| Denmark 2019 | 2 | €3,733.38 | 259 | <i>Socks; tank tops; t-shirts; tights; leggings; tops; pants.</i> |
| Portugal 2019 | 4 | €20,724.57 | 1,493 | <i>Leggings; jackets; pants; shorts; t-shirts; tank tops; tops; tights; capri pants; blouses; hooded parka jackets.</i> |
| Portugal 2020 | 2 | €4,363.09 | 395 | <i>Leggings; tops; pants; jackets; shorts; Bermuda shorts; tank tops; blouses.</i> |

(2) UK wholesale sales in 2016 and 2018

(a) The UK wholesale invoice evidence is dated in 2016 and 2018 and relates to the sale of goods to one customer, being the Proprietor's exclusive UK franchisee.

2016

(b) The 2016 evidence consists of 26 invoices, the details of which are provided as follows:

(i) the table below was prepared by Mr Sens, which he states "provides a summary of LIVE! clothing items supplied to Live!Style UK Limited during 2016 and their value". The table lists 12 invoices, 4 of which fall within the First Relevant Period and the remainder pre-date the First Relevant Period (being invoices dated in February, March, May

³¹ See Exhibits GGS1, GGS2 and GGS3 of the first Witness Statement of Mr Sens, dated 28 November 2022; and paragraphs 9 – 11 of that Witness Statement.

and June 2016). I note that the table does not contain a breakdown of the goods supplied:

| Invoice No. | Shipment Date | Quantity Of Items | Value (Reals) | Value (£) |
|-------------|---------------|-------------------|---------------|-----------|
| 94058 | 04/03/2016 | 15 | 434.17 | 65.13 |
| 107247 | 06/07/2016 | 10 | 656.40 | 98.46 |
| 104404 | 10/06/2016 | 3 | 207.01 | 31.05 |
| 104114 | 08/06/2016 | 1 | 600.00 | 90.00 |
| 104145 | 08/06/2016 | 47 | 2,304.09 | 345.61 |
| 112540 | 12/08/2016 | 7 | 13.00 | 1.95 |
| 92482 | 19/02/2016 | 13 | 462.04 | 69.31 |
| 118317 | 30/09/2016 | 3 | 27.44 | 4.12 |
| 102584 | 25/05/2016 | 250 | 5,950.66 | 892.60 |
| 104013 | 07/06/2016 | 2500 | 19,893.50 | 2984.03 |
| 104144 | 08/06/2016 | 18 | 4,763.64 | 714.55 |
| 116611 | 16/09/2016 | 357 | 16,193.30 | 2429.00 |
| | TOTAL | 3224 | 51,505.25 | 7725.79 |

(ii) Exhibit GGS6 consists of 7 copies of invoices dated between 12 May 2016 and 17 June 2016. They therefore relate to sales made before the First Relevant Period. The invoices show that the goods were shipped by the Proprietor from Brazil and delivered either to the London store or to the franchisee’s representative.³² They are for the ‘Fitness Summer 2016’, ‘Fitness Winter 2016’ and ‘Beach 2017’ collections and relate to the supply of a combined total of 3,977 items with a total wholesale value of £30,079.46 GBP (which excludes freight costs) – although a very small quantity of that total was for the supply of non-clothing items such as plastic squeeze bottles, beach bags, sports bags and sports towels. The range of goods itemised in these invoices is otherwise:

“bikini bottoms; bikini tops; women’s swimsuits; flip flops; beach visors; sports visors; beach dresses; dresses; pants; tops; sports tops; leggings; sports gloves; sports bras; coats; jackets; shorts; tank tops; vests; long sleeve tops; overalls; women’s ‘skirts with shorts’; socks; sports caps.”

³² i.e. George Ross – the person who signed the UK Franchisee Agreement on behalf of the franchisee.

(iii) Exhibit GGS5 consists of 7 copies of invoices dated between 26 August 2016 and 18 November 2016 (falling in the First and Second Relevant Periods). The invoices are for the supply of a combined total of 1,469 items with a total wholesale value of £14,241.84 GBP (which excludes freight costs), and show that the goods were shipped by the Proprietor from Brazil and delivered to the London store. The invoices list goods supplied for the 'Winter 2016', 'Fitness Summer 2017' and 'Fitness Winter 2017' collections. The range of goods itemised in these invoices are:

“tank tops; leggings; pants; coats; tops; jackets; sports bras; women’s ‘skirts with shorts’; shorts; overalls; bikini bottoms; bikini tops; women’s swimsuits; beach dresses; sports gloves; long sleeve tops; capri pants; women’s bodysuits; women’s vests; sports gaiter; money belt; sports wristbands.”³³

(c) I note that 19 of the 26 invoices were dated before the First Relevant Period (i.e. before 21 June 2016), 17 of which were dated between 12 May 2016 (being the date the UK franchise agreement was executed) and 17 June 2016. Mr Sens explains that the goods sold during the May and June period were for goods that would have been placed for sale in the UK by the franchisee during the relevant periods in 2016 and 2017. Indeed these sales relate to a small period of time between the signing of the UK Franchise Agreement and the inauguration of the London store, I shall therefore take them into consideration as the sales were made pursuant to the franchise agreement and would have been sold to the franchisee to stock the London store in preparation to secure customers.

(d) The 14 invoices contained in Exhibits GGS5 and GGS6 all show the Proprietor’s mark (albeit in red) in the heading.

³³ The last two items i.e. money belts and sports wristbands account for only a very small quantity of the total units.

2018

(e) The 2018 sales relate to a single invoice for the purchase of 47 items with a wholesale value of £772.02 (excluding freight fees).³⁴ The invoice is dated 7 May 2018 (a date which falls within all three of the relevant periods, and is approximately 10 months after the closure of the London store). Mr Sens states that the items were held in stock by its UK franchisee and were sold to customers in the UK. The range of goods itemised in the invoice are:

“tops; leggings; tights; blouses; overalls; shorts”

(f) Mr Sens’ evidence in chief does not include any sales made in the UK between 18 November 2016 and 7 May 2018, and does not contain any further details of sales made to the UK beyond 7 May 2018. However, his evidence in reply contains details of online sales of goods made to private UK customers between 27 August 2018 and 19 August 2019. I have detailed this evidence below where I address the Proprietor’s evidence in reply.

Marketing activities

40. With regard to marketing activities, Mr Sens states that the Proprietor has *“marketed its clothing products extensively in the EU and the UK during the Relevant Periods. As part of its marketing activities, the [Proprietor] prepared a range of marketing materials, which were distributed widely, including in the EU and the UK.”* However no details as to marketing expenditure are provided nor any details as to the dissemination of such materials. Mr Sens provided the following evidence in relation to marketing activities:

(1) Brochures

(a) There is evidence of two marketing brochures. Both brochures show images of models wearing fitness wear, beachwear and casual clothing, as well as images of the London shop frontage and various other ‘LIVE!’ shop frontages (none being in the EU).

³⁴ Exhibit GGS11.

(b) Mr Sens states that one of the brochures was prepared for *“the Latam Retail Show in 2017”*.³⁵ It is my understanding that ‘Latam’ is an abbreviation for ‘Latin America’. The ‘Latam’ brochure consists mostly of images, it is not written in English and no translation of the brochure has been provided – it appears that this brochure is aimed at the Latin American region as opposed to the EU.

(c) The second is a franchise brochure to *“publicise the LIVE! brand and explain the availability of franchises”*.³⁶ It appears to have been prepared in 2017 (based on the dates included in the brochure). The brochure states that the ‘LIVE!’ brand is present in ‘multi-brand’ stores which can be found inter alia, in Europe (although no details as to what stores and where they are located is provided), as well as in ‘LIVE! Stores’. It is clear that at the time the brochure was produced, the only ‘LIVE! Store’ based in the EU (which at the time included the UK) was the London store.³⁷ The Proprietor’s mark (as registered) is used throughout the brochure.

(d) With regard to marketing support offered to franchisees, the franchise brochure states that *“the franchise has professionals dedicated to the development of standardized promotional materials to develop the Local Marketing. Our marketing team also develops POS materials for dissemination of campaigns, products, promotions and visual merchandising, all in order to maintain a proper communication to our target audience.”*

(2) Flyers

Mr Sens provides marketing materials which he states were supplied to its franchisee Live!Style UK Limited in 2017.³⁸ It consists of flyers including discount flyers which he states were *“distributed to the public in London to promote the LIVE! Shop and the LIVE! range of clothing”*. This evidence shows images of models wearing casual/ fitness clothing and includes the

³⁵ Exhibit GGS12.

³⁶ Exhibit GGS13.

³⁷ See page 13 of Exhibit GGS13.

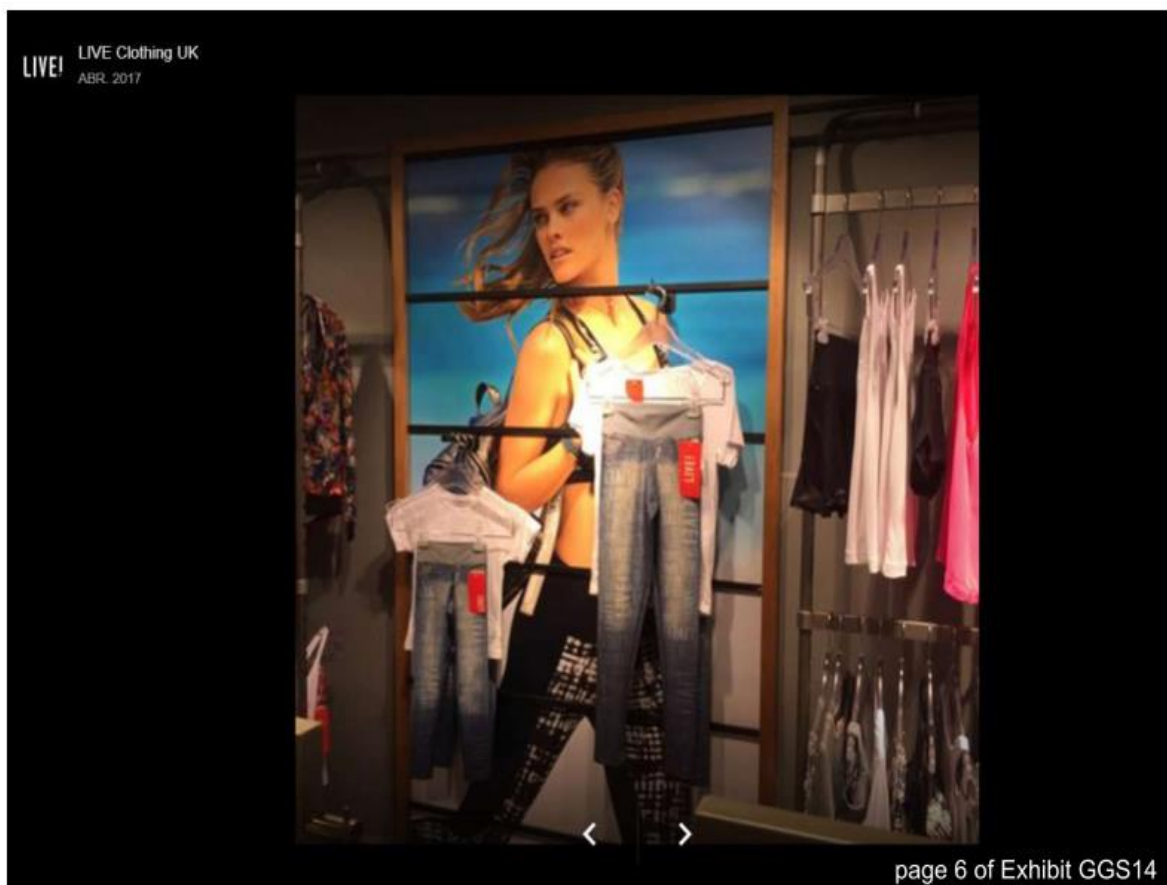
³⁸ Exhibit GGS10.

London shop address as well as the website address 'www.liveclothing.uk'. The sign displayed on the flyers is the Proprietor's mark, as registered.

(3) Online

(a) Mr Sens states: *"I attach as Exhibit GGS14 marketing images of the Live! Store in London and a range of clothing items. These images were uploaded to a number of platforms on the Internet in 2016 and 2017 and were available for viewing thereafter, including in the UK and the EU. The images clearly show use of the LIVE! Mark on and in association with the clothing items."* This evidence consists of a few store images (dated November 2016 and April 2017 – being dates falling within the three relevant periods) and the rest are images of models wearing casual / fitness clothing – all dated August 2016 (i.e. relating to the First Relevant Period). The 'LIVE!' mark in issue can be seen printed onto the fabric of some of the leggings in the images.

(b) I include below one of the images from Exhibit GGS14 by way of example:



(c) Each image in Exhibit GGS14 displays the mark in issue in the corner, with the wording 'LIVE Clothing UK' adjacent to it. No details as to what platforms these images were uploaded to is provided, nor any specific details about where the viewers were located, or how many views they received during the relevant periods.

(d) Further images are provided in Exhibit GGS16, which Mr Sens states were for the promotion of the 'LIVE!' brand and clothing items bearing the 'LIVE!' mark. Whilst these images bear no date, in his Witness Statement, Mr Sens states that they were obtained on 3 May 2022 as screenshots from a "*number of Internet platforms, including Whatsapp, where the images had been viewable around the world for some time*". This post-dates the Third Relevant Period and post-dates the application for revocation, and Mr Sens does not indicate when they were first made available. Neither does he indicate any specific details about where the viewers were located nor how many (if any) views these images received during the relevant periods. This evidence does not assist the Proprietor.

Applicant's evidence

41. Ms Tew's Witness Statement focuses solely on evidence relating to the UK and addresses three topics as follows:

(1) **The Proprietor's website and Instagram account for the UK**

(a) Ms Tew makes reference to a website found at the following address: 'http://liveclothing.com/uk', stating that "*we understand that the web address refers to a UK page on the proprietor's main website*". For the sake of clarity, I note this is not the domain name included in the UK Franchise Agreement (which is 'www.liveclothing.uk').

(b) Ms Tew introduces Exhibit RLT01, which she refers to as screenshots from the webpage found at 'http://liveclothing.com/uk' (dated 15 March 2023 being outside of the relevant periods), to support her statement that "*there is*

nothing to suggest that this page previously existed and whilst a sale can be pursued from the website, it can be seen in Exhibit RLT01 that the shipping cost to the UK is prohibitive at more than twice the cost of the purchased goods. There are no prices in £s and no suggestion at all that this website can or had been used to make viable purchases from the UK.” In the screenshot provided the cost of a sports bra is listed at £30.00 GBP and the shipping costs for that item are £68.00 GBP.

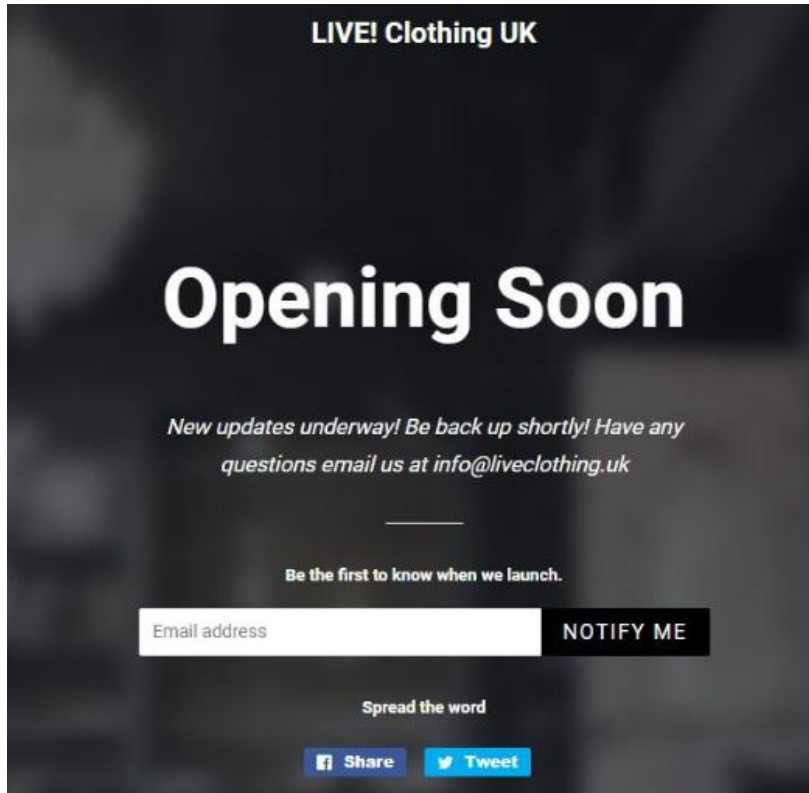
(c) Ms Tew goes on to state that the ‘Live.uk’ Instagram page “*operated by Live!Style UK Limited [...] was established in 2016 [and had] accrued only 4,902 followers in the last 7 years*”. The screenshot provided by Ms Tew is undated.

(2) The UK franchisee

(a) Ms Tew makes reference to the Proprietor’s evidence in chief and states that “*all purchases, with the exception of one very small shipment in 2018 were made in 2016. The single retail store closed apparently a year after it opened in or around July 2017. The e-commerce website followed suit as is evidenced [...] in Exhibit RLT02.*”

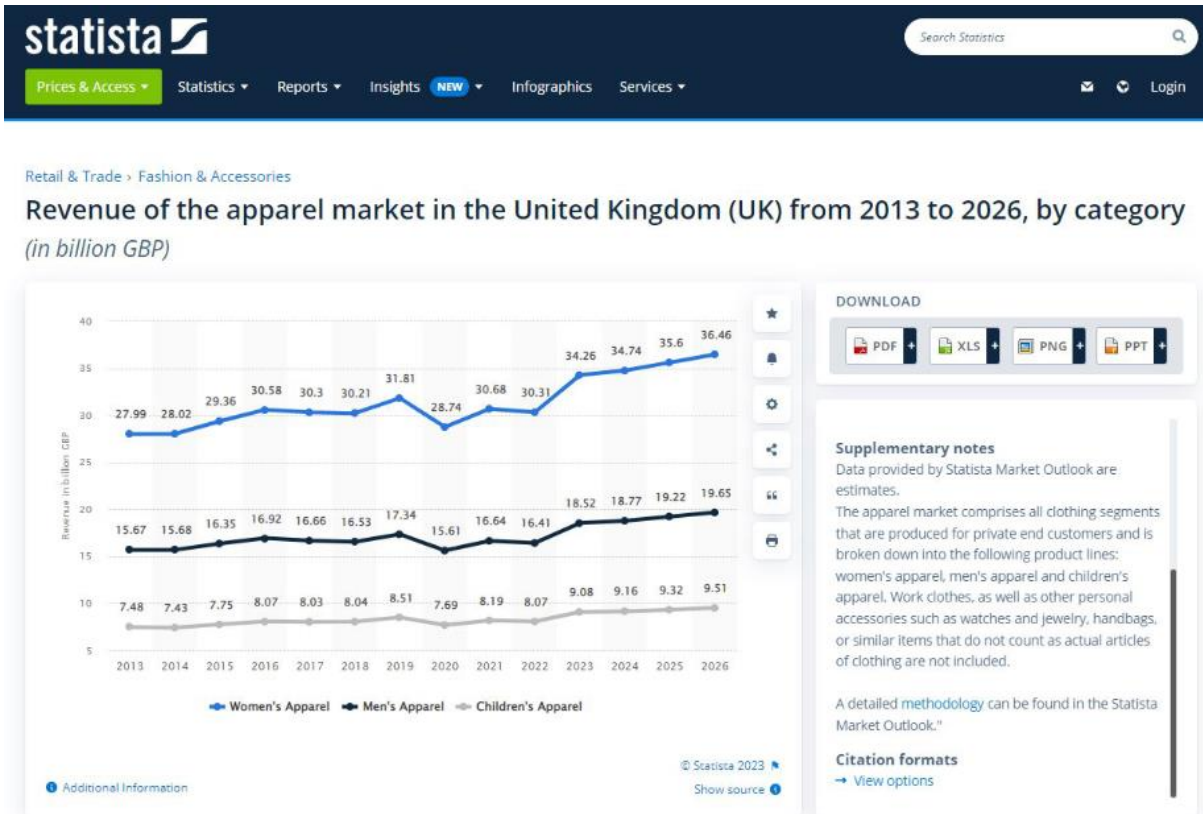
(b) Ms Tew introduces Internet Archive evidence from ‘Wayback Machine’, consisting of screenshots of the webpage ‘www.liveclothing.uk’ (for clarity, I note that this is the domain name referenced in the UK Franchise Agreement), dated 5 December 2018, 28 August 2019, 7 August 2020, 27 January 2021 and 27 September 2021 (i.e. all within the relevant periods). All screenshots show the same image, which is a holding page with no active online store (see below):³⁹

³⁹ See Exhibit RLT02.



(3) Size of the 'apparel market' in the UK

(a) Ms Tew introduces Exhibit RLT03, which consists of a single page of evidence which I have included below.



(b) The entirety of her statement with regard to this evidence is as follows:
“Exhibit RLT03 is information identified and downloaded from internet research and which is indicative of the size of the clothing market in the UK”.

(c) It is apparent from the graph that the women’s ‘apparel market’ in the UK during the relevant periods was on average c. 30 billion GBP. The above evidence informs me that the ‘apparel market’ included in this data *“comprises all clothing segments that are produced for private end customers”*. I presume this means private individuals (thus meaning retail sales to the public) as opposed to professionals in the sector concerned (such as resellers).

Proprietor’s evidence in reply

Proprietor’s product range

42. In his second Witness Statement, Mr Sens introduces various exhibits to demonstrate the *“wide range of casual garments”* sold under the ‘LIVE!’ mark on the ‘<https://liveclothing.uk.com>’ website (this website address is different to the one provided in Ms Tew’s evidence and is not the one referenced in the UK Franchise Agreement). However, the evidence is all dated 9 May 2023,⁴⁰ over a year after the filing of the action for revocation and therefore does not assist the Proprietor.

Online retail sales and invoices form the USA – 2018 to 2019

43. Mr Sens states that *“the ‘liveclothing.uk.com’ webpages were active during the Relevant Periods and sales of a range of garments direct to the UK were made during the Relevant Periods and continue to be made”*. He provides a selection of invoices (10 in total), for *“the order, sale and supply of products under the LIVE! mark to the UK”* dated between August 2018 to August 2019,⁴¹ being dates that fall within all three of the relevant periods. He also states that *“these demonstrate that there was and is no barrier to customers in the UK purchasing a wide range of garments under the LIVE! mark”*.

⁴⁰ See Exhibits GGS01, GGS02, GGS03 and GGS04 of the second Witness Statement of Mr Sens.

⁴¹ Exhibit GGS05 of the second Witness Statement of Mr Sens.

44. I note the following information with regard to these invoices:

(1) they all have the wording *'from Online Store'* at the top of the page and 'LIVE!' in plain text in the header (see the example below):

LIVE! · Orders · #21273 · Shopify Plus

(2) the web address at the footer of each invoice is not *'liveclothing.uk.com'*, rather it is *'https://live-sportswear.myshopify.com'* (a different address to all others previously mentioned);

(3) the currency for all invoices is in dollars;

(4) all invoices list the sender's location as '723 Lincoln Road'. This is the address given for the Proprietor's store and office in Miami Beach in the USA, as evidenced in the franchise brochure.⁴² This appears to indicate that the orders to which these invoices relate were all fulfilled by the Proprietor in the USA, as opposed to them being fulfilled by the UK franchisee.

(5) the selection of invoices show that 38 items in total were ordered. The variety of goods ordered are:

“jeans leggings; reversible tights; denim tights; reversible jeans leggings; strappy top; flared jeans; jogger pants; tank top; denim pants; active tights; active leggings; bikini bottoms; bikini tops; bikinis; dresses; tops”

(6) The value of the goods appears to be the retail value and for the most part, the shipping is itemised as being 'free', although one invoice for an item costing \$59.00, has a \$57.14 charge to ship that item.⁴³

(7) all goods were shipped from the USA to various individuals at various addresses in the UK, including several addresses in London.

⁴² See page 13 of Exhibit GGS13. The number '723' can be seen above the door on the image of the Lincoln Road shop in Miami. I also note that '407 Lincoln Road' is the address for the Franchisor contained on the UK Franchise Agreement.

⁴³ See page 9 of Exhibit GGS05 of the second Witness Statement of Mr Sens.

Conclusions on the evidence

45. I conclude that I am satisfied that the sign shown in the Proprietor's evidence is the trade mark in issue.

Class 25 goods

46. Firstly I turn to my conclusions with regard to the Proprietor's Class 25 goods. During the relevant periods, the Proprietor had an exclusive UK franchisee that was given exclusive rights to sell the goods manufactured by the Proprietor in the UK. Thus, proceeding on the basis that the "*Franchised Trademarks*" referred to in the UK Franchise Agreement encompass the trade mark at hand, any use by the franchisee would be use with the Proprietor's consent upon which the Proprietor could rely. However, there is no evidence before me of any retail sales the franchisee made to the public – whether via the London store or online via the 'www.liveclothing.uk' website, neither is there evidence of any royalty payments having been made to the franchisor (which would have at least provided an indication of the value of the franchisee's sales given that the royalty payments were to be calculated based on the franchisee's gross sales).⁴⁴

47. That said, there is evidence of wholesale sales made by the Proprietor to its resellers in the EU/UK, including its franchisee.

48. Although the UK Franchise Agreement is not evidence of sales, nor marketing etc., the assessment with regard to genuine use is a multifactorial one and the existence of the agreement is nonetheless demonstrative of the Proprietor's intention to create a market share for its goods in the UK. "*It must be stated that, in a market such as that of the European Union, in order to create or preserve an outlet for goods such as those at issue in the present case, it is common (and even necessary where a manufacturer of such goods does not have its own distribution channels) to direct commercial acts at professionals in the sector concerned and particularly at resellers.*"⁴⁵

49. The Proprietor has provided evidence of wholesale sales between 2016 and 2020 to its customers throughout various EU territories, namely Germany, Denmark, Spain,

⁴⁴ See Clause 4.2(a) of the UK Franchise Agreement, page 6 of Exhibit GGS4.

⁴⁵ *Fruit of the Loom v EUIPO*, Case T-431/15, paragraph 50.

Finland, Italy, Poland, Portugal, Sweden and, pre-IP Completion Day, the UK (I note there is no evidence of sales in the UK between 1 January 2021 and 15 February 2022). The sales were therefore made during the three relevant periods. At the hearing Mr Akers noted that *“those items were supplied to retail businesses rather than individuals”*.

50. Although these were not sales made to the public, I take into consideration that the attractive force of a manufacturer’s brand is one of the enticements for a wholesale purchaser (including franchisees) as they see the potential to earn money from the resale of those branded goods. Therefore I am satisfied that the Proprietor’s wholesale customers (including the franchisee) would have been relying on the Proprietor’s mark as a badge of origin just as much as a retail consumer would have. The fact that the wholesale customer may be attracted by the mark because they believe that their customers will be attracted by the mark does not call into question the fact that the mark is performing its essential function between the manufacturer and the wholesale customer.⁴⁶

51. I have no evidence before me with regard to the size of the ‘apparel market’ in the EU (whether wholesale or retail) during the relevant periods and the only evidence I have is in relation to the ‘apparel market’ in the UK for items that are *“produced for private customers”*, which I interpret as being the market for retail sales to private individuals as opposed to wholesale sales or sales directly from a manufacturer to a reseller. This evidence nonetheless gives an indication that the retail ‘apparel market’ in the UK is a substantial one and by inference the wholesale market is also likely to be substantial.

52. Although the value of the Proprietor’s wholesale sales does not appear to be significant, I bear in mind the importance of drawing a distinction between wholesale value and retail value, given that a wholesale value is typically lower than a retail value (often derived as a result of negotiations between a manufacturer and the purchaser) and is not the price the private retail consumer would pay – which would be higher.

53. At the hearing Mr Akers submitted that *“typically, you are talking about the retail price being twice the wholesale price, if not more, so we can look at the actual value*

⁴⁶ See words to that effect in *Laboratoire de la Mer Trade Mark*, [2006] FSR 5, paragraph 49.

of the goods on display and being made available to the customers on the King's Road as being significantly more than the invoiced amounts that we have put into evidence.”

In his final remarks he submitted: *“I would say that the garments being sold under the LIVE! brand are essentially high-end luxury goods with a high retail price. We have already discussed the particular retail outlet that they were being sold through and that necessarily has an impact on the overall number of units that are sold.”* These submissions are providing evidence which I cannot take into account.

54. The fact remains that there is no evidence before me with regard to any sales made by the franchisee, not least any evidence of the price of the garments in the London store. The UK Franchise Agreement even provides that whilst the franchisee did not have to adopt the franchisor's recommended retail price, it *“may not practice vile or excessive prices that could in any way harm or compromise the image and goodwill of the FRANCHISED TRADEMARKS”*.⁴⁷ Where the unit price of a pair of women's leggings cost the franchisee just £11.27,⁴⁸ even a doubling of that price is hardly an indication of a *“high retail price”* as Mr Akers' calls it, and had the franchisee sold the garments at an excessively inflated price it would have likely contravened the terms of the agreement. In my opinion, the number of units sold by the Proprietor is a better indication as to volume of sales made by the Proprietor in this instance, rather than relying on an *ad hoc*, rule of thumb of doubling the wholesale price as suggested by Mr Akers.

55. The volume of goods sold in the EU (excluding the UK) between 2016 and 2020 does not appear to be significant within the context of a large market, indeed the volume of goods sold to the UK franchisee in 2016 alone, to stock a single store, was relatively higher by comparison. If I am wrong in taking into account the sales made to the franchisee before the First Relevant Period (which were sales made to the franchisee to stock the London store in preparation for its opening on 26 June 2016), then the volume of sales to the UK is significantly lower but not exiguous.

56. That said, either way, the volume of sales between 2016 and 2020 are to be viewed collectively (for both EU and UK), therefore combined they cannot be regarded as token despite the apparent size of the apparel market. I also bear in mind that there

⁴⁷ See Clause 7.3 of the UK Franchise Agreement, page 10 of Exhibit GGS4.

⁴⁸ See a copy of an invoice contained in Exhibit GGS5 of the first Witness Statement of Mr Sens, page 3.

is no de minimis rule, and that one should not adopt the approach that “*in order to be genuine, the use of the mark must be such as to achieve a significant market share*”.⁴⁹ There are many players in the clothing industry and they cannot all have a large share of it. “*Use of the mark need not always be quantitatively significant for it to be deemed genuine.*”⁵⁰

57. Mr Sens has stated that the franchisee continued to sell the goods online after the closure of the London store, and produced evidence of an invoice supplying 47 items to the franchisee, dated May 2018 – this invoice is the only evidence of sales to the franchisee after 2016. However, the Applicant has challenged this evidence and shown that the franchised website, ‘www.liveclothing.co.uk’, was not active on 5 December 2018, 28 August 2019, 7 August 2020, 27 January 2021 and 27 September 2021. In response, the Proprietor produced evidence of online sales made between 27 August 2018 and 19 August 2019 via the ‘.com’ website, ‘<https://live-sportswear.myshopify.com>’, and not via the franchised website ‘www.liveclothing.co.uk’. These orders were fulfilled and shipped by the Proprietor from its shop in Miami, USA – the currency of the transactions being dollars.

58. The time period to which these online retail sales relate overlaps with the term of the UK Franchise Agreement. However, Mr Sens has not provided any explanation as to how a UK consumer was able to purchase goods from the Proprietor in the USA, thus circumventing the UK franchisee. Despite his vague narrative evidence that the franchisee continued selling the Proprietor’s goods online after the closure of the London store, the Applicant’s evidence at the very least calls into question how long lived that was, this is because by December 2018 at least, there could not have been any sales via the ‘.co.uk’ website since it was inactive.

59. Therefore whilst I have no reason to call into question Mr Sens’ statement that the May 2018 invoice was for stock for the franchisee to sell (despite there being no evidence of sales via the ‘.co.uk’ website, and no evidence that the franchisee had signed the addendum to the UK Franchise Agreement in order to operate an online store), it is not made out in the evidence whether the Proprietor continued to sell goods to the franchisee after May 2018. As I have previously mentioned, the only evidence

⁴⁹ *Laboratoire de la Mer Trade Mark*, [2006] FSR 5, paragraph 44.

⁵⁰ *easyGroup Ltd v Nuclei Ltd & Ors*, [2023] EWCA Civ 1247, paragraph 106(7).

of UK sales after that date relate to the Proprietor's online retail sales operating from the USA via a different website to the franchised website.

60. In *Walton International*, the question arose whether the use of a mark on a '.com' website the claimant called its "global e-shop" was use in the UK or EU. Although the prices of the claimant's goods (clothing) were shown on the global e-shop in dollars, it was possible to order goods from the website for delivery to the UK/EU (for a delivery fee). The claimant had made 176 sales of clothing to the UK over the relevant 5 year period, and 738 sales to the EU as a whole. Arnold J. (as he then was) decided that whilst the use of the mark on the goods sold via the claimant's global e-shop to UK customers did amount to use of the mark in the UK/EU, he went on to decide the level of sales of clothing bearing the mark in the UK and EU was not sufficient, by itself, to constitute a serious attempt by the claimant to create or maintain a market for its goods in the UK or EU. Therefore, although there was some use, there was no genuine use of the registered UK and EU marks on which the claimant relied. Consequently, these marks were revoked for non-use.

61. Mr Akers referred to *Walton International*,⁵¹ and submitted that these sales "*would be considered to be push sales by way of the website, with the website being targeted at the UK and effectively those sales being pushed at the UK market and UK consumers*" and that these sales were made "*after the franchisee in the UK slimmed down its operation [and] those are orders being placed by customers in the UK from the proprietor in the knowledge that they were ordering from overseas, and I would submit that those are as a result of the market already established and the reputation already established in the UK for the Live! brand by the operations of proprietor and the franchisee in the previous years.*" Yet there is no evidence of the webpage from which these sales were made to determine whether it targeted UK consumers or not; no indication as to the revenue generated from sales to the UK via that website; nor evidence as to how the Proprietor was able to sell directly to the UK public thus circumventing the franchisee's exclusivity. The evidence from the Proprietor falls short and I bear in mind that "*the mere existence of a website and its accessibility by local consumers is never enough to establish a territorial link*"; and that "*a party's subjective*

⁵¹ *Walton International & Anor v Verweij Fashion BV* [2018] EWHC 1608.

intention cannot turn a website or page which is objectively not targeted at the UK into one which is".⁵²

62. Although this evidence relates to the sale of the Proprietor's goods between 2018 and 2019, it is inconclusive and insufficient for me to determine that those online sales of 38 items via the 'myshopify.com' domain constitute a genuine attempt by the Proprietor to maintain a market share for its goods in the UK.

63. Even though I have found that the evidence pertaining to those online sales is inconclusive to determine that the use was genuine use of the mark in relation to the goods, I bear in mind that I must consider what the evidential picture as a whole shows me, not whether each piece of evidence shows use by itself. In this regard I note that the Proprietor nonetheless concurrently made sales in the EU in 2018 and 2019 to its wholesale customers in Denmark, Portugal and France, therefore use in relation to the goods during that period is shown elsewhere in the evidence.

64. With regard to marketing activities, the evidence demonstrates that the Proprietor carried out some marketing, however, this evidence does not provide an indication as to the extent the goods were marketed under the mark, in the relevant territories, during the three relevant periods. For example, there is no information provided about the Proprietor's marketing expenditure; no information as to the dissemination of the franchise brochure nor which markets it was prepared for; whilst the franchise brochure informs me that the Proprietor has a marketing team dedicated to its franchisees, the UK franchisee's marketing activities appear to have been limited to leafleting in London, and no details have been provided about the franchisee's marketing expenditure. Although the evidence informs me that the Proprietor carries out marketing activities on social media, no detailed information has been provided in order for me to determine the extent of such marketing activities.

65. Furthermore, with regard to the leafleting, Mr Akers' submitted at the hearing that the leaflets represented "*a significant investment by the proprietor to assist the franchisee in developing the market in the UK and promote the LIVE! brand.*" However, I cannot reconcile his submissions with the terms of the UK Franchise Agreement

⁵² See *Warner Music UK Ltd v TuneIn Inc.* [2019] EWHC 2923 (Ch), paragraph 16 and 17, in which Birss J. summarised the legal principles derived from case-law relating to the accessibility of intellectual property on websites and whether this counts as use of the IP in the UK.

which provide that the franchisee itself (as opposed to the Proprietor) undertook to “invest a monthly amount equivalent to 2,5% of the gross monthly revenue accrued by the FRANCHISE UNIT in publicity and marketing.” In any event, this is a broad submission and there is no evidence whatsoever with regard to advertising expenditure which would support such a submission.

66. Although the evidence has some shortcomings, it nonetheless supports use of the mark in the EU/UK in relation to some of the Proprietor’s Class 25 goods between 2016 and 2020 (therefore spanning all three of the relevant periods). During that time, the Proprietor had one exclusive customer in the UK and it had customers in eight other EU countries. The snapshot of invoices provided paints the picture that it had repeat custom from its customers.

67. Whilst the quantity of goods sold is perhaps not quantitatively significant, particularly when viewed against the backdrop of the large market in which those goods are found, I nonetheless do not consider the quantities sold to be merely token. In the context of an overall assessment of the evidence and of the relevant factors, I conclude the use shown is sufficient to be deemed to be genuine. I will return to what that use is later in my decision when I assess the question of fair specification.

68. In reaching this conclusion I have borne in mind that notwithstanding there being no use shown in the UK after 1 January 2021, the period between 1 January 2021 and 20 June 2021 only represents a period of approximately six months at the very end of the First Relevant Period, and since the evidence shows that the Proprietor made genuine use its mark in the EU/UK within the period of five years following the date of completion of the registration procedure, this is sufficient to satisfy the requirement under section 46(1)(a) of the Act.

69. With regard to the three periods under section 46(1)(b), I find that since the Proprietor has shown genuine use of its mark in the EU/UK within those periods, use was not suspended for an uninterrupted period of five years, therefore even though the use does not span the entirety of those periods, the use shown is sufficient to satisfy the requirement under section 46(1)(b) of the Act.

Class 35 services

70. Thus far the focus of my conclusions on the evidence has been with regard to the Proprietor's use of its mark in relation to its Class 25 goods. However the Proprietor is also required to show that it has made genuine use of its mark in relation to its Class 35 services. Firstly I note that the sale of goods is not considered to be a service,⁵³ this is because the selling and offering to sell goods does not, in itself, amount to providing retail services in Class 35.⁵⁴ The 'sale' of goods, which is the transaction that occurs between the customer and the retailer at the point of sale, would be protected by a registration for the goods themselves (in the relevant goods classes) and not by a registration for retail services.⁵⁵

71. It follows therefore that the mere sale of goods by the Proprietor directly to its resellers (including the franchisee) is not the provision of retail services.

72. Secondly I note that a distinction can be drawn between a mere sale transaction on the one hand and retail services which include all those activities which encourage the conclusion of that transaction on the other. The services provided by retailers are recognised in *Praktiker*⁵⁶ as being "*all activity carried out by the trader for the purpose of encouraging the conclusion of a transaction. That activity consists, inter alia, in selecting an assortment of goods offered for sale and in offering a variety of services aimed at inducing the consumer to conclude the above mentioned transaction with the trader in question rather than with a competitor.*"⁵⁷

73. Thirdly I note that use of a trade mark to sell one's own goods may (on a case by case basis) constitute use of a mark in relation to retail services. In *Netto Marken*,⁵⁸ the CJEU held that it was possible to register a trade mark for services involved in the bringing together of other services, even where some of the latter services were provided by the trade mark proprietor itself. By analogy, services for the bringing together or retailing of goods may therefore include services where some of the goods brought together are the proprietor's own goods. Indeed, given that the subject matter

⁵³ See the Explanatory Note of Class 35 of the Nice Classification.

⁵⁴ *Tony Van Gulck v Wasabi Frog Ltd*, Case BL O/391/14, paragraph 9.

⁵⁵ See the UK Intellectual Property Office's 'Manual of trade marks practice' – 'The Classification guide', paragraph 3.12.

⁵⁶ *Praktiker Bau- und Heimwerkermärkte AG*, Case C-418/02.

⁵⁷ *Ibid.* paragraph 34.

⁵⁸ Case C-420/13. See the explanation of the Court at [39].

of the services in Class 35 is the bringing together of a selection of goods for the convenience of the public, and other related services intended to encourage consumers to purchase those goods from the trade mark owner, the trade origin of the goods themselves does not appear to be particularly important. Therefore, provided there is sufficient selection in the range and/or quality of goods brought together for the public's convenience so as to constitute a service to consumers and/or other identifiable retail services are provided, such services may be protected by a trade mark in Class 35. In principle, this should be possible even where the services in question are intended to induce the consumer to purchase a proprietor's own goods.

74. Therefore, whilst in the strictest sense, the mere sale of one's own goods is not the provision of a retail service, I see no reason why in principle the activity of retailing one's own goods cannot constitute the provision of retail services intended to induce the consumer to purchase those goods. The question as to whether the use is genuine depends on the factors I have already set out with regard to genuine use.

75. I have already noted that there is no corroborating evidence to support Mr Sens' assertion that the franchisee operated a franchised 'online store' in the UK. The May 2018 invoice evidence is not sufficient in itself to show provision of online retail services by the franchisee, furthermore, Ms Tew's evidence demonstrates that there was no active website at that franchised domain address. Even if I made a finding that the evidence of the online sales made to the UK from the USA show genuine use of the mark in relation to the goods (38 items in fact), the extent of the evidence is limited in any event to the mere sale of goods (since it only consists of invoice evidence), and would not be sufficient in itself to show provision of online retail services – I do not take this online activity into account in assessing the Class 35 services. Viewing the evidential picture as a whole, I conclude that there has been no use shown of the mark in relation to *"on-line retail store services of clothing articles [etc.]"*.

76. I now move on to assessing the evidence of use with regard to the Proprietor's *"retail store services of clothing articles [etc.]"*. At the hearing Mr Akers submitted that *"perhaps the most significant way that the mark has been used was by way of the LIVE! retail store"*. He characterised the location of the King's Road as *"being an upmarket and expensive location in London and a location with a high profile."*

77. He continued his submissions as follows: *“The setting up and opening of the retail store in King's Road represented a significant investment both by and on behalf of the proprietor. And I would submit that the presence of the store on the street is very prominent and the use made of the LIVE! trade mark is also very prominently displayed on the front of the store. [...] I would venture to suggest that the retail store being opened and operating on the King's Road in London itself is sufficient to establish that the mark as registered was used genuinely during all of the three relevant periods that the applicant for cancellation has relied upon.”*

78. What I am able to deduce from the evidence is that:

- (1) the purpose of the UK Franchise Agreement was for the Proprietor to *“expand its business”* by way of making its products available in the UK via a franchisee;
- (2) the store in London was the only ‘LIVE!’ store that was opened in accordance with this agreement – according to the UK Franchise Agreement the choice of location for that store was left up to the franchisee, it was to be opened at the franchisee’s expense and the Proprietor was not responsible for the success or failure of that store;
- (3) the London store was a single brand store, being contractually bound to sell only ‘LIVE!’ branded products, as opposed to it being a multi-brand department store selling goods from a variety of entities;
- (4) the evidence points to the London store being the only ‘LIVE!’ store in the EU/UK during the relevant periods;
- (5) the Proprietor produced leaflets for the franchisee to hand out in London though no details as to distributorship have been provided, nor any resultant business that was gained because of the leaflets;
- (6) the store was open for approximately one year (from June 2016 to July 2017);
- (7) the franchisee bought goods from the Proprietor before the First Relevant Period in 2016 to stock that store and thereafter placed a few more orders in 2016 that were delivered to the store;

(8) the franchisee was in any event bound by terms in the UK Franchise Agreement to place minimum purchase orders from the Proprietor and there is no evidence provided of sales made by the franchisee and/or no evidence of royalty payments made to the Proprietor (calculated on the franchisee's gross sales) which would support the existence of any sales by the franchisee.

79. Even presuming there were sales made by the franchisee (since it is unlikely the franchisee would have gone to the expense of opening up a store in London unless it intended to make any sales), the mere sale of own-branded goods is not in itself sufficient to show use of a mark in relation to Class 35 retail services, and there is no sufficiently solid evidence for me to determine what (if any) identifiable retail services were provided. In addition, I remind myself that *“genuine use of a trade mark cannot be proved by means of probabilities or suppositions, but must be demonstrated by solid and objective evidence of effective and sufficient use of the trade mark on the market concerned”* and *“the smaller the commercial volume of the exploitation of the mark, the more necessary it is for the proprietor to produce additional evidence to dispel any doubts as to the genuineness of its use”*.⁵⁹

80. In *Zigong Lantern Culture Industry Co. Ltd v Zigong Lantern Group Worldwide, LLC*,⁶⁰ Dr Brian Whitehead, sitting as the Appointed Person, noted the often quoted earlier decision of Mr Alexander Q.C. in *Awareness Limited v Plymouth City Council*, agreeing with the conclusions reached at [22], and added that, where the business activities are limited in size, *“it is even more important that the proprietor submits sufficiently detailed and cogent evidence as to its activities.”* Therefore whilst there is no de minimis rule, and even a small amount of trade in the UK can be sufficient to show genuine use, *“nonetheless, in such cases, deficiencies in evidence, of a nature which may be relatively unimportant in cases involving years of trade in the millions of pounds, may become critical when looking at trading activities of very limited size.”*⁶¹

81. The nature and extent of use is likely to be particularly well known to the Proprietor, therefore notwithstanding the ease with which the case of genuine use could have been convincingly demonstrated, the material actually provided is inconclusive and I

⁵⁹ *easyGroup Ltd v Nuclei Ltd & Ors*, [2023] EWCA Civ 1247, paragraph 107.

⁶⁰ BL O/0364/24, paragraphs 16 – 17. Although Dr Whitehead was evaluating the principles with regard to goodwill, his conclusions equally apply to an assessment of genuine use.

⁶¹ *Ibid.* paragraph 17.

am not satisfied that it establishes genuine use of the mark in relation to the services at hand during the relevant periods. If indeed any use is shown, it is in any event exiguous and not capable of showing genuine use of the trade mark.

82. The onus is on the Opponent to have filed evidence of genuine use that is sufficiently solid and conclusive – in my view the Opponent has fallen short in this task. I conclude therefore that the Proprietor has not shown genuine use of the mark in relation to its Class 35 services.

Fair Specification

83. I must now consider what would be a fair specification to reflect the use shown above in Class 25. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*,⁶² the Appointed Person summed up the law as follows:

“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.”

84. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors*,⁶³ Mr Justice Carr summed up the law relating to partial revocation pursuant to section 46(5) of the Act,⁶⁴ stating inter alia, that “*where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment.*”

85. I have already noted that the evidence shows that various clothing/ apparel goods were sold by the Proprietor during the relevant periods. For ease of reference I have

⁶² BL O/345/10

⁶³ [2016] EWHC 3103 (Ch)

⁶⁴ *Ibid.* paragraph 47.

collated these goods in the table below alongside the Proprietor's Class 25 specification. I conclude that genuine use has been shown in relation to those goods:

| Goods sold | Class 25 specification |
|--|--|
| <p><i>Tops; sports tops; sports bras; hooded parka jackets; jackets; coats; vests; women's vests; t-shirts; tank tops; long sleeve tops; women's bodysuits; blouses; pants; capri pants; tights; leggings; shorts; Bermuda shorts; women's 'skirts with shorts'; dresses; beach dresses; women's swimsuits; sports gloves; sports caps; beach visors; sports visors; socks; bikini bottoms; bikini tops; flip flops; overalls; sports gaiter; money belt; sports wristbands.</i></p> | <p><i>Tops (clothing); sports bras; hooded jackets, hooded sweaters; sweatshirts; jackets (clothing); vests; shirts; t-shirts; tank tops; base layer apparel; blouses; pants; capri trouser pants; tights; leggings; shorts; skirts; dresses; swimwear; gloves (clothing); socks; hats; bikinis; sneakers.</i></p> |

86. The terms 'hooded sweaters, sweatshirts, and shirts' contained in the registration are not specifically itemised in the invoices, however, the term 'tops' is. I consider 'tops' to be a broad term that covers the aforementioned terms, therefore, given that the Proprietor has demonstrated genuine use in relation to the broader term, I see no justifiable reason to remove the narrower terms from its Class 25 specification.

87. Mr Sens' narrative evidence continually refers to the sale of 'clothing' and states that the sales figures relate to the sale of "*clothing items*". There is no mention nor any evidence of use of the mark in relation to 'sneakers'. Whilst there were some very limited sales of 'flip flops' to the franchisee, this type of footwear is not a sub-category of 'sneakers' and I do not consider the Proprietor should be entitled to retain the term 'sneakers' based on the limited use in relation to 'flip flops'.

88. Consequently I consider a fair specification to be:

Class 25:

Tops (clothing); sports bras; hooded jackets, hooded sweaters; sweatshirts; jackets (clothing); vests; shirts; t-shirts; tank tops; base layer apparel; blouses; pants; capri trouser pants; tights; leggings; shorts; skirts; dresses; swimwear; gloves (clothing); socks; hats; bikinis.

CONCLUSION

89. The application for revocation of UK trade mark registration number 914895932 has been partially successful. Subject to any successful appeal, the mark is revoked for the following goods and services, with an effective revocation date of 21 June 2021:

Class 25

Sneakers.

Class 35

Retail store services and on-line retail store services of clothing articles, namely, tops (clothing), sports bras, hoodies, sweatshirts, jackets (clothing), vests, shirts, t-shirts, tank tops, base layers, blouses, pants, capri trouser pants, tights, leggings, shorts, skirts, dresses, swimwear, gloves (clothing), socks, hats, bikinis, sneakers.

90. Subject to any successful appeal, the application for revocation of UK trade mark registration number 914895932 is unsuccessful in relation to the following goods for which the mark shall remain registered:

Class 25

Tops (clothing); sports bras; hooded jackets, hooded sweaters; sweatshirts; jackets (clothing); vests; shirts; t-shirts; tank tops; base layer apparel; blouses; pants; capri trouser pants; tights; leggings; shorts; skirts; dresses; swimwear; gloves (clothing); socks; hats; bikinis.

COSTS

91. The Proprietor has been partially successful and is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016.

92. I have borne in mind that the success was only partial and that the Proprietor filed unnecessary evidence which was either undated or dated outside of the relevant

periods. In the circumstances I award the Proprietor the sum of £1,400 as a contribution towards its costs, which is calculated as follows:

| | |
|---|---------------|
| Considering the notice of revocation and preparing a counterstatement | £200 |
| Preparing evidence and considering and commenting on the Applicant's evidence | £600 |
| Preparing for and attending a hearing | £600 |
| TOTAL | £1,400 |

9. I therefore order Live Unlimited Limited to pay LIVE ROUPAS ESPORTIVAS LTDA. the sum of **£1,400**. This sum should be paid within twenty-one days of the expiry of the appeal period or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 28th day of May 2024

Daniela Ferrari
For the Registrar