

BENELUX OFFICE FOR INTELLECTUAL PROPERTY
CANCELLATION DECISION
N° 3000250
23 December 2022

Claimant: **Soho Flordis UK Limited**
Botanic Court, Martland Park 1
WN5 0JZ Wigan
United Kingdom

Representative: **Leeway**
James Wattstraat 100
1097 DM Amsterdam
The Netherlands

against

Defendant: **Ernest Jackson & Company Limited**
Berkeley Square 25
W1X 6HT London - England
United Kingdom

Representative: **HGF B.V.**
Gedempt Hamerkanaal 147
1021 KP Amsterdam
The Netherlands

Contested trademark: **Benelux registration 56067**

POTTER'S

I. FACTS AND PROCEEDINGS

A. Facts

1. On 20 October 2020, the claimant filed an application for cancellation in accordance with Article 2.30bis (1)(a) of the Benelux Convention on Intellectual Property (hereinafter: "BCIP") based on the ground for revocation set out in 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 Benelux registration 56067 of the wordmark POTTER 'S, which was filed and registered by the defendant on 6 August 1971 for goods in Class 5.

3. The cancellation application was initially directed against all goods of the contested trademark, namely *Cl 5 Pharmaceutical preparations and substances, medicines, dietary food, medicinal and tonic products for children, infants, patients and invalids for medical use, herbs not included in other classes, insecticides, antiseptics and disinfectants*.¹ During the administrative phase of the proceedings the claimant informed the Office that he wanted to restrict the scope of its cancellation action by excluding pastilles (as he considers them a specification of both the "pharmaceutical preparations" and "medicines" as listed in the specification of class 5). As a consequence the cancellation action is now directed against all goods in class 5 with the exclusion of "Medicated preparations in the form of pastilles all for human use in the treatment of catarrh, coughs and colds".

4. The language of the proceedings is English.

B. Course of the proceedings

5. The cancellation action is admissible and was notified by the Benelux Office for Intellectual Property (hereinafter: "the Office") to the parties on 21 October 2020. 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 relates exclusively to a declaration of revocation for non-use, pursuant to Rule 1.31(2) of the IR, the defendant was first given the opportunity to react in writing by submitting proof of use or substantiating that there are proper reasons for not using the contested trademark, after which the claimant and, finally, the defendant were asked to react. The administrative phase was completed on 1 July 2021.

II. ARGUMENTS

A. Defendant's arguments

¹ The original language of the contested trademark registration is French. The exact wording of the relevant goods is as follows:

Cl 5 Substances et préparations pharmaceutiques, médicaments, aliments diététiques, médicinal et toniques pour enfants, nourrissons, malades et invalides à usage médical, herbes non comprises dans d'autres classes, insecticides, antiseptiques et désinfectants.

The abovementioned English translation of the relevant goods is solely provided to facilitate the legibility of this decision.

6. Before going through the proof of use submitted, the defendant states that the claimant is well aware that the contested trademark is in use, first of all because of the notoriety of said trademark but also because the parties have been involved in an ongoing dispute since 2017 over the POTTER'S brand.

7. After setting out the legal framework for proving genuine use, the defendant provides information about his background. He explains that he has 200 years of experience and expertise in developing, manufacturing and marketing medicated confectionery and vitamin pastilles. The name POTTER'S has been used as a trademark since the early 19th century. POTTER'S are pastilles, in the Netherlands often referred to as 'pottertjes', according to the defendant. He produces and sells pastilles for the treatment of catarrh, coughs and colds. Since 1937 POTTER'S branded catarrh pastilles have been produced in the UK and packaged and distributed by the Dutch company H. ten Herkel BV, under an agreement with the defendant.

8. The defendant states that the evidence shows numerous examples of use of the contested mark as registered. But the evidence also shows use of the POTTER'S word in a figurative form. Although the use of the contested trademark varies and in certain items of evidence takes a different form from that registered, this does not affect the distinctive character and as such use of the trademark in a logo constitutes use of the registered word mark.

9. The contested goods are – in short - cough pastilles, which, although not being exceptionally expensive, are not typical products for everyday consumption. Rather they are targeted at an exclusive group of consumers and are therefore purchased rather infrequently. Accordingly, the defendant believes that even smaller quantities of products sold may be sufficient to prove genuine use. Therefore, consumers may be particularly attentive and selective, so some degree of brand loyalty may be assumed.

10. The defendant produces the contractual arrangements between him and H. ten Herkel about the use of the contested trademark in the Netherlands. He explains that these arrangements have been in place since 1991 and cover the Benelux. The defendant also submits several invoices issued to H. ten Herkel. The use made by H. ten Herkel was made with the consent of the defendant and is thus equivalent to use made by the defendant, according to the latter. The defendant indicates that some information on the invoices is commercially sensitive and was therefore redacted. However, the invoices carry country details, give indications of the time of use (within the relevant period), identify specific product names, reference to the word POTTER'S and contain the number of units sold, which gives a clear idea of the extent of sales. The defendant points out that H. ten Herkel ordered around 15.000 units every six months on average, so approximately 30.000 units per year - all meant for further distribution/sale in the Netherlands. The invoices reflect the exact amount the defendant has sold.

11. The defendant argues that the purpose of the sales to the distributor, H. ten Herkel, is to put the defendant's goods on the market and thus to create a market share for the goods. Consequently, evidence such as e.g. the invoices submitted are very relevant for establishing genuine use.

12. Furthermore, the defendant also submits the artwork history of the POTTER'S packaging, which features the contested trademark. These types of documents are generally undated, or do not include any country details, by nature, but the defendant believes that, in the context of a global assessment, they may be taken into consideration in conjunction with other items of evidence which are dated in order to prove that the goods are produced by the defendant and then distributed in the Benelux. It also proves that the defendant has made efforts and investments in the brand to promote the product in the relevant territory.

13. The defendant also produces a document with images and links to websites where POTTER'S products are sold in the Netherlands. Furthermore, he introduces a report showing the brand share for POTTER'S and H. ten Herkel in the Netherlands. This report shows the market share in medicated confectionary for POTTER'S in the Netherlands in 2020. These statistics are confidential.

14. For these reasons, the defendant is of the opinion that the contested trademark has been put to genuine use in the Benelux during the relevant period. He thus requests that the Office rejects the application for revocation and orders that the costs shall be borne by the claimant.

B. Claimant's arguments

15. The claimant points out that the defendant needs to provide proof of use of the contested trademark in the Benelux within the relevant period and in relation to part of the goods in class 5 (the goods being *Pharmaceutical substances and preparations, medicines, dietetic, medicinal and tonic foodstuffs for children, infants, sick and disabled persons for medical use, herbs not included in other classes, insecticides, antiseptics and disinfectants; not including medicated preparations in the form of pastilles all for human use for the treatment of catarrhs, coughs and colds*). He argues that the evidence fails as it relates to use in relation to pastilles, while the cancellation action excluded pastilles, and he thus finds that there has been no genuine use in relation to the goods that are the subject of these proceedings.

16. The claimant stresses that parallel proceedings play no role here. He also mentions that the defendant indicated that he manufactures and sells pastilles (only) thereby (indirectly) confirming the lack of use of the contested trademark for the products covered by these proceedings.

17. The defendant's arguments about use in a form different to the trademark as registered, do not need to be tackled, according to the claimant, as the use relates to pastilles only.

18. The claimant recalls that, given the scope of these proceedings, the defendant erroneously indicates that the products for which use needs to be evidenced are pastilles (only).

19. Finally, the evidence relates to pastilles only, as is confirmed by the defendant. For example the copy of the agreements with third parties, amongst others, Ten Herkel B.V. and Booker Nutritional Products Ltd., are describing the products involved as "pastilles". The claimant states that the evidence provided does not show use for products other than these pastilles.

20. For these reasons, no genuine use has been demonstrated for the relevant goods of the contested trademark. The claimant requests that the revocation action is upheld, that the contested trademark is limited to the specifically mentioned pastilles only and that the costs are borne by the defendant.

C. Defendant's last arguments

21. The defendant claims that the claimant quickly decided to limit the scope of the application for revocation in an attempt to isolate the defendant's use and to secure a cost award. In the defendant's opinion this illustrates that the claimant wants to put the defendant to maximum trouble and expense.

22. The claimant argues that the contested trademark has only been used for "pastilles" but not for any of the remaining contested goods and it must therefore be revoked. However, the defendant argues

that he has shown use in relation to class 5 for "pastilles for the treatment of catarrh, coughs and colds". Class 5 covers a broad range of goods. The defendant refers to caselaw of the European General Court ("EGC") in which it is stipulated that since consumers are searching primarily for a product or service to meet their specific needs, the purpose of the product or service in question is vital for determining their choice and thus it is of fundamental importance when defining a subcategory of goods or services.

23. The defendant believes that class 5 is sufficiently broad for several subcategories to be identified within it. The evidence shows that the contested trademark has been used for at least "pastilles for the treatment of catarrh, coughs and colds". The purpose of these products is to treat catarrh, coughs and colds. Accordingly, there is a sufficiently clear relationship and link between these and the registered goods that this is an area into which the defendant easily wants to expand its business in the future. Accordingly, the goods "pastilles for the treatment of catarrh, coughs and colds" which fall under the broad category of "*Pharmaceutical substances and preparations*", constitutes use for the subcategories "*Pharmaceutical substances and preparations, medicaments, dietetic, tonic, medicinal foods for children, infants, ill people for medical purposes, herbs not included in other classes.*".

24. The defendant requests the Office to reject the revocation action.

III. DECISION

A.1 Legal framework

25. Pursuant to Article 2.30bis (1)(a) in conjunction with Article 2.30quater (1) BCIP an application for revocation may be filed with the Office based on the grounds set out in Article 2.27 (2) BCIP. It is in that case up to the defendant to provide proof that genuine use has been made of the contested trademark in accordance with Article 2.23bis BCIP in a period of five years prior to the date of the application for revocation in the Benelux territory or that there are proper reasons for non-use.

26. The application for revocation was submitted on 20 October 2020. Therefore, the defendant is required to show genuine use of the contested trademark, during the period from 20 October 2015 to 20 October 2020 ("the relevant period").

A.2 Proof of use

In general

27. In accordance with the case-law of the European Court of Justice ("CJEU") there is genuine use of a trademark if the mark, 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, is used in order to create or preserve an outlet for those goods or services, not including token use for the sole purpose of preserving the rights conferred by the mark.² When assessing whether use of the trademark is genuine, must be taken into account all the facts and circumstances relevant to establishing whether the commercial use of the mark is real, particularly the practices regarded as warranted in the relevant economic sector as a means of maintaining or creating market shares for the goods or services protected by the mark, the nature of those goods or services, the

² CJEU 3 July 2019, C-668/17, ECLI:EU:C:2019:557, point 38 (Viridis) and CJEU 11 March 2003, C-40/01, ECLI:EU:C:2003:145, point 43 (Ansul).

characteristics of the market and the scale and frequency of use of the mark.³ 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.⁴

28. The General Court held that use of the earlier mark need not always be quantitatively significant for it to be deemed genuine.⁵ In interpreting the concept of genuine use, account should be taken of the fact that the *ratio legis* of the requirement that the mark must have been put to genuine use is not to assess commercial success or to review the economic strategy of an undertaking, nor is it to restrict trademark protection to the case where large-scale commercial use has been made of the marks.⁶

29. 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.⁷

30. Following rule 1.41 io. 1.25 IR the proof of use should contain evidence of the place, duration, extent and manner of use of the trademark invoked for the goods on which the opposition is based.

Analysis of the proof of use

31. The defendant submitted the following exhibits to demonstrate genuine use of the contested trademark:

1. Contractual arrangements between the defendant and H. ten Herkel about the use of the contested trademark in the Netherlands
2. Invoice(s) issued to H. ten Herkel between 2015 and 2020
3. Artwork history and artwork change summary for the contested trademark from 2014 and before to 2020
4. List of stores/webshops selling POTTER'S branded products
5. Euromonitor medicated confectionary report 2020

32. The contested trademark has been registered for a broad category of goods in class 5, however the defendant only provided proof of use for specific goods being pastilles.

33. The Office establishes that the claimant does not dispute that the contested trademark has been used for pastilles. The claimant considers pastilles as a specification of both the "pharmaceutical preparations" and "medicines" and acknowledges that genuine use has only been demonstrated for *medicated preparations in the form of pastilles all for human use for the treatment of catarrhs, coughs and colds* (see point 3) but not for the rest of the goods in class 5. The defendant claims however that "pastilles for the treatment of catarrh, coughs and colds" fall under the broad category of "*Pharmaceutical substances and preparations*", which constitutes use for the subcategories "*Pharmaceutical substances and*

³ CJEU 31 January 2019, C-194/17, ECLI:EU:C:2019:80, point 83 (Pandalis) and CJEU 11 March 2003, C-40/01, ECLI:EU:C:2003:145, point 43 (Ansul).

⁴ EGC 4 April 2019, T-910/16 and T-911/16, ECLI:EU:T:2019:221, point 29 and the case-law mentioned there (Testa Rossa).

⁵ EGC 8 July 2004, T-334/01, ECLI:EU:T:2004:223, point 36 (Hipoviton) and EGC 30 April 2008, T-131/06, ECLI:EU:T:2008:135, point 41 (Sonia Rykiel).

⁶ EGC 4 April 2019, T-910/16 and T-911/16, ECLI:EU:T:2019:221, point 28 and the case-law mentioned there (Testa Rossa).

⁷ EGC 8 July 2020, T-686/19, ECLI:EU:T:2020:320, point 35 (GNC LIVE WELL).

preparations, medicaments, dietetic, tonic, medicinal foods for children, infants, ill people for medical purposes, herbs not included in other classes."

34. If a trademark has been registered for a category of goods or services which is sufficiently broad for it to be possible to identify within it a number of sub-categories capable of being viewed independently, proof that the trademark has been put to genuine use in relation to a part of those goods or services affords protection only for the sub-category or sub-categories to which the goods or services for which the trade mark has actually been used belong.⁸

35. The Office points out that the category of pharmaceutical preparations constitutes a sufficiently broad category for it to be possible to identify within it a number of sub-categories capable of being viewed independently. In that context, it is important to underline, first, that the criterion of the purpose or intended use of the product is of fundamental importance in the definition of a subcategory of goods and, second, that the purpose and intended use of a therapeutic preparation are expressed in its therapeutic indication. It must also be noted that a given medical condition can often be treated using a number of types of medication in various pharmaceutical forms containing different active ingredients, some of which are available over-the-counter whilst others are available only on prescription and must be administered by medical staff.⁹

36. A subcategory should thus be based on the therapeutic indication of the goods at issue and should be sufficiently broad not to undermine the defendant's legitimate interest in being able, in future, to extend its range of goods while enjoying the protection which registration of that trademark confers on it.¹⁰

37. In light of the above the Office establishes that the goods for which the contested trademark has been registered in class 5 constitute a broad category of goods for which it is possible to identify within it a number of sub-categories capable of being viewed independently. Therefore, proof that the mark has been put to genuine use in relation to pastilles will only afford protection for a specific sub-category to which these goods for which the trademark has actually been used belong.

38. In the light of the considerations set out above in paragraphs 34 and 35, it is clear that the sub-category of goods suggested by the claimant, namely *'medicated preparations in the form of pastilles all for human use for the treatment of catarrhs, coughs and colds'* cannot be accepted. In giving not only the therapeutic indication but also the pharmaceutical form (pastilles), that definition does not correspond to an adequate sub-category of goods.

39. The sub-category of goods for which genuine use has been demonstrated here should be defined as *Pharmaceutical preparations and medicines for the treatment of catarrhs, coughs and colds* as it is based on the therapeutic indication of the goods at issue and at the same time is also sufficiently broad not to undermine the defendant's legitimate interest to extend its range of goods.

⁸ EGC 14 July 2005, T-126/03, ECLI:EU:T:2005:288, point 45 (Aladin); CJEU 16 July 2020, C-714/18 P, ECLI:EU:C:2020:573, point 43 (TAIGA).

⁹ EGC 16 June 2010, T-487/08, ECLI:EU:T:2010:237, points 58-59 (Kremezin).

¹⁰ EGC 16 June 2010, T-487/08, ECLI:EU:T:2010:237, point 61 (Kremezin).

B. Conclusion

40. Based on the foregoing the Office states that the defendant did only provide sufficient proof of use of the contested trademark in the Benelux within the relevant period for part of the goods in class 5, namely *Pharmaceutical preparations and medicines for the treatment of catarrhs, coughs and colds*.

IV. DECISION

41. The cancellation application with number 3000250 is partially justified.

42. Benelux registration 56067 for the wordmark POTTER'S will only remain registered for part of the goods for which genuine use has been demonstrated, namely *Pharmaceutical preparations and medicines for the treatment of catarrhs, coughs and colds*.

43. Neither of the parties shall pay the costs in accordance with article 2.30ter (5) BCIP in conjunction with rule 1.44 (2) IR, as the cancellation application is only partly justified.

The Hague, 23 December 2022



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(rapporteur)

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