

O/606/18

TRADE MARKS ACT 1994

IN THE MATTER OF REGISTRATION NO. UK00003007844

IN THE NAME OF PETRA M. WETZEL

FOR THE FOLLOWING TRADE MARK:

NIX

IN CLASS 32

AND

AN APPLICATION FOR REVOCATION

UNDER NO. 502253

NIX&KIX LTD

BACKGROUND AND PLEADINGS

1. The trade mark **NIX** (registration no. 3007844) (“the Contested Mark”) stands registered in the name of Petra M. Wetzel (“the proprietor”). The application for the Contested Mark was filed on 29 May 2013 and published for opposition purposes on 5 July 2013. The registration procedure was completed on 20 September 2013 and the Contested Mark stands registered for the following goods:

Class 32 Non-alcoholic drinks; alcohol free beer; alcohol reduced beer; beverages containing beer; carbonated beverages (non-alcoholic and beers); ice brewed and ice beer; fruit beer; lager; ale; malt beer; wheat beer; shandy; stout.

2. Revocation of the Contested Mark is sought by Nix&Kix Ltd (“the applicant”) on the grounds of non-use. Under section 46(1)(a) of the Trade Marks Act 1994 (“the Act”), the applicant claims non-use in the five-year period following the date on which the mark was registered i.e. 21 September 2013 to 20 September 2018. The applicant claims an effective date of revocation of 21 September 2018.

3. The proprietor filed a counterstatement defending its registration for some of the goods for which the Contested Mark is registered, namely:

Class 32 Non-alcoholic drinks; alcohol free beer; carbonated beverages (non-alcoholic); lager; wheat beer.

4. The applicant is represented by Bird & Bird LLP and the proprietor is represented by Creation IP Limited. The proprietor filed a witness statement dated 10 April 2019. No evidence was filed by the applicant. No hearing was requested and both parties filed written submissions in lieu. This decision is taken following a careful perusal of the papers.

EVIDENCE

5. As noted above, the proprietor filed evidence in the form of a witness statement prepared by herself dated 10 April 2019. The proprietor is the director and majority shareholder of West Greater European Brands Limited (“West”), Noah Beers Limited (“Noah Beers”) and Heidi Beers Limited (“Heidi Beers”), positions she has held since May 2010, January 2008 and July 2009 respectively. I have read the proprietor’s evidence in its entirety and, in particular, I note as follows:

a) The proprietor states that the Contested Mark has been licensed to West, Noah Beers and Heidi Beers;¹

b) The proprietor states that the Contested Mark has been used on two non-alcoholic beverages: lager and wheat beer;²

c) The following products were produced for the proprietor by her brewer and delivered to Noah Beers:³

19 January 2016	NIX lager	18,720 bottles
	NIX wheat beer	18,720 bottles
5 September 2016	NIX lager	23,040 bottles

d) Heidi Beers’ product sales summary shows sales to at least 15 businesses (including West and Noah Beers) in relation to NIX lager and wheat beer amounted to £15,508.14 (£12,923 net) between May 2017 and November 2017;⁴

e) A post from what appears to be West’s Facebook page, dated October 2016, promotes sales of NIX wheat beer displaying the following mark:⁵

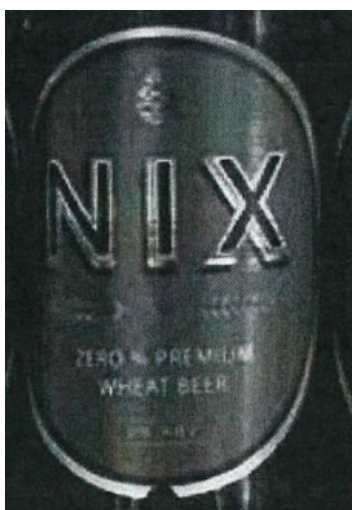
¹ Witness statement of the proprietor, para. 6

² Witness statement of the proprietor, para. 7

³ Witness statement of the proprietor, para. 12 and Exhibit PMW3

⁴ Exhibit PMW4

⁵ Exhibit PMW5a



f) Purchase orders dated between February and May 2016 addressed to West and Heidi Beers from The Dry Drinker, Amathus, Food and Drink Hub (Scotland) Ltd, Carlsberg Supply Company AG and Dunns Food & Drinks Ltd show that 280 cases of NIX wheat beer and lager were ordered during that period to be delivered to addresses in the UK;⁶ and

g) The Contested Mark was referenced in a number of publications in 2016 including an article in The Independent which lists “Nix Zero Premium Wheat Beer” as one of the 9 best alcohol-free beers.⁷

6. As noted above, both parties filed written submissions in lieu of a hearing. Whilst I do not propose to summarise those submissions here, I have taken them into consideration and will refer to them below where necessary.

DECISION

7. Section 46 of the Act states:

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

⁶ Exhibit PMW5

⁷ Exhibit PMW6

(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;

[...]

(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.”

8. 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.”

9. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J summarised the law relating to genuine use 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)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bunderversammlung 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 Marken 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].”

10. Proven use of a mark which fails to establish that “the commercial exploitation of the mark is real” because the use would not be “viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark” is not, therefore, genuine use.

Form of the mark

11. In *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12, the Court of Justice of the European Union (“CJEU”) found that “use of a mark, in its literal sense, generally encompasses both its independent use and its use as part of another mark taken as a whole or in conjunction with that other mark”, but that “a registered trade mark that is used only as part of a composite mark or in conjunction with another mark must continue to be perceived as indicative of the origin of the product at issue for that use to be covered by the term ‘genuine use’ within the meaning of Article 15(1)”.

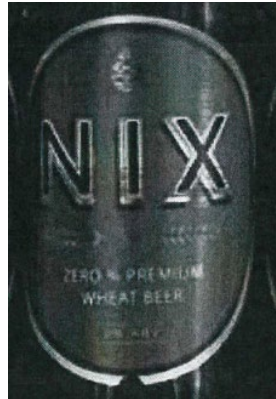
12. In *Nirvana Trade Mark*, BL O/262/06, Mr Richard Arnold Q.C. (as he then was), sitting as the Appointed Person, summarised the test under section 46(2) of the Act as follows:

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

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

13. Although this case was decided before the judgment of the CJEU in *Colloseum*, it remains sound law so far as the question is whether the use of a mark in a different form constitutes genuine use of the mark as registered. The later judgment of the CJEU must also be taken into account where the mark is used as registered, but as part of a composite mark.

14. Where the mark has been used as registered (such as on purchase orders and in publications), this will clearly be use upon which the proprietor can rely. The proprietor has also used the mark in the following variant:



15. This variant clearly displays the word NIX surrounded by a lighter outline and presented in a circular device with additional wording i.e. ZERO % PREMIUM WHEAT BEER. Use in combination with additional matter is use upon which the proprietor can rely as per *Colloseum* and, in any event, the descriptive nature of the wording means that it will not be attributed any trade mark significance by the consumer. The additional decorative elements such as the outline of the wording do not alter the distinctive character of the mark. I consider this to be an acceptable variant of the Contested Mark.

Sufficient Use

16. An assessment of genuine use is a global assessment, which includes looking at the evidential picture as a whole, not whether each individual piece of evidence shows use by itself⁸.

17. As indicated in the case law cited above, use does not need to be quantitatively significant in order to be genuine. The assessment must take into account a number of factors in order to ascertain whether there has been real commercial exploitation of the mark which can be regarded as “warranted in the economic sector concerned to

⁸ *New Yorker SHK Jeans GmbH & Co KG v OHIM*, T-415/09

maintain or create a share in the market for the goods or services protected by the mark”.

18. In its written submissions in lieu, the applicant takes issue with the evidence filed by the proprietor. The applicant argues that, although the proprietor claims to have granted licences to three companies to use the Contested Mark, no evidence has been filed to demonstrate this and no such licences are recorded on the Register. Whilst I recognise that no formal licence documents have been provided, the applicant has not sought to cross-examine the proprietor and I, therefore, see no reason to not take her evidence on face value. In any event, the businesses in question have clearly provided the proprietor with documents (such as the purchase orders) to assist her in demonstrating use of the Contested Mark which, in my view, supports the proprietor’s claim that their use of the mark is with her consent. Indeed, she is a director of all three companies. In my view, the fact that use of the Contested Mark was by these companies (either with the proprietor’s consent or under licence) does not undermine the value of the proprietor’s evidence.

19. Further, the applicant highlights that the production of the goods sold under the Contested Mark has been halted (the proprietor states this is because of a change in production facilities). The applicant highlights that, as a result of this, there has been no use of the Contested Mark during the last nine months of the relevant period. The proprietor is not required to show use continually throughout the relevant period; she is only required to show that there has been genuine use during that period.

20. The applicant notes that the sales figures provided by the proprietor (which relate to the period May 2017 to November 2017 and amount to £12,923 net) include internal sales i.e. sales to two of the three companies that the proprietor has confirmed she has an interest in. The applicant notes that once these “internal sales” are removed, this amounts to only just over £11,000 in net sales. Whilst this may reduce the amount of sales to consumers that the proprietor has demonstrated, it does not undermine the fact that there have clearly been sales during the relevant period under the Contested Mark.

21. The applicant takes issue with the fact that the proprietor has filed purchase orders rather than invoices. The applicant states that purchase orders are evidence only of an order being placed and not that that order was actually fulfilled. Whilst I accept that is correct, there are examples of repeat purchase orders placed by the same businesses. To my mind, businesses would not place repeat orders if the first order placed has not yet been fulfilled.

22. Undoubtedly, there are some issues with the proprietor's evidence; a number of documents are undated and do not, therefore, assist in demonstrating use during the relevant period. I recognise that where use of a mark is on a very low scale, it may be of a level which is insufficient to create or maintain a market under the mark.⁹ Sales under the Contested Mark amount to over £11,000 during the six-month period covered by the sales summary for Heidi Beers. Whilst not extensive, I do not consider these sales to be trivial. An example has been provided, via a social media post (which is dated during the relevant period) of the Contested Mark in use on a bottle and the Contested Mark has been referenced in an article about the best non-alcoholic beers in *The Independent*. Further, the purchase orders provided show a selection of businesses placing repeat orders for goods sold under the Contested Mark. In my view, when taken as a whole, the proprietor's evidence is sufficient to demonstrate genuine use of the Contested Mark during the relevant period.

Fair Specification

23. I must now consider whether, or the extent to which, the evidence shows use for the goods for which the Contested Mark is registered.

24. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as being:

“In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they

⁹ *Memory Opticians Ltd's Application*, BL O/528/15

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.”

25. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation as follows:

“iii) 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; *Thomas Pink Ltd v Victoria’s Secret UK Ltd* [2014] EWHC 2631 (Ch) (“Thomas Pink”) at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 (“Asos”) at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed

independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46.”

26. The proprietor’s evidence is that she has used the Contested Mark in relation to non-alcoholic lager and wheat beer. I am mindful that the proprietor’s specification should not be construed in the narrowest possible terms (unless that is what the average consumer would do), but also that she should not be allowed to monopolise the Contested Mark in relation to a general category of goods, merely because she has used it in relation to a few. There is no evidence to suggest that the proprietor’s use of the Contested Mark extends to non-alcoholic beverages generally; only non-alcoholic wheat beer and lager. Non-alcoholic lager, in my mind, is a sufficiently distinct category so as to strike the necessary balance required by the case law in terms of construing a fair specification. However, whilst I note that the proprietor has only used the Contested Mark in relation to wheat beer, I consider that this would be too narrow a category for the purposes of finding a fair specification. I do not consider that the average consumer is likely to identify such a narrow category within the broader category of non-alcoholic beer. Consequently, I consider a fair specification to be as follows:

Class 32 Non-alcoholic beer and non-alcoholic lager.

CONCLUSION

27. The Contested Mark will remain registered for the following amended specification:

Class 32 Non-alcoholic beer and non-alcoholic lager.

28. As the proprietor did not file a defence in respect of its broader specification and in light of my findings above, the Contested Mark is revoked for non-use in respect of the following goods:

Class 32 Alcohol free beer; alcohol reduced beer; beverages containing beer; carbonated beverages (non-alcoholic and beers); ice brewed and ice beer; fruit beer; lager; ale; malt beer; wheat beer; shandy; stout.

29. The effective date of revocation is 21 September 2018.

COSTS

30. As both parties have been partially successful, I do not consider it appropriate to make an award of costs in this case.

09 October 2019

S WILSON

For the Registrar