

O-115-16

CONSOLIDATED PROCEEDINGS

TRADE MARKS ACT 1994

IN THE MATTER OF

TRADE MARK APPLICATIONS NOS 3037782 AND 3048377

BY SHUCLUB LIMITED

TO REGISTER THE TRADE MARKS

SHUCLUB

AND



IN CLASSES 18 AND 25

AND

THE OPPOSITIONS THERETO NOS. 402406 AND 402558

BY THINK SCHUHWERK GMBH

BACKGROUND

1. Shuclub Limited (the applicant) applied to register the marks:

SHUCLUB (3037782) and  (3048377)

on 14 January (No 3037782) and 25 March 2014 (No 3048377) respectively. Both applications are for identical specifications covering goods in classes 18 and 25.

2. Following publication of the applications on 28 March and 18 April 2014 respectively, Think Schuhwerk GmbH (the opponent) filed notices of opposition against both applications. In each case the oppositions are based upon Section 5(2)(b) of the Trade Marks Act 1994 (the Act) and are directed against the following goods:

Class 25

Footwear

3. The mark and goods relied upon by the opponent are shown below:

Opponent's mark	Goods relied upon
 International Registration number: 702321 Designation date: 26 May 1998 Date of protection of the International Registration in the UK: 27 August 1999 Priority date: 15 January 1998 Priority Country: Germany	Class 25 <i>Footwear</i>

4. The applicant filed counterstatements denying the basis of the oppositions and putting the opponent to proof of use of its mark. Given the relationship between the two oppositions, the proceedings were subsequently consolidated.

5. For the sake of completeness, I should mention that the applicant applied for a third 'shuclub' (and device) mark on 14 January 2014 (No 3037792). Following the

filing of a notice of opposition by the opponent, this application was withdrawn on 21 August 2014. Consequently, I need say no more about it.

6. Both sides filed evidence and written submissions. I do not intend to summarise the parties' submissions here but will refer to them as necessary later in this decision. Neither party requested a hearing nor did they file written submissions in lieu. This decision is taken following a careful perusal of the papers.

DECISION

7. Section 5(2)(b) of the Act states:

“5 (2) A trade mark shall not be registered if because –

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

8. An earlier trade mark is defined in Section 6(1) of the Act, which states:

“6.-(1) In this Act an “earlier trade mark” means –

(a) a registered trade mark, international trade mark (UK) or Community trade mark or international trade mark (EC) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.

[....]”

9. As can be seen from the details given above, the international mark relied upon by the opponent is an earlier mark within the meaning of the Act. It can also be seen that the international mark has been registered for more than five years at the time the application was published and, in its counterstatement, the applicant put the opponent to proof of use of its mark. That being the case, section 6A of the Act is also relevant. It states:

“6A. (1) This section applies where –

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1),(2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if –

(a) within the period of five years ending with the date of publication of the application the earlier trade mark has 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, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes –

(a) 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

(b) 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.

(5) In relation to a Community trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purpose of this section as if it were registered only in respect of those goods or services.”

10. Section 100 of the Act is also relevant and reads:

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

11. What constitutes genuine use of a mark has been subject to a number of judgments. In *Stichting BDO v BDO Unibank, Inc.*, [2013] EWHC 418 (Ch), Arnold J. stated as follows:

“51. Genuine use. In *Pasticceria e Confetteria Sant Ambroeus Srl v G & D Restaurant Associates Ltd* (SANT AMBROEUS Trade Mark) [2010] R.P.C. 28 at [42] Anna Carboni sitting as the Appointed Person set out the following helpful summary of the jurisprudence of the CJEU in *Ansul BV v Ajax Brandbeveiliging BV* (C-40/01) [2003] E.C.R. I-2439; [2003] R.P.C. 40 ; *La Mer Technology Inc v Laboratoires Goemar SA* (C-259/02) [2004] E.C.R. I-

1159; [2004] F.S.R. 38 and *Silberquelle GmbH v Maselli-Strickmode GmbH* (C-495/07) [2009] E.C.R. I-2759; [2009] E.T.M.R. 28 (to which I have added references to *Sunrider v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* (OHIM) (C-416/04 P) [2006] E.C.R. I-4237):

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

(2) The use must be more than merely token, which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(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, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Sunrider* [70]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(5) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22] -[23]; *Sunrider*, [70]-[71].

(6) Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no de minimis rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating 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: *Ansul*, [39]; *La Mer*, [21], [24] and [25]; *Sunrider*, [72]".

12. Although minimal use may qualify as genuine use, the CJEU stated in Case C-141/13 P, *Reber Holding GmbH & Co. KG v OHIM* (in paragraph 32 of its judgment), that “*not every proven commercial use may automatically be deemed to constitute genuine use of the trade mark in question*”. The factors identified in point (5) above must therefore be applied in order to assess whether minimal use of the mark qualifies as genuine use.

13. In *Awareness Limited v Plymouth City Council*, Case BL O/230/13, 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.”

14. In *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd*, Case BL O/404/13, Mr Geoffrey Hobbs Q.C. as the Appointed Person stated that:

“21. The assessment of a witness statement for probative value necessarily focuses upon its sufficiency for the purpose of satisfying the decision taker with regard to whatever it is that falls to be determined, on the balance of probabilities, in the particular context of the case at hand. As Mann J. observed in *Matsushita Electric Industrial Co. v. Comptroller- General of Patents* [2008] EWHC 2071 (Pat); [2008] R.P.C. 35:

[24] As I have said, the act of being satisfied is a matter of judgment. Forming a judgment requires the weighing of evidence and other factors. The evidence required in any particular case where satisfaction is required depends on the nature of the inquiry and the nature and purpose of the decision which is to be made. For example, where a tribunal has to be satisfied as to the age of a person, it may sometimes be sufficient for that person to assert in a form or otherwise what his or her age is, or what their date of birth is; in others, more formal proof in the form of, for example, a birth certificate will be required. It all depends who is asking the question, why they are asking the question, and what is going to be done with the answer when it is given. There can be no universal rule as to what level of evidence has to be provided in order to satisfy a decision-making body about that of which that body has to be satisfied.

22. When it comes to proof of use for the purpose of determining the extent (if any) to which the protection conferred by registration of a trade mark can legitimately be maintained, the decision taker must form a view as to what the evidence does and just as importantly what it does not ‘show’ (per Section 100 of the Act) with regard to the actuality of use in relation to goods or services covered by the registration. The evidence in question can properly be assessed for sufficiency (or the lack of it) by reference to the specificity (or lack of it) with which it addresses the actuality of use.”

15. With the above in mind, I go on to consider the evidence filed.

Opponent’s Evidence

16. This takes the form of a witness statement by Walter Breuer, the Managing Director of the opponent. He has held this position since 2012. The statement is dated 3 July 2015 and attached to it are two exhibits (WB.1, WB.2).

17. Mr Breuer states that the information he gives comes from his own knowledge or has been extracted from his company’s records. He states that the opponent’s mark has been used for many years throughout Europe and was first used in the UK in 2001. He explains that the mark “has been and is still used in relation to items of footwear, particularly shoes” and states that Exhibit WB.1 is a photograph of a typical box in which “all Think footwear products have been and are packaged and sold in the United Kingdom and which prominently carries the [opponent’s] mark”. The most relevant parts of his witness statement are as follows:

“3. [...] Also attached and marked ‘Exhibit WB.2’ is a bundle of copies of invoices relating to sales of the mentioned footwear, thus in the mentioned boxes, in the United Kingdom.

4. Sales figures for footwear which was sold in the United Kingdom in recent years and in relation to which the [opponent’s] mark [...] was used as aforesaid are listed below [...]

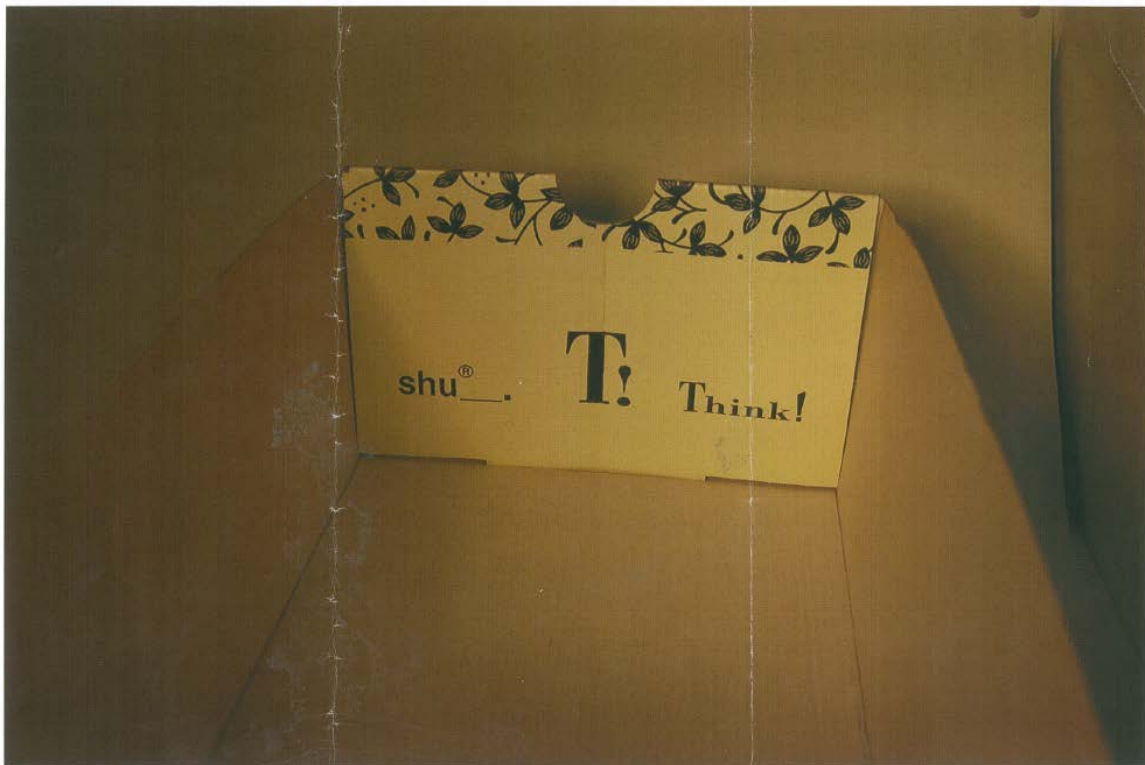
4. The foregoing information proves genuine use of the [opponent's] mark [...] in the United Kingdom for footwear within the five year period to 28 March 2014.”

18. Mr Breuer gives figures for the number of pairs of footwear (and corresponding value) sold in the UK between 2010 and 2014:

Year	Total value of UK sales	Total number of pairs of footwear
2010	€1,401,472.05	25,648
2011	€1,076,178.50	19,757
2012	€768,149.30	13,263
2013	€739,871.35	11,690
2014	€741,118.83	12,669
Total	€4,726,790.03	83,027

19. It is not explained how these figures break down across the whole range of footwear covered by the opponent's specification. Neither is there any indication of the geographical spread of these sales or of the opponent's customer base. However, the inference from the invoices (Exhibit WB.2) is that the opponent supplies a range of boots and shoes to UK retailers and wholesalers.

20. Exhibit WB.1 consists of an example of the box in which the opponent's goods are sold:



21. The photograph, undated, shows an inside view of an open rectangular box, although given that the colours of the box blend into the overall background, it is difficult to work out the exact angle from which the photograph is taken. The

opponent's mark, accompanied by a '®' sign, indicating trade mark usage, appears on an internal face of the box, on the left-hand side, in conjunction with other two marks. The other marks, positioned next to it on the right, consist of the letter T and an exclamation mark and the word Think presented in title case which is also accompanied by an exclamation mark. The mark 'Think!' also appears on the invoices, thus, it seems reasonable to infer that these are other marks used by the opponent. Mr Breuer does not acknowledge the presence of the other marks and at no point, in the course of the proceedings, has the opponent commented on them. Exhibit WB.1 is the only item which shows use of the mark 'shu ___'.

22. Exhibit WB.2 consists of copies of invoices relating to the aforementioned sales dated between 31 January 2010 and 29 January 2015. The relevant dates for the opponent to prove use of its mark are respectively 29 March 2009 - 28 March 2014 (3037782) and 19 April 2009 – 18 April 2014 (3048377).¹ Of the 17 invoices provided, one is a duplicate² and three are from after the relevant period³. Of the 13 which are relevant, six are made out to Schuhhaus Shoon Retail Warehouse (Somerset), three to Natural Shoe Store (London), and four to Central Trade Ltd (London). As to the nature of the goods sold, apart from five invoices⁴ which describe the purchased goods as 'Boots S. Latex', the description of the goods is in German and no translation is provided but I can see that a number of invoices describe the goods as women's shoes (Damenschuhe⁵) and men's shoes (Herrenschuhe⁶). Two invoices⁷ describe the goods as 'women booties' and 'low shoes', however, they both fall outside the relevant period.

23. None of the invoices shows use of the opponent's mark 'shu___.' All the invoices are issued by Think Schuhwerk GmbH and bear prominently the mark shown below on the top right-hand corner of the page:



Think!
Gesunde Schuhe. Bewusst. Schön.

24. The opponent's company name 'Think Schuhwerk GmbH' and address is also shown, both on the top of the invoices and below the totals. The word 'Think' also appears in the email and website details 'office@thinkshoes.com' and 'www.thinkshoes.com' on the top of all the invoices. The 'Think' email address is reproduced together with the company's address under the totals.

25. No details are given as to what mark(s) the goods bear. However, I note that one of the invoices⁸ identifies the order numbers as 'Shoon Mens SS13' and 'Shoon

¹ The relevant period for proof of use purposes is the five year period ending on the day on which the applied for marks were published.

² Invoice No 5058088 appears twice under pages 35-36 and 37-38

³ Invoices Nos 5134035 (10.07.2014), 5142345 (10.09.2014) and 5158463 (29.01.2015).

⁴ Invoice Nos 341721 (26.07.2011), 5023692 (20.05.2012), 5047971 (31.10.2012), 5067672 (7.03.2013) and 5108944 (10.01.2014)

⁵ Invoices No 242616 (31.10.2010), 343966 (31.07.2011), 5058088 (20.01.2013)

⁶ Invoice No 341721 (26.07.2011)

⁷ Invoices Nos 5134035 (10.07.2014) and 5142345 (10.09.2014)

⁸ Invoice No 5067672 (7.03.2013)

Womens SS', which, from my experience, seems to indicate a third party's brand. The evidence is paginated but there is no reference to which invoice and description is being relied upon to prove use in relation to any specific sub-category of footwear.

Applicant' evidence

26. This takes the form of a statement by Mr Amjad Qaisar, the Director of the applicant, dated 27 August 2015.

27. Most of Mr Qaisar's statement cannot be considered to be evidence of fact but rather submissions. I will not summarise these submissions here, but will keep them in mind when reaching a conclusion. His main point is, however, that the evidence supplied, limited to a single picture of a box, is insufficient to show [prominent] use of the opponent's mark and there is no evidence of marketing or brand promotion.

28. Mr Qaisar does not contest that the opponent has used the mark as it claims, i.e. on the boxes, neither does he challenge the value and volume of the sales. So, when he proffers that "[...] the [...] [opponent's] mark is neither widely available nor widely known. [...]" and that "[...] the prominence of the [...] [opponent's] mark has been inflated" in the witness statement, I understand him to mean that he challenges the relevance of the evidence filed by the opponent, i.e. the weight to be given to the evidence, rather than the evidence itself.

29. The remainder of Mr Qaisar's statement consists of evidence about the size of the footwear market, although it is not clear whether the figures he provides refer to the market in the UK or worldwide. He contends that the opponent's figures are "very modest" or "insignificant". He refers to two reports and provides the relevant website links, but he does not provide the relevant extracts as exhibits. He states:

"5. The sale figures are very modest. The footwear market has annual sales of about £4 bn (see, for example, a report quoting sales of £ 3.1 bn in 2013, with an increase expected of 4 per cent per year http://www.drapersonline.com/inbusiness/features/footwear-market-analysis/5057594.article#.Vd6s_dNViko). A report by Verdict, a consultancy specialising in retail analysis and market forecasts, reported that the market would rise to over £12bn by 2020, see <http://www.verdictretail.com/uk-annual-forecasts-2015-20-clothing-footwear.>"

30. The opponent does not challenge this evidence.

Proof of use

31. Mr Breuer states that the evidence filed proves use of the opponent's mark within the five-year period ending 28 March 2014. Although he refers to one proof of use period only, his statement refers to both oppositions. The failure to mention one of the proof of use periods (i.e. the one ending on 18 April 2014), is, in my view, an oversight and it is palpably clear that the opponent wishes to rely on the witness statement to prove use in both relevant periods, periods which, I note, substantially overlap.

32. Having established the above, I will now turn to consider whether the evidence filed is sufficient to prove genuine use of the opponent's mark in relation to the relevant goods within the relevant periods. For the opponent's claim to be made good, the evidence must show that there has been use which amounts to real commercial exploitation of the mark on the market for the relevant goods, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or a share in that market. That assessment must include consideration as to the nature of the opponent's goods and the characteristics of the market concerned.

Genuine use

33. A preliminary issue is whether the form in which the mark has been used is apt to establish 'genuine use' of the mark. In the present case, the single use of the mark shown in the evidence is in the form in which it is registered, albeit it is accompanied by two other marks. In *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12, which concerned the use of one mark with, or as part of, another mark, the Court of Justice of the European Union ("CJEU") found that:

"31. It is true that the 'use' through which a sign acquires a distinctive character under Article 7(3) of Regulation No 40/94 relates to the period before its registration as a trade mark, whereas 'genuine use', within the meaning of Article 15(1) of that regulation, relates to a five-year period following registration and, accordingly, 'use' within the meaning of Article 7(3) for the purpose of registration may not be relied on as such to establish 'use' within the meaning of Article 15(1) for the purpose of preserving the rights of the proprietor of the registered trade mark.

32. Nevertheless, as is apparent from paragraphs 27 to 30 of the judgment in *Nestlé*, the '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.

33. As the German and United Kingdom Governments pointed out at the hearing before the Court, the criterion of use, which continues to be fundamental, cannot be assessed in the light of different considerations according to whether the issue to be decided is whether use is capable of giving rise to rights relating to a mark or of ensuring that such rights are preserved. If it is possible to acquire trade mark protection for a sign through a specific use made of the sign, that same form of use must also be capable of ensuring that such protection is preserved.

34. Therefore, the requirements that apply to verification of the genuine use of a mark, within the meaning of Article 15(1) of Regulation No 40/94, are analogous to those concerning the acquisition by a sign of distinctive character through use for the purpose of its registration, within the meaning of Article 7(3) of the regulation.

35. Nevertheless, as pointed out by the German Government, the United Kingdom Government and the European Commission, 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)”. (emphasis added)

34. Applying paragraph 32 of the above case-law to the present case, use of the mark ‘shu___’ jointly with the marks ‘Think!’ and ‘T!’ falls into the category of acceptable use as set out in *Colloseum*.

35. Having established the above, the next step is to assess whether the use made amounts to real commercial exploitation of the mark on the market for the relevant goods. The figures show that the opponent has carried on a trade in boots, women and men’s shoes in the UK at least from 2010, a conclusion supported by the invoices. Although not all the sale figures qualify given the proof of use periods at issue, from 2010 to 2014 annual sales have ranged from around €1.4 million to under €740,000 and the total sales value amounted to €4,726,790.03. Even if the applicant is correct as to the size of the footwear market in the UK, these figures demonstrate that a not insubstantial trade has taken place.

36. While it is impossible to establish from the evidence the extent of use in relation to the various categories or sub-categories of footwear, overall, I have no doubt that, contrary to the applicant’s assertion, the evidence demonstrates that the scale of the opponent’s use is sufficient to constitute real commercial exploitation in the UK market during the relevant periods. This does not necessarily mean that the opponent has shown use of the mark, as it must also prove that use was “in relation” to the goods.

Use “in relation to” the goods

37. The relevant part of Section 6A states:

“(3)The use conditions are met if:

(a) within the period of five years ending with the date of publication of the application the earlier trade mark has 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, [..].”

38. The words “in relation to” are important because whilst a mark may not actually have been affixed to the goods, it may nevertheless have been genuinely used in relation to the goods.

39. In *Aegon UK Property Fund Limited v The Light Aparthotel LLP*, BL O/472/11, Mr Daniel Alexander Q.C. as the Appointed Person stated that:

“17. unless is it obvious, the proprietor must prove that the use was in relation to the particular goods or services for which the registration is sought to be maintained.

18. In *Céline SARL v. Céline SA*, Case C-17/06 (*Céline*), the Court of Justice gave guidance as to the meaning of “use in relation to” goods for the purpose

of the infringement provisions in Article 5(1) of the Directive. Considering a situation where the mark is not physically affixed to the goods, the court said at [23]:

“...even where the sign is not affixed, there is use “in relation to goods or services” within the meaning of that provision where the third party uses that sign in such a way that a link is established between the sign which constitutes the company, trade or shop name of the third party and the goods marketed or the services provided by the third party.”

19. The General Court has, on more than one occasion, proceeded on the basis that a similar approach applies to the non-use provisions in Article 43 of the Community Trade Mark Regulation. For example, in *Strategi Group*, Case T-92/091, the General Court said:

“23. In that regard, the Court of Justice has stated, with regard to Article 5(1) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989, L 40, p. 1), that the purpose of a company, trade or shop name is not, of itself, to distinguish goods or services. The purpose of a company name is to identify a company, whereas the purpose of a trade name or a shop name is to designate a business which is being carried on. Accordingly, where the use of a company name, trade name or shop name is limited to identifying a company or designating a business which is being carried on, such use cannot be considered as being ‘in relation to goods or services’ (*Céline*, paragraph 21).

24. Conversely, there is use ‘in relation to goods’ where a third party affixes the sign constituting his company name, trade name or shop name to the goods which he markets. In addition, even where the sign is not affixed, there is use ‘in relation to goods or services’ within the meaning of that provision where the third party uses that sign in such a way that a link is established between the sign which constitutes the company, trade or shop name of the third party and the goods marketed or the services provided by the third party (see *Céline*, paragraphs 22 and 23).

20. Those passages must be read together with the general requirements of proof of use in *Ansul* at [43] that there is genuine use of a trade mark where the mark is used in accordance with its essential function namely to guarantee the identity of the origin of the goods or services for which it is registered, in order to create or preserve an outlet for those goods or services.

21. The approach which requires the tribunal to consider whether there is a link, having regard to the essential function of a trade mark, is consistent with English authorities prior to *Céline*.

22. In *Premier Brands UK Ltd. v Typhoon Europe Ltd & Anor* [2000] EWHC 1557 (Ch) [2000] FSR 767, Neuberger J (as he then was) said:

In my judgment, when considering whether the mark has been used "in relation to" goods within the meaning of Section 46(1), it is right to go back to the nature and purpose of a trade mark, and in this connection the observations of the ECJ in *Canon* are of assistance, as indeed, is the guidance given by the Court of Appeal in *Bach Flower Remedies* in the passages which I quoted. Although Mr Arnold took issue with this, contending that what mattered was not how members of the public perceive the usage, but "whether the mark is in fact acting as an indication of quality control", it appears to me that the difference between the two approaches is more apparent than real. In a sense, the two ways of looking at the matter can be conflated: does the use of the TY.PHOO mark on the Goods convey to members of the public that the source of the well known TY.PHOO mark or tea is responsible for, and in some way guarantees, the quality of the Goods?

23. In *Euromarket Designs Incorporated v. Peters & Anor* [2000] EWHC 453 (Ch), [2001] FSR 20 Jacob J, as he then was, drew attention to the range of factors relevant to whether there was use in relation to given goods or services, including public perception of what the marks denoted. He said:

[57] In this connection it should be borne in mind that the Directive does not include an all-bracing definition of "use", still less of "use in relation to goods". There is a list of what may *inter alia* be specified as infringement (Article 5(3), corresponding to section 10(4)) and a different list of what may, *inter alia*, constitute use of a trade mark for the purpose of defeating a non-use attack (Article 10(2), equivalent to section 46(2)). It may well be that the concept of "use in relation to goods" is different for different purposes. Much may turn on the public conception of the use. For instance, if you buy Kodak film in Boots and it is put into a bag labelled "Boots", only a trade mark lawyer might say that that Boots is being used as a trade mark for film. Mere physical proximity between sign and goods may not make the use of the sign "in relation to" the goods. Perception matters too. That is yet another reason why, in this case, the fact that some goods were sent from the Crate & Barrel United States shops to the United Kingdom in Crate & Barrel packaging is at least arguably not use of the mark in relation to the goods inside the packaging. And all the more so if, as I expect, the actual goods bear their own trade mark. The perception as to the effect of use in this sort of ambiguous case may well call for evidence."

24. Both these cases demonstrate that in considering whether use is in relation to given goods or services, the tribunal may take into account a number of factors, including whether the goods were in fact obtained from the proprietor, the presence or absence of other branding on the goods, how the goods were sold and so on. An approach which entitles the tribunal to make an overall assessment of this aspect of use is similar to that of *Ansul*, which requires regard to all the facts and circumstances in evaluating whether use was genuine.

25. The effect of these authorities, both at EU and at national level, is therefore that this aspect of the non-use provisions requires the tribunal to consider whether, having regard to all the facts and circumstances, the mark been used to identify to the average consumer the proprietor as the origin of, including, having responsibility for, the particular goods or services in question.”

40. The opponent’s case, in a nutshell, is that it has used the mark on the boxes in which the goods are packaged and sold. The evidence it adduces in support is a witness statement and a single photograph.

41. Insofar as the goods are concerned, there is simply no evidence to show how goods are branded and there is only one invoice that suggests a reference to a third party’s brand. However, I note that, in its written submissions⁹, which pre-date the filing of the evidence, the opponent states:

“13. [...] there is risk that the opponent’s and the applicant’s mark could be confused and consequently footwear items produced under the mark SHUCLUB/‘shuclub’ (device) could be believed to be connected with footwear items manufactured and sold by the opponent bearing the mark ‘shu___.’.”

42. There is, however, no evidence to support this assertion. Rather, in his statement Mr Breuer refers to exhibit WB.1 as being a photograph of a typical box in which “all Think footwear products have been and are packaged and sold in the United Kingdom and which prominently carries the [opponent’s] mark”; at no point does he state that the items of footwear in the box bore the opponent’s mark. While the inside of the box does undeniably bear the opponent’s mark, there is no evidence to indicate it also appears on the outside of the box. In the absence of any evidence to the contrary (evidence which would, as per the comments of the Appointed Person in, inter alia, *Awareness Ltd*, have been very straightforward for the opponent to provide), I am simply unable to conclude that that the items of footwear in the box bore the opponent’s earlier mark. More likely, in my view, given the nature of the invoices, the opponent’s e-mail address and website details (all of which contain, inter alia, the word ‘Think’), is that the items of footwear in the box bore the word ‘Think’ or the word and punctuation mark “Think!” rather than the mark upon which the opponent relies in these proceedings.

43. Proceeding on that conclusion and applying Mr Alexander’s guidance (taking into account the factors referred to in paragraph 24 of his decision), I need to decide whether in those circumstances the way the mark has been used on the packaging is such that a link has been established between the mark and the goods. In doing so I bear in mind not only that the onus is on the opponent to show use, but remind myself of, inter alia, Mr Hobbs’ remarks in *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd* about the importance of forming a view on what the evidence does and what it does not show.

44. In the present case, as outlined in the preceding paragraphs, the evidence shows that the mark ‘shu___.’ is used in conjunction with the opponent’s marks

⁹ Submissions of 29 December 2014

'Think!' and 'T!' on the inside of a box in which goods are packaged and sold. Further, the invoices show that the mark 'Think!' is the main brand. Whilst I accept that the mark 'shu__.' used with a ® sign is likely to be seen as a trade mark, there is no evidence of use of the mark on goods and there is no evidence of marketing activities aimed at creating awareness of the mark 'shu__.' either as a standalone mark or as a sub-brand of what appears to be the main mark 'Think!'.

45. Bearing the above in mind, I also need to consider the nature of the goods and how they are traded in order to form a view on whether the mark used on the inside of packaging can be said to have been used in relation to the goods. The evidence filed provides little assistance on the latter point. The invoices show that the opponent has sold its goods to retailers and wholesalers but there is no evidence of sale to the end consumer. Although this is not a prerequisite for genuine use, as sales to intermediaries also count, nothing is said about the way in which the goods reach the end consumer.

46. In reaching a conclusion, I intend to proceed on the basis indicated above. In doing so, I accept that in the course of trade both sets of average consumers will have the opportunity to view the goods and that this is likely to condition their reaction to the opponent's mark. To that extent, my analysis is, I accept, somewhat artificial. However, as my conclusion must be based upon the evidence filed, any finding adverse to the opponent would be a direct consequence of the opponent's failure to provide sufficient probative evidence to make the position clear.

47. In short, faced with goods branded with the word 'Think', I see no reason why either average consumer group would regard the opponent's mark on the inside of the box as an indication of origin of the goods at issue (assuming it comes to their attention at all). Considered from the perspective of a trade buyer (and assuming they notice the mark), when faced with invoices and all related references referring to the mark 'Think!', I believe it is more likely than not that they will construe the earlier mark as another of the opponent's marks being used on multi-purpose packaging and which relates to a separate and distinct product line.

48. As to a member of the general public, if the goods are sold on-line, it is highly unlikely that the website will show pictures of the box in which the goods will be packaged (let alone the inside of the box). Likewise, where goods are bought in store, most stores will only display the goods. In both cases, the consumer will see the box only after purchasing the goods. While it is possible that the boxes might be displayed in some stores, in which case they will be visible to customers before purchase, it is most unlikely that the inside of the box will come to their attention. However, even if the mark was on the outside of the box, when confronted with the word 'Think' on the goods, I see no reason why the average consumer would consider the opponent's mark as an indication of origin of the goods at issue rather than in the manner I have described above. In my view, the average consumer is more likely to pay attention to the mark shown on the goods rather than the one(s) on the packaging and will consider the mark on the goods as indicating the source of the goods and the undertaking responsible for their quality.

49. Finally, even if I am wrong in concluding that on the basis of the evidence provided it is more likely than not that the opponent's goods bore the word 'Think'

and, in fact, the goods were either unbranded or branded with a third party's mark, it does not assist the opponent. This is because in the first scenario it is, in my view, more likely than not that once again a trade buyer would rely upon the invoices etc. (all of which refer to 'Think!') to indicate origin whereas a member of the public would rely upon the undertaking from which they obtained the goods. In the second scenario, the trade buyer would acquire (from the opponent) goods bearing its own mark and would again rely upon the invoices, whereas the average consumer would rely upon the third party's mark for the origin indication.

50. Given the gaps in the opponent's evidence, I have come to the view that the use as shown cannot be considered genuine use in relation to the goods upon which the opponent relies.

51. Conclusion

As the opponent has failed to establish genuine use within the relevant periods, its oppositions fall at the first hurdle and are dismissed accordingly.

Costs

52. The applicant has been successful and is entitled to a contribution towards its costs. I note that these are consolidated proceedings, that the applicant's legal representative submitted counterstatements in both sets of proceedings and that after the filing of the counterstatements the applicant was self-represented. Awards of costs are governed by Annex A of Tribunal Practice Notice (TPN) 4 of 2007. Using that TPN as a guide and bearing the above in mind, I award costs to the applicant on the following basis:

Preparing statements and considering the other side's statements: £ 400 (£200 x 2)

Commenting on the other side's written submissions: £ 100

Preparing evidence and commenting on the other side's evidence: £ 200

Total: £ 700

53. I order Think Schuhwerk GmbH to pay to Shuclub Limited the sum of £ 700 as a contribution towards its costs. This sum is to 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 this day 12th of January 2016

**Teresa Perks
For the Registrar
The Comptroller - General**