

**O-300-16**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF AN APPLICATION UNDER NO 500879  
BY DF WORLD OF SPICES GMBH**

**FOR CANCELLATION OF REGISTRATION NO 2442798 FOR THE TRADE MARK**



**IN THE NAME OF LAIN FUNG FOODS LTD**

## **Background**

1. Registration No 2442798 is for the trade mark shown on the cover page of this decision and stands in the name of Lain Fung Foods Ltd (“the registered proprietor”). With a filing date of 2 May 2002 and a date of entry in the register of 29 June 2007, it is registered in respect of the following goods:

### **Class 29**

Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, fruit sauces; eggs, milk and milk products; edible oils and fats.

### **Class 30**

Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices; ice.

### **Class 31**

Agricultural, horticultural and forestry products and grains not included in other classes; live animals; fresh fruits and vegetables; seeds natural plants and flowers; foodstuffs for animals, malt.

2. DF World of Spices GmbH (“the applicant”) has filed an application seeking cancellation of the registration. It does so on grounds under sections 46(1)(a) and (b) of the Trade Marks Act 1994 (“the Act”), claiming that the registration should be revoked because the mark has not been used and there are no proper reasons for its non-use. Under section 46(1)(a) of the Act, it seeks revocation with effect from 30 June 2012. Under section 46(1)(b) of the Act, it seeks revocation with effect from 8 June 2015. The relevant periods within which the registered proprietor must show use (or proper reasons for non-use) are 30 June 2007 to 29 June 2012 and 8 June 2010 to 7 June 2015 respectively. These periods overlap.

3. The registered proprietor filed a counterstatement in which it denied the claims made and indicated that use had been made of the mark in relation to each of the goods for which it is registered.

4. Only the registered proprietor filed evidence which I will refer to as necessary later in this decision. It also filed written submissions. Neither party sought to be heard but both filed written submissions in lieu of attendance at a hearing. I take all of this material into account in reaching my decision.

## **Decision**

5. Section 46(1) of the Act states:

“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.”

6. Section 100 is also relevant and 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.”

7. The question of what constitutes genuine use has been the subject of regular consideration in previous case law. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. summarised the principles identified in this case law and said:

“I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes Case C-442/07 *Verein Radetsky-Order v Bundervsvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows:

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

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

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

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

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

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

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

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

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

8. The registered proprietor’s evidence takes the form of a witness statement of Mr King Fai Ng. He states he is the Managing Director and major shareholder of both the registered proprietor and Kings Food Ltd which are part of the same group of companies. He states the mark was first used in the UK in April 2004 by Kings Foods Ltd under the authorisation of the registered proprietor and that it has been used in respect of minced garlic, minced ginger, minced red chilli, minced green chilli, sliced water chestnuts, dried bean curd sticks, dried bean curd knots, dried bean curd sheets “and related goods”. He does not state what these “related goods” might be.

9. Mr King Fai Ng also states that goods have been sold under the mark in the UK since April 2004 by Chadha Oriental Foods Ltd (“Chadha”) and that this latter company has also supplied dried bean curd sticks under the mark to Tesco since February 2013. He states that from this latter date until June 2015, sales by Tesco have amounted to just over £35,000. He states that during the period 8 June 2010 to 7 June 2015, total sales of products under the mark have amounted to £248,478.33. This figure is not broken down in any way. Attached to Mr King Fai Ng’s witness statement are a number of exhibits which include:

KN2: printouts from the kingsfoods.com.cn website, said to show the range of products sold under the mark. Although, as the applicant submits, this is a Chinese website, the text appears in English. The pages show jars of garlic, ginger, chilli and coriander pastes bearing the mark. The five pages each bear a download date of 27 January 2016, which post-dates the relevant periods, though I note that the second page (page 13) bears a copyright date of 2012. This same page shows the mark as registered and includes the following text:

“We have been enjoying a good sales of own brand ‘Bamboo Garden’ and the OEM brands from world famous food companies. The business has been developed to UK...”;

There is no indication on the page of what particular goods this company may have sold under the mark or where they were sold.

- KN3: printouts from the same Chinese website again showing jars of garlic, ginger, chilli and coriander pastes bearing the mark. The two pages were downloaded on 27 January 2016 and 17 November 2015 respectively but each bears an indication that they are archived pages as they appeared on 10 August 2013. The printouts give no further information;
- KN4: a copy of a single-page letter on Chadha headed paper. Dated 15 December 2015 and sent by Chadha's Director, Andy Coult, it is addressed to the registered proprietor's professional representatives in these proceedings. The letter confirms that the company "has been supplying products under the BAMBOO GARDEN trade mark in the United Kingdom market since April 2004". It continues: "The products have been supplied to wholesalers in the Chinese and Oriental market since 2004 and, since 2013, one of the products in the range has been sold to Tesco stores". The letter does not include any details of the particular products which may have been supplied at any time nor, other than Tesco, does it give any information which identifies customers. The letter states that a detailed analysis of the sales is attached but there is no such attachment. Mr Coult has not provided a witness statement;
- KN5: Three pages taken from the chadhaorientalfoods.co.uk website. The first two pages (pages 23 and 24) comprise a list of the brands the company supplies. One of those listed is Bamboo Garden and shows the mark as registered. It lists the products available as "dried soya bean curd products". The third page is entitled "Bamboo Garden Products" and again shows the mark as registered. It pictures four packets of dried bean curd products (curd stick, curd short stick, curd knot and curd sheet) which are described as "preserved vegetables". The poor quality of the print means that I cannot see what is shown on the packets. The pages were downloaded on 27 January 2016, again post-dating the relevant period;
- KN6: Seven pages showing the chadhaorientalfoods.co.uk website as it appeared at various dates. The first page (page 27) from 2012, is identical to that included in KN5 (pages 23 and 24) and does not show any goods. At the bottom of the following page (page 28, dated June 2013) a number of trade marks are shown. The print is poor but highlighted is a mark which appears to be the mark as registered though again no goods are shown. Page 29, (December 2013) is identical to page 27. Page 30 (February 2014) mirrors that at page 23 of KN5 and does not show any goods. Page 31 (June 2014) is identical to pages 27 and 29. Page 32 (December 2014) shows a number of trade marks including the mark as registered but again gives no indication of what products may be available. Page 33 (May 2015) mirrors pages 27, 29 and 31;
- KN7: This exhibit includes what are said to be two pages from each of Chadha's 2013, 2014 and 2015 brochures. The year is handwritten on each page. The first page of each is identical and is entitled "Product Guide". The second

page marked 2013 (page 36), bears the mark at the top of the page and shows four packets of dried bean curd products though the quality of the print does not allow me to see what is on the packets themselves. The second page marked 2014 (page 38) is entitled "Thai vegetables" and shows a number of tins or packets. I can see that some of these bear trade marks other than the one under consideration here. I can also see four packets of dried bean curd products are illustrated but again, the poor quality of the print means that I cannot see what is on those packets (though I cannot see that they are any different to those shown at page 36). The second page marked 2015 (page 40) again shows details of four packets of dried bean curd products and again, the quality of the print is not good enough for me to see what is on the packets themselves but they appear the same as those shown in the earlier editions. The mark as registered appears at the top of this page. No evidence is given of any distribution of the 2013 or 2014 brochures though Mr King Fai Ng states that a "total of 330 Chadha customers received a copy of the 2015 product brochure". He does not state who these customers were or where they were located and, bearing in mind that the later of the relevant periods ends in early June 2015, there is no evidence that it was issued to customers within the relevant period;

KN8: Copies of two pages downloaded from the Tesco.com website. The quality of the print is very poor but it appears to show a packet of what is said to be Bamboo Garden Bean Curd Sticks "imported and distributed by Chadha Oriental Foods Ltd". The print shows it to have been downloaded on 17 November 2015, once again post-dating the relevant periods;

KN9: Described as a more detailed breakdown of sales, the bulk of this exhibit lists "Chadha Sales of Bamboo Garden products". The first 29 pages (pages 47 to 75) are said to list sales between January and May 2010. In table form, they list a number of "BAMBOOGDN" products, a description of the goods and the value invoiced. The only goods listed as being invoiced are Bamboo Garden dried bean curd (short) sticks, curd knots and curd sheets. The table also contains a column headed "account names". Only a small number of the account names have any invoice value against them. Some of these account holders are said to be a limited company, others have the words "do not use" or "closed" in the relevant column whilst still others show terms such as "International Food Store" or "Restaurant wholesale". No address details are given for any of the account holders;

The next 29 pages (pages 76 to 104 of the exhibit) are in similar form and are said to list sales between June and October 2010. Most of the sales are listed as being for dried bean products though there are some which list minced garlic, minced ginger, minced red or green chilli, minced garlic and ginger and coriander. Again, many of the account holders have no invoice values recorded against them and, whilst some of them are shown to be limited companies, others have the words "do not use" or "closed" in the relevant column whilst still others show names such as "The Food Hall" or "Restaurant wholesale". No address details are given;

The last two pages of this exhibit are headed “Chadha Sales of BAMBOO GARDEN products” and list total sales each month from June 2010 to June 2015 (along with annual totals). The sales range from a low of £820 in June 2012 to a high of £8321.50 in February 2013. The particular goods the subject of these sales are not specified.

10. For its part, the applicant submits that the evidence filed is insufficient to show that there has been genuine use of the mark at any time for any of the goods covered by the registration. It accepts that some of the exhibits show “a variety of condiments, herbs and/or spices” but submits that they do no more than describe the products and do not show that any of them have been on sale in the UK within the relevant periods.

11. As for the sales figures given by Mr King Fai Ng, the applicant submits that they are not broken down in any way. It acknowledges that the tables, at KN9, show individual goods but submits that it is not clear which of the account holders named are UK entities and no address details are provided. In relation to the monthly and annual sales figures provided within the same exhibit, it submits that they do not show what goods were sold or where and to whom they were sold. Pointing out that none of the claimed sales are supported by invoices, it submits that “[t]he accuracy and authenticity of these statistics are at least questionable”.

12. The applicant acknowledges the registered proprietor’s claim that sales have been made to Tesco but submits that no details of what was sold during the relevant periods have been provided. In relation to the printout from the Tesco website showing a packet of bean curd sticks, it refers to the fact that it post-dates the relevant periods.

13. In relation to the product guides exhibited, the applicant submits that, at best, they relate only to bean curd sticks and bean curd sheets with only that marked 2013 showing the mark in relation to any products. It submits that as the only date on the documents is handwritten, this “cast[s] doubt on their authenticity as evidence showing the Registered Mark within the relevant period.”

14. In short, the applicant submits the registered proprietor has not shown genuine use of the mark within the relevant period in relation to any of the goods for which it is registered. In the alternative, it submits that any use which has been shown to have been made, relates only to bean curd sticks and bean curd sheets.

15. As set out above, the applicant has raised doubts about the accuracy and authenticity of some of the registered proprietor’s evidence. In *Extreme Trade Mark* BL O/161/07, the Appointed Person stated:

“Where, however, evidence is given in a witness statement filed on behalf of a party to registry proceedings which is not obviously incredible and the opposing party has neither given the witness advance notice that his evidence is to be challenged nor challenged his evidence in cross-examination nor adduced evidence to contradict the witness’s evidence despite having had the opportunity to do so, then I consider that the rule in *Brown v Dunn* applies and



it is not open to the opposing party to invite the tribunal to disbelieve the witness's evidence.

Despite this, it is not an uncommon experience to find parties in registry hearings making submissions about such unchallenged evidence which amount to cross-examination of the witness in his absence and an invitation to the hearing officer to disbelieve or discount his evidence. There have been a number of cases in which appeals have been allowed against the decisions of hearing officers who have accepted such submissions...I consider that hearing officers should guard themselves against being beguiled by such submissions (which is not, of course, to say that they should assess evidence uncritically)."

16. I bear the above in mind when considering the evidence before me. In doing so, I also bear in mind the comments made in Case T-415/09, *New Yorker SHK Jeans GmbH & Co. KG v OHIM*, where the General Court stated:

"53 In order to examine whether use of an earlier mark is genuine, an overall assessment must be carried out which takes account of all the relevant factors in the particular case. Genuine use of a trade mark, it is true, cannot be proved by means of probabilities or suppositions, but has to be demonstrated by solid and objective evidence of effective and sufficient use of the trade mark on the market concerned (COLORIS, paragraph 24). However, it cannot be ruled out that an accumulation of items of evidence may allow the necessary facts to be established, even though each of those items of evidence, taken individually, would be insufficient to constitute proof of the accuracy of those facts (see, to that effect, judgment of the Court of Justice of 17 April 2008 in Case C-108/07 P *Ferrero Deutschland v OHIM*, not published in the ECR, paragraph 36)."

17. In *PLYMOUTH LIFE CENTRE* (BL O-236-13), Mr Daniel Alexander Q.C. sitting as the appointed person stated:

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

18. In *Dosenbach-Ochsner AG Schuhe und Sport v Continental Shelf 128 Ltd*, BL O/404/13, Mr Geoffrey Hobbs Q.C., sitting as the Appointed Person, stated:

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

[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.”

19. Despite claiming, in its counterstatement, that the mark has been used on each of the goods for which it is registered as set out in paragraph 1 above, the evidence is silent in respect of most of these goods. In his witness statement, Mr King Fai Ng refers only to use of the mark in respect of minced garlic, minced ginger and minced red and green chillis, sliced water chestnuts, various dried bean curd products and “related goods”. He states that sales in respect of all of these products amounts to almost £250,000 in the five year period ending 7 June 2015 but that figure is not broken down in any way which enables me to apportion any volume of sales to any particular goods or types of goods.

20. Absent any indication of what the “related goods” referred to by Mr King Fai Ng might be, it is not possible to find there has been genuine use in respect of them, regardless of how much of the total sales figures may have been made in respect of them. Similarly, whilst, in his witness statement, he claims there has been use of the mark in respect of sliced water chestnuts, he makes no further reference to such goods, does not provide information regarding the volume or value of such sales and neither is there any corroborating evidential material that would enable me to find there has been genuine use of the mark in respect of such goods within the relevant periods.

21. In respect of the minced garlic, ginger and chillis on the one hand and dried bean curd products on the other, there is some evidence (KN9) that these goods were supplied by Chadha over a period of a few months in 2010 but the volumes of such sales shown in the exhibit is limited. In addition, whilst the names of account holders are provided, in many cases, their identity is uncertain and for none are any address details given. No evidence is provided which shows the size of the market in either of these types of goods though they are goods which, in my own experience, are widely available in shops and supermarkets. There is no evidence which allows me to establish the volume or value of sales of any of these specific goods during either relevant period nor is there any supporting documentation in the form of e.g. invoices, advertising materials or evidence from customers or the trade. That said, Mr King Fai Ng is more specific when he states that “Dried Bean Curd Sticks” to the value of £35,015.12 have been sold by Tesco between February 2013 and June 2015 which is within the latter relevant period. Mr Coult has not provided evidence himself but, whilst the letter written by him does not specify what the product might have been, it does confirm that a product has been sold to Tesco. The printout from the Tesco website at KN8, whilst post-dating the relevant periods, bears a copyright date of 2013 and shows a packet of “Bamboo Garden Bean Curd Sticks”. What is not shown is any evidence that these goods were sold under the mark as registered.

22. Taking all relevant factors into account and considering the evidence as a whole as I am required to do, I find that the registered proprietor has not shown genuine use of the mark in relation to any of the goods for which it is registered within either of the relevant periods.

### **Summary**

23. The application for cancellation of the registration succeeds in full. The registration will be revoked with effect from 30 June 2012.

### **Costs**

24. The applicant having succeeded is entitled to an award of costs in its favour. In making the award I note that only the registered proprietor filed evidence and that no hearing took place. I order Lain Fung Foods Ltd to pay DF World of Spices GmbH the sum of £1,000 as a contribution towards its costs. This sum is made up of:

Preparing a statement and considering that of the other party:	£200
Fee:	£200
Written submissions (including reviewing and commenting on the other party's evidence):	£600
<b>Total:</b>	<b>£1,000</b>

25. 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 23rd day of June 2016**

**Ann Corbett  
For the Registrar  
The Comptroller-General**