

Intellectual Property

BENELUX OFFICE FOR INTELLECTUAL PROPERTY CANCELLATION DECISION N° 3000060 of 14 December 2020

| Claimant: | ALTUNIS-TRADING, GESTAO E SERVICIOS LDA |
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| | Av. Arriaga 50-3, sala , Sé |
| | Funchal, Madeira |
| | Portugal |
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| Representative: | NLO Shieldmark B.V. |
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against

Netherlands

- HOTEL CIPRIANI S.P.A. Defendant: Via Giudecca, 10 30123 VENEZIA Italy
- **Representative:** Bird & Bird (Netherlands) LLP Zuid-Hollandplein 22 2596 AW Den Haag Netherlands

Contested trademark: International registration 533888

HOTEL CIPRIANI

I. FACTS AND PROCEEDINGS

A. Facts

1. On 20 November 2018 the claimant filed an application for cancellation, in accordance with Article 2.30bis (1) (a) of the Benelux Convention on Intellectual Property (hereinafter: "BCIP")¹, based on the ground for revocation stated under Article 2.27 (2) BCIP, namely that no genuine use has been made of the contested trademark in accordance with Article 2.23bis BCIP.

2. The cancellation application is directed against International trademark registration 533888, designating the Benelux, which was filed by the defendant on 3 March 1988 and was registered for goods and services in the classes 29, 30, 33, 35 and 42, for the following wordmark: HOTEL CIPRIANI

3. The cancellation application is directed against all goods and services of the contested trademark, which are:

Class 29 Meat, fish, poultry and game (not live) as foods for human consumption, preparations included in this class containing the above goods; dried or cooked fruits and vegetables; milk, food products made from milk; eggs, food products in the form of snacks and preparations for making food products in the form of snacks, cooked meals for consumption, all the above goods included in this class; dressings for salads; canned foodstuffs; jams.

Class 30 Coffee, tea, cocoa, sugar, artificial coffee; bread, pastry, biscuits (except for biscuits for animals); cakes, non-medicinal confectionery; chocolates and pralines; food products in the form of snacks and preparations for making food products in the form of snacks, prepared dishes for consumption, all the above goods included in this class; pizzas; desserts and preparations for making desserts, all the above goods included in this class; sauces (other than dressings for salads); spices (except for spices for poultry), edible ices, honey, yeast, salt (for food), mustard, pepper and vinegar.

Class 33 Wines, spirits, liqueurs, alcoholic beverages included in this class; cocktails and preparations for making cocktails, cider.

Class 35 Drawing up contracts concerning technical services and management of hotels, restaurants and clubs; marketing.

Class 42 Services in connection with hotels, managing hotels and reservations for hotels; restaurants, clubs, cafeterias and premises for the public provision of food and drink; food and drink catering services; bar services; project studies in connection with hotels, restaurants and clubs.

4. The language of the proceedings is English.

 $^{^{\}rm 1}$ This decision shall always refer to the laws and regulations applicable on the date of the decision, except in the case of provisions which have undergone a material change during the proceedings and which are relevant to the decision.

B. Course of the proceedings

5. The cancellation application is admissible and was notified by the Benelux Office for Intellectual Property (hereinafter: "the Office") to the parties on 28 November 2018. During the administrative phase of the proceedings both parties filed arguments. The course of the proceedings meets the requirements as stated in the BCIP and the Implementing Regulations (hereinafter: "IR"). As the application only concerns the revocation ground for non-use, the defendant, in accordance with Rule 1.31 (2) IR, was first given the opportunity to respond in writing by submitting proof of use or to substantiate that there are proper reasons for not using the trademark, after which the claimant and subsequently the defendant were requested to respond. The administrative phase was completed on 10 July 2019.

II. ARGUMENTS

A. Defendant's arguments

6. In order to prove that the contested trademark has been genuinely used, the defendant has submitted different types of documents, namely featured articles and news articles, Google analytics statistics, redacted lists of guests from the Benelux, excerpts from contracts with travel companies, promotional material and various screen prints of websites and brochures.

7. The defendant is the owner of a hotel named Hotel Cipriani. It is located on the island of Giudecca in Venice (Italy). Giuseppe Cipriani, founder of the famous Harry's Bar and inventor of the Bellini cocktail, decided to build a hotel for jet-setting travellers in 1956. Throughout its history the hotel has attracted an elite set of travellers and remains until today a world-famous hotel frequented by international stars and celebrities. In 2014 George Clooney and Amal Alamuddin enjoyed part of their wedding celebrations at Hotel Cipriani.

8. According to the defendant a range of services and products is offered under the contested trademark. Hotel Cipriani boasts no less than three restaurants – one with a Michelin star - and multiple bars. The defendant also provides services for organising and catering exclusive weddings and other events. Because of the exclusivity of the specific market, lower turnover figures can suffice to prove genuine use, according to the defendant. The relevant public is only made up of those people within the Benelux who regularly stay in hotels in the highest price ranges and regularly visit Michelin star and other high-end restaurants. Furthermore, it is also relevant to consider luxury travel agencies and advisors who cater to the aforementioned public.

9. Even though Hotel Cipriani is not situated in the Benelux, genuine use of the trademark must also be recognized where the services are offered in the Benelux area and can be booked from there. Regarding the genuine use of the services mentioned in class 42 the defendant states that "management of hotels, restaurants and bars" are his core services. The fact that the restaurants and bars operate under different names and are also available to customers not staying at the hotel, does not affect the genuine use of the trademark HOTEL CIPRIANI whereas the names are used jointly.

10. The defendant finds that the trademark has also been genuinely used for the services "project studies" in class 42 as well as for all the services mentioned in class 35 and the goods mentioned in classes 29, 30 and 33.

B. Claimant's arguments

11. The claimant states that the circumstances brought forward by the defendant, such as the fact that famous people visited the hotel, the very high room rates and the Michelin star rating for the restaurant, are not relevant for the assessment of genuine use. The evidence should merely show the place, time and extent of use.

12. In reaction to the transactions and reservations made by Belgian, Dutch and Luxembourg nationals, the claimant finds that from this data only, proof of use in the Benelux cannot be derived. The data does not show whether the reservations and transactions are the result of actual use of the trademark in the Benelux.

13. The claimant furthermore finds that the redacted list of hotel guests who are resident of the Benelux countries, shows time and extent of the use in connection with the relevant services, but that it is not clear whether the place of use of the trademark is the Benelux.

14. According to the claimant, the brochures and marketing material provided lacks information about their distribution and the date and extent of use. The mere reference to a trademark (hotel name) on a (well-known) hotel booking website does not provide any information about the place, time and extent of use.

15. Media coverage in itself is also not sufficient to demonstrate genuine use, according to the claimant, who also finds that agreements between the defendant and tour operators do not show actual use of the trademark aimed at end-users.

16. Regarding the services 'restaurant and bar services' the claimant noticed that the bars and restaurants all have their own name and that no proof was submitted regarding the use of the trademark for these services.

17. According to the claimant the services "project studies in connection with hotels, restaurants and clubs" in class 42 are vague and even if they were to include "the organization of weddings and other events" he finds these services to be supporting services for the core services of a hotel. Moreover, no proof was submitted confirming the extent and time of offering of these services.

18. The services mentioned in class 35 are part of the core services mentioned in class 42 of the trademark registration and the documents submitted only show use for services in class 42, according to the claimant.

19. Regarding the exhibits referring to foodstuffs in class 29, 30 and 33, the claimant points out to the fact that these are merely products offered in the hotel or its associated restaurants. The latter do not even bear the name of the hotel. There are no individual foodstuff products sold to consumers, let alone to consumers in the Benelux, according to the claimant.

20. The claimant concludes that the documents submitted by the defendant are insufficient to prove use for the services in class 42 in the Benelux. Furthermore, there is an absence of proof of genuine use for the services in class 35 and the goods mentioned in the classes 29, 30 and 33. For this reason, the

claimant requests that the Office revokes the contested trademark due to non (or insufficient) use by the defendant.

C. Defendant's final arguments

21. In reply to the arguments of the claimant, the defendant firstly points out that, according to established case law of the CJEU, the evidence submitted should be assessed in its entirety.

22. Secondly, the defendant states that he has not argued that the mere reputation of the contested trademark proves genuine use. However, defining the relevant market is essential in order to determine the extent of use needed in order to establish genuine use. The claimant recognizes in fact that Hotel Cipriani is active in a niche market, according to the defendant.

23. Regarding the case law cited by defendant together with the proof of use, supporting the statement that genuine use will be recognized for services rendered outside the relevant territory but offered (for booking) within that same territory, the defendant remarks that it was not challenged by the claimant and he therefore concludes that it should be accepted as decisive.

24. Furthermore, the defendant finds that the observations of the claimant "show several factual and legal errors". According to the defendant the Google Analytics reports do not show the nationality of the hotel visitors but their geographical location. Therefore, it does show with certainty that 11.829 new users located in Belgium, 9.011 new users in the Netherlands and 1.372 new users in Luxemburg visited the Hotel Cipriani website, resulting directly in revenue of over €300.000.

25. The defendant also points out that the list of hotel guests (see paragraph 13) should be considered in combination with other evidence and that it is therefore relevant proof of use of a service not rendered in the relevant territory itself.

26. Contrary to what the claimant argues, the defendant finds the offering of the services through wellknown hotel websites relevant (proof of) use of the trademark HOTEL CIPRIANI.

27. According to the defendant he received over \in 3.1 million in commission from transactions taking place on Booking.com. These transactions also originate from the Benelux, whereby the defendant points out to reviews from Dutch guests and to the overviews of hotel visitors from the Benelux. Moreover, the defendant stresses the fact that use on the distributors market alone would already constitute genuine use. Furthermore, even use for a limited period within the 5-year period would already suffice, according to the defendant.

28. As for the contracts with luxury travel agencies and the comments of claimant concerning the absence of brochures of said travel companies, the defendant remarks that nowadays most promotion activities take place online and that he therefore provided website screenshots. The defendant also draws attention to the fact that the Dutch-language reviews on TripAdvisor show that the writers of two of the three displayed reviews are from Belgium.

29. The defendant disputes the statement of claimant that genuine use cannot be inferred from the (press) articles provided. These articles are the result of PR activities of the defendant and must therefore be considered in assessing genuine use, according to the defendant.

30. Regarding the exhibits showing followers on Facebook and Instagram, the defendant remarks that these were not discussed by the claimant and that they should therefore be considered as accepted exhibits demonstrating genuine use of the HOTEL CIPRIANI trademark.

31. The claimant finds that the bars and restaurants within Hotel Cipriani each have their own name. That is correct, according to the defendant, but it does not diminish the fact that each of them also makes use of the HOTEL CIPRIANI trademark. The defendant hereto refers to a previous case between the claimant and the defendant before the European General Court (hereinafter: EGC) in which it was ruled that the trademark law does not oblige a trademark owner to prove use of a mark on its own, independently of any other mark or sign.² Furthermore, restaurant reservations can be made online and menus viewed in advance and provision of turnover figures are not a necessary requirement for proving genuine use, according to the defendant who also states that in view of the aforementioned decision of the EGC the claimant is already aware of the finding of genuine use of the HOTEL CIPRIANI mark for restaurant and bar services.

32. Defendant contests the finding of the claimant that the services "project studies in connection with hotels, restaurants and clubs" in class 42 are vague (see paragraph 17). There is no basis in law to support this finding and the defendant therefore understands that the brochures submitted are not contested.

33. According to the defendant, the claimant neither provides any legal basis for his conclusion that "the services mentioned in class 35 are part of the core services mentioned in class 42 of the trademark registration and the documents submitted only show use for services in class 42" (see paragraph 18) and that they would therefore preclude genuine use.

34. Contrary to the observations made by the claimant (see paragraph 19), the defendant finds that the individual food products which are offered online in the restaurants and the foodstuffs sold in the Food Boutique in Hotel Cipriani constitute genuine use for goods in classes 29, 30 and 33.

35. In the light of the above, the defendant states that he has provided sufficient evidence of use and requests that the Office decides that the contested trademark has been genuinely used for the goods and services for which it has been registered, denies the claim for revocation of the contested trademark and orders the claimant to pay the costs of these proceedings.

III. GROUNDS FOR THE DECISION

A. Legal framework

36. Pursuant to Article 2.30bis (1)(a) BCIP an application for revocation may be filed with the Office based on the grounds set out in, inter alia, Article 2.27 (2) BCIP. It is in that case for the defendant to prove that genuine use of the trademark has been made in the Benelux territory, in accordance with Article 2.23bis BCIP, in the five years previous to the filing of the application for revocation or that there are proper reasons for non-use.

² EGC, Altunis-Trading v EUIPO – Hotel Cipriani Srl, T-438/16, 1 March 2018, ECLI:EU:T:2018:110

37. The application for revocation was filed on 20 November 2018. Therefore, the defendant was required to show use of the trademark during the period from 20 November 2013 to 20 November 2018 ('the relevant period').

38. Following Rule 1.41 IR in conjunction with Rule 1.25 IR the proof of use should contain evidence of the place, duration, extent and manner of use of the contested trademark for the goods and services on which the application for revocation is based.

39. In accordance with the decision of the European Court of Justice (hereinafter referred to as "ECJ") of 11 March 2003 (ECJ, Ansul, C-40/01, ECLI:EU:C:2003:145) there is genuine use of a trademark where the mark is used in accordance with its essential function, which is to guarantee the identity of the origin of the goods or services for which it is registered. This is done in order to create or preserve an outlet for those goods or services. Genuine use does not include token use for the sole purpose of preserving the rights conferred by the mark. In that regard, the condition relating to genuine use of the trademark requires that the mark, as protected in the relevant territory, be used publicly and outwardly (see also General Court of the European Union (hereinafter referred to as "EGC"), Silk Cocoon, T-174/01, 12 March 2003, ECLI:EU:T:2003:68; EGC, Vitafruit, T-203/02, 8 July 2004, ECLI:EU:T:2004:225; EGC, Charlott, T-169/06, 8 November 2007, ECLI:EU:T:2007:337).

40. The EGC held that use of the trademark need not always be quantitatively significant for it to be deemed genuine (EGC, Hipoviton, T-334/01, 8 July 2004, ECLI:EU:T:2004:223; EGC, Sonia-Sonia Rykiel, T-131/06, 30 April 2008, ECLI:EU:T:2008:135). The purpose of the notion of genuine use is not to assess commercial success or to review the economic strategy of an undertaking, nor is it intended to restrict trademark protection to the cases where large-scale commercial use has been made of the mark (EGC, Vitafruit, already referred to above).

41. In addition the EGC held that genuine use of a trademark cannot be proven by means of probabilities or suppositions, but must be demonstrated by solid and objective evidence of effective and sufficient use of the trademark on the market concerned (see EGC, Hiwatt, T-39/01, 12 December 2002, ECLI:EU:T:2002:316; EGC, Vitakraft, T-356/02, 6 October 2004, ECLI:EU:T:2004:292 and EGC, Sonia-Sonia Rykiel, already referred to above).

B. Analysis of the proof of use

42. The defendant submitted the following exhibits in order to demonstrate genuine use of the contested trademark in the Benelux:

- 1) News articles
- 2) Press Articles
- 3) Google Analytics
- 4) Redacted list of guests
- 5) Print-outs from hotel websites including Booking.com and TripAdvisor
- 6) Excerpts from contracts with different travel agencies
- 7) Promotion material
- 8) Brochures Cipriani

- 9) Screenshots Instagram and Facebook
- 10) Wayback Machine[®] dining webpage Hotel Cipriani
- 11) Wayback Machine® occasions webpage Hotel Cipriani
- 12) Wayback Machine[®] wedding brochure Hotel Cipriani

43. The material provided and taken as a whole shows that there is a hotel in Venice, Italy, being exploited under the name HOTEL CIPRIANI. Due to its famous guests the name of the hotel appears in news and press articles. The material also provides information concerning the use of the trademark in relation to the provision of foods and drinks. The restaurants and bars on the premises of HOTEL CIPRIANI appear in the folders and brochures and are considered - in view of the market reality as reflected in the submitted proof - ancillary to the hotel services.³

44. The redacted lists of guests clearly show that the hotel services have been offered to and used by the relevant public in the Benelux during the relevant period. The Office therefore finds that the trademark HOTEL CIPRIANI has been genuinely used for the following services:

Class 42 Services in connection with hotels, managing hotels and reservations for hotels; restaurants, clubs, cafeterias and premises for the public provision of food and drink; food and drink catering services; bar services.

45. As for the remaining services mentioned in class 42, namely "*project studies in connection with hotels, restaurants and clubs*" the Office has not found any proof to conclude that the trademark HOTEL CIPRIANI has been used genuinely for the services "project studies". The Office finds that the term "project studies" relates - for classification purposes – mainly to scientific and professional studies related to technical or engineering services. There is no indication whatsoever to assume that the "organization of weddings" could be held a species of the aforementioned genus. Therefore, the Office must conclude that genuine use of the trademark HOTEL CIPRIANI has not been proven for these particular services mentioned in class 42.

46. The fact that Hotel Cipriani concludes contracts with third parties and that they invest in advertising does not constitute genuine use for the services mentioned in class 35, namely "drawing up contracts concerning technical services and management of hotels, restaurants and clubs; marketing". Genuine use of these services could only have been made for these services if they were rendered to third parties by the defendant by showing that they (professionally) draw up contracts for others and that they run an advertising agency. This however has evidently not been proven and therefore the Office finds no evidence for genuine use for the services mentioned in class 35.

47. Finally, concerning the goods mentioned in classes 29, 30 and 33, the Office did not find proof of genuine use for these goods. Genuine use for these products cannot be based on the assumption that they might have been sold in the gift shop for guests. To that end one would expect (online) sales figures, including sales in the Benelux of these goods, receipts, order forms and for example packaging of foodstuffs and drinks mentioning the trademark HOTEL CIPRIANI. However, none of these have been provided in order to prove the genuine use of the trademark HOTEL CIPRIANI for the goods mentioned in the classes 29, 30 and 33. The mere reference, via Wayback Machine[®], to one single menu of one of the restaurants

³ see also EGC, HOTEL CIPRIANI, T-438/16, 1 March 2018, ECLI:EU:T:2018:110, paragraphs 33 and 37.

on the premises of hotel Cipriani, constitutes at its best supporting evidence for restaurant services. After all, Wayback Machine[®] references only show 'still pictures' of a specific website at a certain point in time, but they do not show the amount of visitors of the website, nor do they proof use of a trademark for goods and services as such.⁴

48. The Office finds that genuine use of the trademark HOTEL CIPRIANI has been sufficiently proven for the following services:

Cl 42 Services in connection with hotels, managing hotels and reservations for hotels; restaurants, clubs, cafeterias and premises for the public provision of food and drink; food and drink catering services; bar services.

49. However, for the remaining goods and services as indicated in paragraph 3, the Office concludes that the evidence considered as a whole does not sufficiently demonstrate the extent, duration and way in which the trademark has been used in the Benelux.

C. Conclusion

50. It follows from the foregoing that the evidence submitted by the defendant, even when assessed overall, does only partly meet the requisite legal standard regarding the genuine use of the contested trademark in the Benelux during the relevant period. The defendant fails to prove that the contested trademark has been genuinely used or that there is a proper reason for non-use for a part of the goods and services.

IV. DECISION

51. The cancellation application with number 3000060 is partly justified.

52. International Registration 533888 will be revoked for the Benelux for the following goods and services for which the genuine use has not been proven:

- Class 29: (all goods)
- Class 30: (all goods)
- Class 33: (all goods)
- Class 35: (all services)
- Class 42: Project studies in connection with hotels, restaurants and clubs.

53. International registration 533888 will be upheld for the following services for which the genuine use has been proven:

- Class 42: Services in connection with hotels, managing hotels and reservations for hotels; restaurants, clubs, cafeterias and premises for the public provision of food and drink; food and drink catering services; bar services.

⁴ see Court of Appeal Brussels, PAGES JAUNES, 2008/AR/2212, 16 February 2010.

54. Neither of the parties shall pay the costs in accordance with Article 2.30ter, 5 BCIP.

The Hague, 14 December 2020

BOIP

Tomas Westenbroek (rapporteur)

Camille Janssen

Diter Wuytens

Administrative officer: Diter Wuytens