

**BENELUX OFFICE FOR INTELLECTUAL PROPERTY
CANCELLATION DECISION
N° 3000323
of 8 December 2022**

Claimant: **Henkel AG & Co. KGaA**
Henkelstrasse 67
40589 Düsseldorf
Germany

Representative: **NLO Shieldmark**
New Babylon City Offices Anna van Buerenplein 21A
2595 DA The Hague
The Netherlands

against

Defendant: **Fumakilla Limited**
Kanda-Mikuracho 11
Chiyoda-ku -Tokyo
Japan

Representative: **Octrooibureau Los en Stigter B.V.**
Weteringschans 96
1017 XS Amsterdam
The Netherlands

Contested trademark: Benelux registration 342325

VAPE

I. FACTS AND PROCEEDINGS

A. Facts

1. On 13 July 2021 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 grounds 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 342325, which was filed by the defendant on 30 September 1976 for goods in classes 5 and 9 for the figurative mark with word elements VAPE¹.

3. The cancellation claim is directed against all goods of the contested trademark, namely:

Class 5: *Insecticides.*

Class 9: *Electrical devices to exterminate insects.*²

4. The language of the proceedings is English.

B. Course of the proceedings

5. The application for revocation is admissible and was notified by the Benelux Office for Intellectual Property (hereinafter 'the Office') to the parties on 19 July 2021. 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 UR, 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, at which time the claimant and, finally, the defendant were asked to react. The administrative phase was completed on 7 February 2022.

II. ARGUMENTS

A. Defendant's arguments

6. The defendant begins by introducing himself, as well as with information about his relationship with the claimant in order to – in words of the defendant - better understand the documents submitted.

7. The defendant explains to be a Japanese based chemical company and insecticide manufacturing company which has been active since 1890, nowadays in more than 70 countries around the world. The

¹ Given the fact that the figurative elements of this trademark only comprise the use of a particular font printed boldly, it is shown here as a word.

² The original language of the contested trademark registration is Dutch. The exact wording of the relevant goods in class 5 is as follows: "Insekticiden" and in class 9: "Elektrische apparaten ter verdelging van insekten". The abovementioned English translation of the relevant goods is solely provided to facilitate the legibility of this decision.

nature of the activities of the defendant includes the manufacturing and sale of goods relating to the extermination and repelling of mosquito's and cockroaches. The most famous trademark under which the goods of the defendant are manufactured and sold is the trademark "VAPE".

8. As for the relationship between the defendant and the claimant, he explains that the exclusive right to produce and sell licensed goods under the contested trademark has been granted to Guaber S.R.L., an Italian leading company in the field of insecticides. The license is valid for many countries, including those of the Benelux. The defendant evidences this by filing the underlying license agreement. The defendant points out that Guaber S.R.L. is a subsidiary company of the claimant. However, instead of promoting the licensed goods in the EU, the claimant now filed a revocation action against the contested trademark. This action is a self-centred act done in bad faith against the principle of faith and trust, which is unacceptable.

9. In relation to the proof of use the defendant offers, he firstly notes that the effective use is evidenced in particular by the official link of the trademark of the defendant, from which can be verified that the goods in question are object of advertising and marketing all around the world. The defendant notes that "e-commerce" is of growing importance in our current world and that online sale/orders should therefore be considered to be commercial transactions; acts of true exploitation of the trademark, since nowadays all big merchants sell their goods online. Consequently, the marketing of the goods designated by the contested trademark through online ordering in the Netherlands is proof of use. As an example of genuine use, the defendant refers to the Dutch website of an online marketplace, on which numerous VAPE purchase advertisements for insecticides and electric apparatus for destroying insects can be found. In the matter at hand however, the evidence is limited to the relevant period for which use has to be proven. This concerns several purchase advertisements from the Dutch website of an online marketplace, which, according to defendant, have been placed online on dates that fall within the relevant period. The defendant notes that this Dutch online marketplace is also accessible to Belgian consumers.

10. The defendant again expresses his dissatisfaction about the fact that the current cancellation procedure seems oblivious to the existing commercial links between the parties at hand. To further substantiate this point, the defendant offers evidence which he feels shows that Guaber S.R.L. is under control of the claimant, including extracts from the commercial registers, an email from a third party attesting to the relationship and a print screen from what the defendant claims to be the website of the claimant on which the contested trademark is being mentioned, together with the fact that the defendant is the registered owner of the trademark and that Guaber S.R.L. is the exclusive licensee thereof.

11. Based on the foregoing, the defendant concludes that the cancellation action was filed in bad faith and is somewhat contradictory. He therefore finds that one can only conclude that genuine use of the contested trademark was proven and its validity should be upheld.

B. Claimant's arguments

12. The claimant starts by explaining that the he himself was never part of the license agreement to which the defendant refers. The license agreement was concluded at a time where there were no connections between the licensee (Guaber S.R.L.) and claimant. The claimant also refers to a clause in the supplementary agreement which the defendant never invoked, namely a clause in which it is stated that if the licensed products shall not reach a certain level of the market share in some of the countries, the

licensee may return the country to the licensor. However, the defendant never exercised this right, which is evidence of not deeming it necessary to increase market share in the Benelux.

13. In relation to the argument that the cancellation action was filed in bad faith, the claimant notes that i) the claimant was never a party to the license agreement, ii) the license agreement was concluded at a time when there were no connections between Guaber S.R.L. and the claimant and iii) the license agreement does not contain a clause according to which the mutual obligations also have effect for affiliated companies.

14. In relation to the evidence filed, the claimant notes that the print screens from the online marketplace date from 28/09/2021, which is outside of the relevant period and should therefore not be taken into consideration. Also, the evidence submitted cannot prove a right-preserving use of the trademark VAPE in Benelux. This would only be the case if the owner itself or an authorised third party, i.e. a licensee, had used the trademarks. The exclusive licensee is the company Guaber S.r.l. as the defendant itself has proved by submitting the license agreement. This exclusivity means that only and alone Guaber S.r.l. can have used the trademark VAPE in the Benelux. And when reviewing the advertisements, it is clear that unauthorised third parties are offering the VAPE products on the Dutch website of the online marketplace. All the (Italian) resellers are unauthorised third parties and not affiliated to the defendant or Guaber S.R.L.

15. It must also be noted that none of the products presented reveal packaging in Dutch or French, languages spoken in the Benelux. In fact, all packaging is in Italian. From this, it can be concluded that neither the defendant nor the licensee had the intention to sell the products under the trademark VAPE in the Benelux. In addition, as the packaging of the goods is all in Italian, i.e. the goods are neither intended for the Benelux market nor are they authorized as insecticides in the Benelux. Insecticides need to be authorized by the competent national authorities before they are offered for sale.

16. The defendant further refers only to the Dutch website from an online marketplace that was – however – only officially launched in March 2020. Therefore, the claimant is wondering how it is possible that certain of the advertisements filed as evidence of use were posted for the first time on dates before March 2020. In this respect, the claimant also files a print screen from an email from the online marketplace, in which it is explained that the data on the European websites were merged into the Dutch website from that online marketplace, and that this is the reason that some products from the website have a date of first use before March 2020.

17. The claimant also points out that the defendant refers to the importance of e-commerce, but that no use is shown on the website of the biggest Dutch online retailer (whereas the online retailer that was mentioned is not one of the biggest ones in the Netherlands).

18. With the foregoing in mind, the claimant concludes that the presence of 24 advertisements for Italian products (5 for electrical mosquito destroyer and 19 for pesticides) on the Dutch website of an online retailer does not prove genuine use in in the Benelux.

19. The claimant also points to the fact that the license agreement as filed by the defendant states that the licensee is supposed to send sales and marketing reports to the defendant. The claimant states that, if there has in fact been genuine use, the defendant could have submitted those reports for the countries of the Benelux. The absence of those reports attests to the lack of genuine use in the Benelux.

20. The claimant ends by proclaiming that it disagrees with the statement that Guaber S.R.L. is under the control of the claimant.

21. Based on the documents submitted by the defendant, the claimant is of the opinion that no genuine use in the Benelux has been demonstrated for the contested trademark. The claimant therefore requests the Office to grant the request for revocation and order the defendant to bear the costs of the proceedings.

C. Defendant's last arguments

22. The defendant starts his response to the arguments of the claimant with the topic of the relationship between the claimant and the licensee Guaber S.R.L. He points out that it was the claimant that filed the authorization of multiple "VAPE" products with the European Chemical Agency during the term of the license agreement and for the relevant territory. The defendant files print screens of the European Chemical Agency on which this is shown, together with a summary of the characteristics of the products for which the authorization was sought. The defendant also refers to a screenshot of the website of the claimant, on which the claimant recognizes the fact that VAPE products are the result of years of international research and that the trademark VAPE is used by Guaber S.R.L. under license from the defendant.

23. In relation to the arguments of the claimant as to why the print screens of the Dutch website of the online marketplace do not constitute evidence of genuine use, the defendant notes that the print screens constitute conclusive indirect proof of use. In relation to the arguments of the claimant that the Dutch website of the online marketplace was not yet online on the dates on which the advertisements were posted for the first time, the defendant notes that information on the internet is considered to be the date on which the information was posted. As the dates relating to when the advertisements were posted fall within the relevant period, the print screens constitute proof of use. Furthermore, the print screens in annexes 21- 25 are clearly posted after the date on which the Dutch website of the online marketplace was launched.

24. In relation to the argument of the claimant that the evidence of use does not see to use with the consent of the defendant, the defendant notes that Guaber S.R.L failed to comply with the license agreement by not submitting the licensor sales reports. However, it was with the consent of the trademark proprietor that Guaber S.R.L. has not only produced the relevant products, but also subsequently placed the products on the Benelux market via third parties at wholesale or retail level (including e-commerce websites). Therefore, the evidence shows that third parties have used the contested trademark, from which can be inferred that the defendant has given consent.

25. In relation to the argument of the claimant that the defendant never had the intention to sell products under the name VAPE in the Benelux, the defendant strongly disagrees and points out that the license agreement as filed specifically mentions the countries of the Benelux. The defendant also points out that a test purchase via the advertisements of which print screens were filed as annexes 12, 19 and 24, shows not only that the products are being delivered in the relevant territory (the Netherlands), but also shows that the packaging mentions that the products are manufactured in Italy and that a license is granted by the trademark proprietor. The warnings and safety instructions on the packaging are in English, a language understood by the Benelux public. Pictures of the packaging referred to are also filed.

26. Finally, the defendant points out that the packaging indicates "Presidio Medico Chirurgico", which means that the product at least bears authorization for the Italian market and according to the website of the Italian Chemical Certification website, the Italian rules are in alignment with the EU rules. Therefore, if the product is approved for the Italian market, the product meets the requirements for the EU.

27. The defendant ends with the same conclusion as in its first rounds of arguments: that the cancellation action was filed in bad faith and is somewhat contradictory. He therefore finds that one can only conclude that genuine use of the contested trademark was proven and its validity should be upheld.

III. GROUNDS FOR THE DECISION

A.1 Legal framework

28. 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 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 claim for revocation in the Benelux territory or that there are proper reasons for non-use.

29. The application for revocation was submitted on the 13 July 2021. Therefore, the defendant is required to show use of the contested trademark, during the period from 13 July 2016 to 12 July 2021 ("the relevant period").

A.2 Proof of use

In general

30. 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.³ When assessing whether use of the trademark is genuine, regard must be had for 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 characteristics of the market and the scale and frequency of use of the mark.⁴ 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.⁵

31. The General Court held that use of the earlier mark need not always be quantitatively significant for it to be deemed genuine.⁶ The purpose of the notion of genuine use is not to assess commercial success

³ 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).

⁴ 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).

⁵ General Court (EU) 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).

⁶ General Court (EU) 8 July 2004, T-334/01, ECLI:EU:T:2004:223, point 36 (Hipoviton) and General Court (EU) 30 April 2008, T-131/06, ECLI:EU:T:2008:135, point 41 (Sonia Sonia Rykiel).

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.⁷

32. 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.⁸

33. 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 contested trademark.

B. Analysis of the proof of use

34. The defendant submitted several print screens from a Dutch website of an online marketplace in order to demonstrate genuine use of the contested trademark. The print screens were all made on a date outside of the relevant period, but according to the defendant, the print screens do show genuine use as the print screens mention the dates from when the particular advertisements have allegedly been online.

35. After an examination of the print screens however, the Office finds that these do not show genuine use of the contested trademark. Even if it could be assumed that the dates mentioned on the print screens, the dates which supposedly are the dates from when the advertisements were online, are correct, the print screens simply do not suffice. As the defendant himself states, the print screens constitute indirect evidence. There is no direct evidence on file showing actual sales of any product to consumers, whereas such evidence, such as till receipts, sales invoices or accounting documents referring to the goods bearing the trademark VAPE during the relevant period on the Benelux's territory, should not be difficult to obtain for the defendant in case such evidence exists.⁹

36. Given the fact that the evidence in the form of the print screens is not corroborated with any other evidence, the Office is not able to draw any conclusions about the actual use made of the contested trademark.

37. In addition, the claimant correctly points out that it cannot be assumed that the dates mentioned on the print screens, supposedly the dates from when the advertisements were online, are correct. There are quite some reasons to question the validity of those dates, in particular the fact that the Dutch website of the online marketplace was not yet active on the dates mentioned.

38. In short: the evidence as filed, only existing of print screens on the basis of which no conclusions can be drawn in relation to the to the place, duration, extent and manner of use the contested trademark in the Benelux, is not sufficient to prove genuine use of the contested trademark.

⁷ General Court (EU) 4 April 2019, T-910/16 and T911/16, ECLI:EU:T:2019:221, point 28 and the case-law mentioned there (Testa Rossa).

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

⁹ See by analogy: General Court (EU) 15 December 2016, T-391/15, ECLI:EU:T:2016:741, point 48 and the case law mentioned there (ALDI).

B. Other factors

39. The defendant refers to alleged bad faith from the claimant in relation to the filing of these cancellation proceedings. Such a claim can however not have any bearing on the outcome of the case at hand, as the only question that needs to be answered is the question as to whether the contested trademark was genuinely used in the Benelux during the relevant period. It is not for the Office to decide on any other issues, such as the relationship between parties and/or the question as to whether filing this revocation action constitutes a possible act of tort on the side of the claimant.

C. Conclusion

40. Based on the foregoing the Office is of the opinion that the defendant did not provide proof that the contested trademark has been used in the Benelux within the relevant period.

IV. Decision

41. The cancellation application with number 3000323 is justified.

42. Benelux registration 342325 will be revoked.

43. The defendant shall pay the claimant 1,420 euros in accordance with Article 2.30ter (5) BCIP in conjunction with rule 1.44 (2) IR, as the cancellation application is awarded in its entirety. This decision constitutes an enforceable order pursuant to Article 2.30ter (5) BCIP.

The Hague, 8 December 2022



Pieter Veeze
(*rapporteur*)

Camille Janssen

Tomas Westenbroek

Administrative officer: Vincent Munier