BL O-220-19

**TRADE MARKS ACT 1994** 

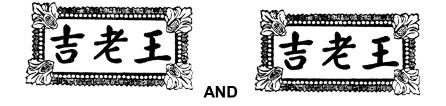
IN THE MATTER OF:

# GUANGZHOU WONG LO KAT GREAT HEALTH BUSINESS DEVELOPMENT CO LTD'S APPLICATIONS (Nos. 502021 and 502022)

TO REVOKE ON THE GROUNDS OF NON-USE

TWO TRADE MARK REGISTRATIONS (Nos. 1495166 & 1495167)

FOR THE MARKS:



**OWNED BY MULTI ACCESS LIMITED** 

# Background and pleadings

1) These proceedings involve applications to revoke the two following trade mark registrations on the basis that they have not been put to genuine use. The respective

registrations are both for the mark mark descriptions "The transliteration of the Chinese characters appearing in the mark is "Wong Lo Kat" meaning "King Old Lucky"". The remaining pertinent details are as follows:

Registration No:	1495166 ("166")			
Relevant dates	Filing date: 24 March 1992			
	Date of entry in register: 9 July 1993			
Goods:	Class 5: Beverages for medicinal purposes; all			
	included in Class 5.			

Registration No:	1495167 ("167")	
Relevant dates	Filing date: 24 March 1992	
	Date of entry in register: 2 July 1993	
Goods:	Class 32: Beverages; all included in Class 32.	

2) On 23 March 2018 Guangzhou Wong Lo Kat Great Health Business Development Co Ltd ('the applicant') filed applications to revoke the registrations based upon Section 46(1)(a) and (b) of the Trade Marks Act 1994 ("the Act"). The relevant dates are as follows:

Registration No:	Section 46(1)(a) period	Section 46(1)(b) period
'166	10 July 1993 – 9 July 1998	23 March 2013 – 22 March 2018
	Revocation to take effect 10 July 1998	Revocation to take effect 23 March 2018
'167	3 July 1993 – 2 July 1998	23 March 2013 – 22 March 2018
	Revocation to take effect 3 July 1998	Revocation to take effect 23 March 2018

3) The proprietor filed counterstatements denying the claims stating that it will provide evidence to demonstrate that the marks have been used in respect of the goods listed in the registrations.

4) Only the proprietor filed evidence in these proceedings. This will be summarised to the extent that it is considered necessary. Both sides filed written submissions which will not be summarised but will be referred to as and where appropriate during this decision. No hearing was requested and so this decision is taken following a careful consideration of the papers.

#### Evidence

#### Witness statement of Ms Wong Kin Yee Agnes

5) Ms Wong is a Director of Wong Lo Kat (Enterprises). She states that she is a descendant of Mr Wong Chak Bong. In the early 1900s Mr Wong created a herbal tea known as "Wong Lo Kat" and this was the name used for his herbal tea shop in China. The business subsequently grew, and various companies developed. Ms Wong's grandfather inherited the Hong Kong part of the business who then sought to develop it in other countries, including the UK. Ms Wong has been "assisting" the family herbal tea business since 1971.

6) Between 1990 and 1992 three companies were established, these being 1) Wong Lo Kat (International) Ltd, which is now dissolved, 2) Wong Lo Kat (Enterprises) Ltd and 3) Mega Data International Limited. Wong Lo Kat (International) Ltd filed the applications which led to the registrations in 1992. They were subsequently assigned from and to various companies until the proprietor gained ownership. On 1 June 2011<sup>1</sup> the proprietor granted a licence to Wong Lo Kat (Enterprises) Limited to use the registrations. The Licence agreement<sup>2</sup> (the "WKLE Licence") expressly lists the UK trade mark registrations as forming part of the agreement and grants permission to use the marks. Ms Agnes states that the licence agreement relates to herbal

<sup>&</sup>lt;sup>1</sup> The licence is actually dated 24 June 2016 but contains an effective date of 1 June 2011

<sup>&</sup>lt;sup>2</sup> Exhibit WKY1

and/or medicinal teabags and tea extracts plus "All kinds of instant drink mixes" and "All kinds of confectionery products".

7) Ms Wong states that "from 2010 onwards, products bearing the Trade Marks produced by Wong Lo Kat (Enterprises) Ltd pursuant to the WKLE Licence are sold to Kwai Hong (HK) Ltd as the sole distributor who in turn exports the products to various overseas importers including W. Wing Ying Plc in the United Kingdom"<sup>3</sup>.

8) Exhibit WKY3 to the witness statement comprises of 9 invoices dated between 26 February 2013 and 6 July 2015 issued by Wong Lo Kat (Enterprises) Ltd to Kwai Hong (HK) Ltd at a Hong Kong address. All of the invoices are in Hong Kong dollars and include product descriptions of either tea bags or instant tea. Two of the invoices are before the section 46(1)(b) period and after the section 46(1)(a) period. The remaining 7 invoices are dated between 7 October 2013 and 6 July 2015. The sales are for tea bags sold in 50 and 100 packs, and instant tea sold in boxes. The invoices indicate that there were sales of approximately 33 50-pack tea bags, 71 100-pack tea bags and around 122 boxes of instant tea sold. Further, the invoices have labels placed on the front which Ms Wong states are for "administrative purposes"<sup>4</sup> to record the details of the relevant overseas importer that will receive the products referred to in each invoice. All of the invoices have labels addressed to "W. Wing Ying Plc" in Birmingham. However, 6 of the invoices also include separate labels containing addresses outside of the UK (these being made up of 3 in Dublin, two in the Netherlands and one in Cayenne, South America). The mark does not appear on any of the invoices.

9) The exhibit also includes "representative images of the packaging referred to in the invoices"<sup>5</sup>. I copy an example below:

<sup>&</sup>lt;sup>3</sup> Paragraph 5.3 of the witness statement

<sup>&</sup>lt;sup>4</sup> Paragraph 5.4 of the witness statement

<sup>&</sup>lt;sup>5</sup> As above



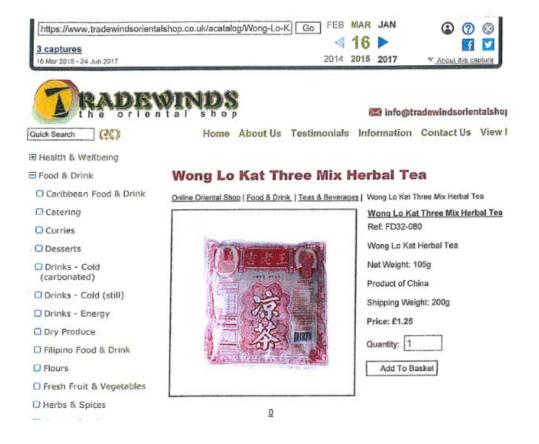
Wong Lo Kat Herbal Tea (tea bag)



Wong Lo Kat Herbal Tea (instant)

10) Exhibit WKY4 to the witness statement are historical website screenshots from www.tradewindsorientalshop.co.uk obtained from the Internet Archive hhtps://archive.org/. The screenshots are 16 March 2015 and 16 January and 24 June 2017. Ms Agnes argues that these demonstrate "that medicinal and herbal tea beverages bearing the Trade Marks were available for purchase on the UK market<sup>6</sup>". The earliest screenshot is shown below. I note that it includes the mark on the outer boxes for instant and herbal tea:

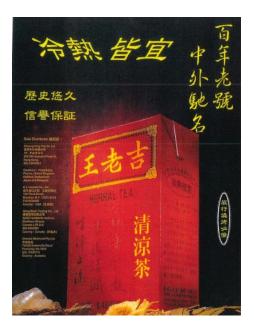
<sup>&</sup>lt;sup>6</sup> Paragraph 5.5 of the witness statement



11) Ms Wong states that during the section 46(1)(a) period, Wong Lo Kat (International) Limited sold the aforementioned goods in the UK. However, "Due to lapse of time, invoices and purchase orders in relation to the sale of these products to the UK are no longer available"<sup>7</sup>. Notwithstanding this, Ms Wong recalls the sales of paper-packed herbal tea drinks commencing in October 1995 and that the following poster was used<sup>8</sup>. It is noted that Cheong Hing Tea Co Ltd is listed as the UK distributor, but the poster is not dated.

<sup>&</sup>lt;sup>7</sup> Paragraph 5.1 of the witness statement

<sup>&</sup>lt;sup>8</sup> Exhibit WKY2



Witness statement of Mr Chan Hung To

12) Mr To's witness statement was submitted in Chinese and a translation thereof has been filed under the witness statement of the translator Ms Lo Pui Shan<sup>9</sup>.

13) Mr To is a Director for the proprietor. He reiterates the terms of the WLKE Licence as described by Ms Wong but also refers to two further licences, 1) a non-exclusive licence agreement (the "HTHC Licence") between the proprietor and Hung To (Holdings) Company Limited to use the registrations, effective from 26 April 2005<sup>10</sup>, and 2) a non-exclusive sub-licence from Hung To (Holdings) Company Limited to Guangdong Jiaduobao Drink & Food Co Ltd for use of the registrations.

14) Mr To argues that due to the various licences in place, any goods bearing the registrations are used with the consent of the proprietor.

15) Mr To states that between 2010 and 2013 the numbers and value of "canned herbal tea products" manufactured and sold pursuant to the HTHC Licence and exported to customers in the UK were as follows:

<sup>&</sup>lt;sup>9</sup> Ms Shan is a translator from Diners Professional Translation Services Limited

<sup>&</sup>lt;sup>10</sup> A copy of the licence agreement was filed under exhibit CHT3

Year	Quantity (Cartons)	Price (USD)
2010	27,120	\$257,000
2011	33,900	\$322,000
2012	20,340	\$193,000
2013	2,260	\$22,000

16) Exhibit CHT6 to the witness statement consists of designs for the packaging applied to the canned herbal tea products exported to the UK "during the above periods"<sup>11</sup>. They include the mark and are dated August 2009, October 2010, March 2012 and November 2012.

17) Exhibit CHT7 consists of copies of invoices dated between 8 January 2010 and 28 March 2013 plus shipping documentation up until 11 April 2013. Mr To states that these demonstrate the sale and shipment of products licensed to the UK importer, Interlink Direct Ltd. None of the invoices contain images of the mark but are addressed to the UK and include reference to "Wong Lo Kat Canned Herbal Drink".

# Witness statement from Fu Kit Kwok

18) Fu Kit Kwok is a Director of Interlink Direct Limited, a company which was founded in 2000 and "is an established oriental food and beverage importer and distributor company in the United Kingdom"<sup>12</sup>. Exhibit KK1 to the witness statement are a selection of invoices dated between 15 January 2010 and 11 April 2013. The invoices are for "Wong Lo Kat Canned Herbal Tea" and show that the products were shipped from Hong Kong to the UK. Fu Kit Kwok states at paragraph 6 that:

"To the best of my knowledge and recollection, the Products bore the following mark:



<sup>&</sup>lt;sup>11</sup> Paragraph 5.1 of the witness statement

<sup>&</sup>lt;sup>12</sup> Paragraph 4 of the witness statement

19) It is then stated that Interlink Direct Limited then sold the products to its customers in the UK up until June 2014.

## Legislation and case-law relating to revocation

20) Section 46(1) of the Act states that:

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

(3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as is referred to in that paragraph is commenced or resumed after the expiry of the five year period and before the application for revocation is made: Provided that, any such commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or

resumption began before the proprietor became aware that the application might be made.

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

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

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

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

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

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

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

21) Section 100 is also relevant, which reads:

"If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it."

22) The case law relating to genuine use of trade marks was summarised by Arnold J. in *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) whereby he stated as follows:

"114......The CJEU has considered what amounts to "genuine use" of a trade mark in a series of cases: Case C-40/01 Ansul BV v Ajax Brandbeveiliging BV [2003] ECR I-2439, La Mer (cited above), Case C-416/04 P Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs) ECR I-4237, Case C-442/07 Verein Radetsky-Order [2006] V Bundervsvereinigung Kamaradschaft 'Feldmarschall Radetsky' [2008] ECR I-9223, Case C-495/07 Silberguelle GmbH v Maselli-Strickmode GmbH [2009] ECR I-2759, Case C-149/11 Leno Merken BV v Hagelkruis Beheer BV [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG [EU:C:2013:592], [2014] ETMR, Case C-141/13 P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs) [EU:C:2014:2089] and Case C-689/15 W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised as follows:

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

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

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally

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

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71]; *Reber* at [29].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

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

## DECISION

23) I begin my assessment by reminding myself of the relevant periods which genuine use must relate:

Registration No:	Section 46(1)(a) period	Section 46(1)(b) period
'166	10 July 1993 – 9 July 1998	23 March 2013 – 22 March 2018
	Revocation to take effect 10 July 1998	Revocation to take effect 23 March 2018
'167	3 July 1993 – 2 July 1998	23 March 2013 – 22 March 2018
	Revocation to take effect 3 July 1998	Revocation to take effect 23 March 2018

Was there genuine use during the 46(1)(a) period?

24) The evidence details the origin of the "Wong Lo Kat" herbal tea which was produced in China in the early 1900s. It is stated that this led to herbal tea being sold around the world, including the UK. Details are then provided about the formation of

various companies shortly before the section 46(1)(a) period and the various licence agreements. However, as stated by Ms Wong, during the section 46(1)(a) period, no invoices or purchase orders relating to sales in the UK have been kept, except for an undated poster. This clearly does not demonstrate use of the registrations during the 46(1)(a) periods. Accordingly, I find that there was no genuine use of the registrations within the respective 46(1)(a) periods.

#### Was there genuine use during the 46(1)(b) period?

25) Section 46(3) of the Act makes provision for the situation where use is commenced or resumed after the expiry of the five-year period and before the application for revocation is made. Subject to a provision, which does not apply in this case, such use is sufficient to avoid revocation. Therefore, I now assess whether there was genuine use of the registrations during the section 46(1)(b) period, which is the same for each registration, namely 23 March 2013 to 22 March 2018.

26) In *Awareness Limited v Plymouth City Council,* Case BL O/236/13, Mr Daniel Alexander Q.C. as the Appointed Person stated that:

"22. The burden lies on the registered proprietor to prove use........ However, it is not strictly necessary to exhibit any particular kind of documentation, but if it is likely that such material would exist and little or none is provided, a tribunal will be justified in rejecting the evidence as insufficiently solid. That is all the more so since the nature and extent of use is likely to be particularly well known to the proprietor itself. A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly 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."

27) I also note Mr Alexander's comments in *Guccio Gucci SpA v Gerry Weber International AG* (0/424/14). 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). Again, he is right. If a party does not do so, it runs a serious risk of having a potentially valuable trade mark right revoked, even where that mark may well have been widely used, simply as a result of a procedural error. [...] 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"" [original emphasis].

28) If any question arises in UK proceedings as to the use to which a UK registered trade mark has been put, it is for the proprietor to show what use has been made of the mark. Therefore, the applications to revoke the registrations for non-use places a burden of proof on the proprietor to prove the use which has been made of the mark <u>during the relevant period</u>. It is clear from the guidance that a number of factors must be considered when assessing whether genuine use of the mark has been demonstrated by the evidence filed. The responsibility is on the proprietor to provide

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sufficiently solid evidence to counter the applications for revocation, a task which should be relatively easy to attain<sup>13</sup>.

29) The proprietor argues as follows:

- A) Ms Wong's evidence demonstrates that products bearing the registrations were being sold for the purpose of export to the UK, with the permission of the proprietor, between 2013 and 2015. This is evidence by the invoices dated between February 2013 and July 2015, filed under exhibit WKY3.
- B) Ms Wong's evidence shows that the goods were on sale in the UK on the website tradewindsorientalshop.co.uk in 2015, as evidenced by exhibit WKY4.
- C) The invoices from the licensor to the UK importer, Interlink Direct Ltd. These invoices are dated 8 January 2010 to 28 March 2013.
- D) Mr To provides the number of cartons sold in the UK and the total price of the goods sold in the period 2010 to 11<sup>th</sup> April 2013. Further, Mr Kwok states that the goods were sold in the UK until June 2014.

30) In reply, the applicant argues that the invoices<sup>14</sup> referred to in point (A) above (exhibit WKY3) do not demonstrate genuine use of the registration since they are all sales made by a Hong Kong company to another Hong Kong company. Further, the applicant argues that since Ms Wong is not a director of Kwai Hong (HK) Ltd she cannot be certain that these onwards sales were made.

31) Of the 9 invoices, 2 are before the relevant period. Moreover, none of the invoices contain the mark and the quantity of goods sold is low (approximately 33 x 50 pack of tea bags, 71 x 100 packs of tea bags and around 122 boxes of instant tea sold). The price is in Hong Kong dollars and the proprietor has not provided what this amounts to in £Sterling in order for me to know their sales value. Ms Wong states that for "administrative purposes" they place labels on the invoices to record the

<sup>&</sup>lt;sup>13</sup> Awareness Limited v Plymouth City Council, Case BL O/236/13

<sup>&</sup>lt;sup>14</sup> Exhibit WKY3 to Ms Wong's witness statement

details of the relevant overseas importer that will receive the products. However, 6 of the 7 invoices also include labels of addresses outside of the UK. There is no evidence from Kwai Hong (HK) Ltd about how many of the goods described in the invoices were in fact sold on to the UK importer identified on some of the labels (if any). Therefore, taking into account Mr Alexander's guidance in *Awareness*<sup>15</sup>, I do not find this exhibit to be particularly persuasive.

32) In relation to point (B), whilst I acknowledge that the "herbal tea" has been placed on a UK facing website (this is clear from the website being co.uk and the product being advertised in sterling), there is no indication of how many products were sold via this website, any corroborating evidence to show that sales actually took place or the extent thereof. Additionally, there is no evidence that Tradewinds Oriental Shop obtained the herbal tea it offered for sale under the mark from a company that was exporting goods to the UK with the consent of the proprietor. Accordingly, it is not clear whether this offer for sale resulted from the proprietor's actions or from a third party independently obtaining products from China/Hong Kong. If the latter, this would not amount to genuine use of the mark by the proprietor.

33) All bar the 28 March 2013 invoice referred to in point (C) are before the relevant period. Whilst I acknowledge that I may take into consideration evidence which casts light on the circumstances during the relevant period, invoices before rather than during the relevant period suggest that use has ceased. For the same reasons the evidence referred to in point (D) does little (if anything) to assist the proprietor.

34) I note that Mr Kwok evidences a sale in April 2013 and states that there are subsequent sales until 2014 but no evidence to support this was filed. I also note that Mr To, director for the proprietor, provides invoices and sales figures for the period 8 January 2010 to 28 March 2013, but these merely overlap the beginning of the relevant five-year period by a few weeks. Further, the price of the goods during 2013 (\$22,000) are considerably less than prior years (\$193,000 for 2012, \$322,000 for 2011 and \$257,000 for 2010). It is reasonable to form the view that sales took place

<sup>&</sup>lt;sup>15</sup> Awareness Limited v Plymouth City Council, Case BL O/236/13

up to April 2013 and no further. If sales had taken place after this period, it is likely that such material and knowledge of the sales would exist and could have been submitted as evidence.

35) Notwithstanding the above, the evidence as a whole does not create an overall picture that the registrations have been genuinely used in the UK. There is an absence of evidence that one would hope to see when assessing genuine use. For example, there are no sales figures for the UK, nor are there any advertising figures or examples of how the goods are being advertised in the UK with the consent of the proprietor. The only example of the product being placed for sale in the UK is the advert placed on one UK website, apparently by a third party (see above).

36) Taking all of the above into account, I am entirely satisfied that the proprietor has not demonstrated that it has used the registrations in a way that is warranted to maintain or create a market for the registered goods during the relevant section 46(1)(b) period of 23 March 2013 – 23 March 2018.

#### Specification argument

37) Whilst this is typically the end of the matter, I shall also deal briefly the specification argument raised by the applicant. The registrations cover class 5 "Beverages for medicinal purposes; all included in Class 5" and class 32 for "Beverages; all included in Class 32". The applicant states that even if the proprietor were to have established use, the use would not be for the goods covered by the registrations. For example, it states that "all bar one of the invoices relate exclusively to "Herbal tea" (whether tea bags, instant or extract)". It goes on to state that "Herbal teas" are classified under class 30 and that the explanatory note for class 5 of the Nice classification states "This Class does not include, in particular:...beverages not specified as being for medicinal or veterinary use, which should be classified in the appropriate food or beverage classes."

38) In response, the proprietor states that:

"...the Applicant seeks to rely on an arbitrary interpretation of the NICE Classification in order to distinguish the products contained referred to in the Proprietor's evidence from the goods for which the Trade Marks were registered in 1992. However, it is possible that one particular type of goods may fall within more than one class in the NICE Classification. In the present proceedings, the goods identified within the Proprietor's evidence are clearly "beverages for medicinal purposes; all included in Class 5 in class 5 and Beverages; all included in Class 32 in class 32". Whilst the Proprietor may also have sought to register the Trade Marks in class 30 should it have desired, the fact that it did not will not prevent the use of the Trade Marks as set out in its evidence from preserving the registration of the Trade Marks in respect of the goods that the Trade Marks were registered for. To conclude otherwise would be an abuse of the NICE Classification system.

As recently confirmed in *Pathway IP SARL v Easygroup Ltd* [2018] *EWHC* 3608 (*Ch*) (21 December 2018), the NICE Classification serves as an aid to the interpretation of a specification of goods and services. Mr Justice Henry Carr that "*it is appropriate to use class number as an aid to interpretation of the specification where the words used in the specification lack clarity and precision. This applies to granted registrations as well as to applications, and therefore applies in the context of infringement actions and revocation claims*". In the present proceedings, the ordinary and natural meaning of the goods set in the specifications of the Trade Marks are sufficiently clear and precise.

...the quotation from the Explanatory Note to the NICE Classification referred to by the Applicant did not appear in the 6<sup>th</sup> Edition of the Nice Classification which was in force at the time of the filing of the Trade Marks. As such, the statement could not possibly have been within the contention of the Proprietor at the time of filing and the Applicant's submission should be disregarded. Further, the Explanatory Note to Class 32 of the 6<sup>th</sup> Edition of the NICE Classification states that the class "includes mainly non-alcoholic beverages", which the products evidenced are. While the same Explanatory Note does not exclude herbal teas from class 32, it does expressly exclude beverages for medical purposes, which the Proprietor sough to register separately" 39) I have reviewed the judgment of Carr J. in *Pathway IP Sarl v Easygroup Ltd*<sup>16</sup>. After considering the judgment of the Court of Appeal in *Altecnic Ltd's Application*<sup>17</sup>, the judgments of Arnold J in *Omega* 1<sup>18</sup> and *Omega* 2<sup>19</sup>, as well as the CJEU's judgment in *IP Translator*, Carr J. said that:

"79. I have reached the provisional view, in the light of the respondent's arguments, that it is appropriate to use class number as an aid to interpretation of the specification where the words used in the specification lack clarity and precision. This applies to granted registrations as well as to applications, and therefore applies in the context of infringement actions and revocation claims. My reasons for reaching this conclusion are set out below.

80. Of course, in many cases, it will be unnecessary to use the class number in this way, as the words chosen in the specification will be sufficiently clear and precise. Indeed, in the present case, I consider that the disputed phrase "provision of office facilities" is sufficiently clear and precise, so that its ordinary and natural meaning can be ascertained without reference to the class number."

40) It is important to note that:

(i) the judge's decision was 'provisional' indicating that he did not think that the matter was clear cut;

(ii) the guidance is to consider the class number only where the meaning of the disputed term is not sufficiently clear and precise;

(iii) where a term is sufficiently clear and precise on its face, the fact that the term covers goods/services that may also (or should have been) registered in other classes is irrelevant to the scope of protection afforded to the term, or to questions of use of the mark in relation to those goods/services;

<sup>&</sup>lt;sup>16</sup> [2018] EWHC 3608 (Ch)

<sup>&</sup>lt;sup>17</sup> [2001] EWCA Civ 1928

<sup>&</sup>lt;sup>18</sup> Omega 1 [2019] EWHC 1211 (Ch)

<sup>&</sup>lt;sup>19</sup> Omega 2 cases [2012] EWHC 3440 (Ch)

(iv) Where the term is not sufficiently clear and precise, the class number may be relied on to construe the scope of protection, i.e. to narrow the meaning of the term to goods/services in the class concerned.

41) Applying these principles, Carr J. decided that *rental of office equipment* in class 35 had been correctly construed as covering only rental services proper to class 35. This meant that use of the mark in relation to rental of photocopying machines was relevant because such services were proper to class 35. However, use in relation to rental of office furniture was irrelevant because those services did not fall in that class. By contrast, the judge decided that *provision of office facilities* was sufficiently clear and precise that it was unnecessary to resort to the class number to construe the meaning of the words. Therefore, the mark covered the provision of office facilities, irrespective of whether such services fell in class 35.

42) In the current case the holder's goods are class 5 beverages for medicinal purposes; all included in class 5 and class 32 beverages; all included in class 32. Neither of these terms lack clarity and precision that they are rendered ambiguous. They are both beverages, one being for medicinal purposes and the other for general consumption. They do not cover herbal tea either in a bag or instant form which are added to water (usually hot) to produce the end consumable product. In other words, the goods shown in the evidence are not a sub-category of the goods registered. Therefore, even if I had found genuine use of the mark in relation to these goods, they are not the goods covered by the registrations. And even if I am wrong about this, the respective registration includes the following restrictions, "all included in class 5" and "all included in class 32". Therefore, the wording of the specification itself means that the use of the mark in relation to goods classified in other classes is irrelevant. Tea for making up into beverages, including herbal tea, is proper to class 30. This was also the position at the date of the applications which led to the registrations. In these circumstances, the judgment in Pathway IP Sarl makes no difference.

43) In view of the above, I find that the proprietor has not shown use of the registration in relation to the goods registered. Any use would be confined to herbal tea bags and instant tea which are proper to class 30.

# **OVERALL CONCLUSION**

44) Subject to appeal, trade mark registration number 1495166 will be revoked in its entirety from 10 July 1998 and trade mark registration number 1495167 will also be revoked in its entirety from 3 July 1998.

## COSTS

45) The applicant for revocation has been successful and is entitled to a contribution towards its costs. In the circumstances I award the applicant for revocation the sum of £1600 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Total	£1600
on the other sides evidence	£800
Considering and commenting	
the other side's statement	£400
Preparing two statements and considering	
Official fees	£400

46) I therefore order Multi Access Limited to pay Guangzhou Wong Lo Kat Great Health Business Development Co Ltd the sum of £1600. The above sum should be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated 29 April 2019

MARK KING For the Registrar, The Comptroller-General