

BENELUX OFFICE FOR INTELLECTUAL PROPERTY CANCELLATION DECISION N° 3000427 16 January 2024

Claimant: Choki AB

Skoklostervägen 89 74696 Skokloster

Sweden

Representative: Knijff Merkenadviseurs

Leeuwenveldseweg 12

1382 LX Weesp Netherlands

against

Defendant: HUSKY CZ s.r.o.

Huťská 2985/5 141 00 Praha 4 Czech Republic

Representative: Bird & Bird (Netherlands) LLP

Zuid-Hollandplein 22 2596 AW Den Haag

Netherlands

Contested trademark: International registration 821742



I. FACTS AND PROCEEDINGS

A. Facts

- 1. On 11 April 2022, 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 International registration 821742, designating inter alia the Benelux, of the combined word-/figurative mark

 OHUSHY, which was filed and registered on 23 December 2003 for goods in classes 18, 20, 22, 25 and 28.
- 3. The cancellation application is directed against all goods in classes 18 and 25 of the contested trademark, namely:
 - Class 18 Backpacks, bags, particularly sports bags.
 - Class 25 Clothing, footwear, headgear, particularly clothing for sports, hosiery, clothing of leather, ski gloves, sports shoes.
- 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 19 April 2022. 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 21 November 2022.

II. ARGUMENTS

A. Defendant's arguments

- 6. The defendant explains that Husky is a Czech company that manufactures quality clothing, bags, backpacks, camping and outdoor products and other equipment. According to the defendant, the company is active in 34 countries across Europe, Asia and South America, including the Benelux since 2004.
- 7. The defendant argues that the claimant originally operated in the chocolate industry and only recently focused on selling clothing and sport equipment under the name 'HUSKI' and 'HUSKI WEAR'. According to the defendant, the claimant systematically attacks the HUSKY trademarks, claiming non-use

in numerous countries across Europe. However, these trademarks are genuinely used in all countries where they are registered and the defendant therefore states that the present revocation action is a result of the claimant's dishonest business strategy.

- 8. The defendant further explains that with regard to the Benelux, the products are sold on the market by local distributors. According to the defendant, the contested sign is displayed on practically every piece of good that has been offered. The defendant submits screenprints, catalogues and invoices in order to substantiate this argument. The evidence also contains an overview of products sold in the Benelux, including photos, the name of the type of product and the corresponding invoice numbers. According to the defendant, more than 4.000 items of goods have been sold in Benelux during the relevant period, including backpacks, bags, sports bags, clothing, sportswear, shoes, and other outdoor equipment, for more than 225.000 EUR (on wholesale level). The defendant argues that these numbers are sufficient to establish genuine use in the light of other, similar, cases.
- 9. As a result, it has to be concluded that the contested trademark has been genuinely used for all of the goods concerned during the relevant period. Therefore, the defendant requests that the Office rejects the application for revocation and orders that the claimant bears the costs of these proceedings.

B. Claimant's arguments

- 10. The claimant analyses the evidence piece by piece and argues that much of it is undated or falls outside of the relevant period. Part of the evidence also misses reference to the Benelux or relates to goods that are irrelevant, such as tents and sleeping bags. The claimant also states that part of the invoices regarding the transport of the goods is not translated in English (from Czech) and for that reason it is not clear what kind of goods are involved. Furthermore, the claimant states that the contested sign has not been used as it is registered, because the contested sign is a figurative sign and use of only the verbal element does not suffice. In addition, the claimant argues that certain documents do not show trademark use by the defendant, but by its distributor.
- 11. With regard to the overview of goods sold in the Benelux, the claimant argues that it is not possible to verify whether the pictures in this overview correspond with the products from the catalogues.
- 12. The claimant argues that with regard to the goods in class 25, the evidence submitted is either directly irrelevant (wrong goods, no reference to the Benelux, not in the language of the proceedings, outside the relevant time frame etc.) or at the very least simply insufficient for the purpose of ascertaining genuine use in the Benelux. The claimant also states that there is no evidence of use for goods such as shoes, headgear, hosiery, clothing of leather, ski gloves and sport shoes.
- 13. For this reason, the claimant states that class 25 should be revoked as a whole. With regard to the goods in class 18, the claimant argues that these should be limited as only evidence for backpacks was brought forward and not for bags in general.

C. Defendant's last arguments

14. The defendant states that he has submitted 89 annexes of proof, including dated invoices, dated print screens of web shops targeting the Benelux and dated catalogues. The submitted proof contains clear

references to the place, time, extent and nature of the use of the contested trademark in relation to the goods in class 18 and 25. In addition, the defendant argues that also circumstances subsequent to the filing of the revocation claim may be taken into account in order to confirm or better assess the extent of the use.

- 15. Furthermore, the defendant states that even minimal use can be sufficient to be deemed genuine, provided that it is viewed as warranted in the economic sector concerned to maintain or create a market share for the goods or services protected by the trademark.
- 16. The defendant also states that the contested sign has not been used in such a deviating form that it impacts the distinctive character of the trademark.
- 17. Furthermore, in accordance with article 2.23bis, (6) BCIP, "Use of the trademark with the owner's consent shall be considered use by the trademark owner". According to the defendant it is confirmed by established case law that this provision applies to distribution relationships which means that use of trademarks by distributors of the trademark owner is considered to be genuine use of such trademarks by the owner itself.
- 18. The defendant states that genuine use of the trademark must be demonstrated in relation to all coherent (sub)categories of products for which the trademark is registered. In this context the defendant refers to the Aladin case of the General Court¹ and states that said principle may not result in the proprietor of the trademark being stripped of all protection for goods which, although not strictly identical to those in respect of which he/she has succeeded in proving genuine use, are not in essence different from them and belong to a single group which cannot be divided other than in an arbitrary manner. In that regard, the defendant argues that sport clothing, clothing of leather and ski gloves are all part of the broader subcategory of clothing since these goods all have the same purpose, namely they are intended to cover the human body and to conceal, adorn and protect it against the elements. Along similar lines, backpacks and other kind of bags are, within class 18, part of the general subcategory 'bags'.
- 19. Subsequently, the defendant makes a division into four subcategories, namely clothing, footwear, headgear and bags and explains for each category which annexes show genuine use of the contested trademark. With regard to footwear and headgear, the defendant argues that genuine use of the contested sign for these goods can be derived from the catalogues.
- 20. The defendant concludes that in the light of the above, the application for revocation must be rejected in its entirety.

III. DECISION

A.1 Legal framework

21. 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

¹ EGC 14 July 2005, T-126/03, ECLI:EU:T:2005:288, point 45 (Aladin).

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.

22. The application for revocation was submitted on 11 April 2022. Therefore, the defendant is required to show genuine use of the contested trademark, during the period from 11 April 2017 to 11 April 2022 ("the relevant period").

A.2 Proof of use

In general

- 23. 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 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
- 24. 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
- 25. 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
- 26. 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 for the goods concerned.

 $^{^2}$ 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).

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

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

Analysis of the proof of use

- 27. The defendant submitted the following exhibits to demonstrate genuine use of the contested trademark:
 - Catalogues showing, amongst others, clothing, hats, gloves, tents, sleeping bags, back packs, waist bags, shoulder bags, sport bags, travel bags, camping equipment, in English and Czech and concerning the years 2017, 2018, 2019, 2020, 2021 and 2022;
 - 2. Invoices regarding orders from stores in the Netherlands (amongst others Sportbay and Cheap Outdoor), concerning back packs, waist bags, sleeping bags, tents, sweatshirts, pants and T-shirts (dated in the years 2017, 2018, 2019, 2020, 2021 and 2022);
 - 3. Invoices (partly in Czech) issued by TNT express for the transport of goods, referring to several stores in the Netherlands (dated in the years 2017, 2018, 2019, 2020 and 2021);
 - 4. Screenprints from web shops (Sportbay and Cheap Outdoor), showing back packs, sweatshirts, and pants (dated in the years 2017, 2018, 2019, 2020 and 2021);
 - 5. Screenshots of Husky advertising videos from YouTube, showing several pieces of clothing and back packs containing the contested sign, not dated;
 - E-mail communication between Husky and distributors in the Benelux (dated in the years 2020, 2021 and 2022).
- 28. As also pointed out by the claimant, the Office notes that the evidence largely relates to goods not at issue in the present case (see point 10). Since this case concerns whether the contested trademark was genuinely used for goods in class 18 and 25, documentation regarding tents and sleeping bags is irrelevant and would have been better not submitted.
- 29. Regarding the documents in Czech (number 3), it should be noted that documents may be submitted in their original language, but will be taken into account only if the Office deems them sufficiently comprehensible (rule 1.20 UR). In the present case, it concerns shipping invoices that also contain English words and other information (such as names and addresses) which sufficiently indicates what the content of the invoices is.

Class 18

30. After analysis of the evidence, the Office finds that this shows that different types of bags (such as back packs, sport bags, waist bags) have been offered for sale through several stores and online web shops in the Netherlands during the relevant period. The invoices sent to these companies for the purchase of the goods (number 2) refer to different types of bags called 'Ribon', 'Ranis', 'Rony', 'Samont', 'Slander', 'Scape', 'Stingy', 'Marel', 'Skid' and 'Gerry' which correspond with the names of the bags depicted in the catalogues and screenprints (numbers 1 and 4). The images of the bags depicted in the catalogues and on the screenprints clearly show the contested trademark on the bag. Based on the submitted invoices, it can be roughly calculated that more than 6,000 euros worth of bags were delivered to the distributors during the relevant period, which is not negligible and exceeds the threshold for mere token use in the Benelux. For this reason, the Office concludes that the contested sign has been genuinely used for all the goods mentioned in class 18.

Class 25

- 31. With regard to class 25, the invoices sent to the stores (number 2) also refer to T-shirts, sweatshirts and pants. Again, several names (Anah, Telly, Klass M, Klass L and Galti) correspond with pieces of clothing depicted in the catalogues and on the screenprints. Furthermore, the screenprints from the web shops show that sweatshirts, pants and T-shirts contain the contested trademark. Based on the submitted invoices, it can be roughly calculated that more than 3,000 euros worth of clothing items were delivered to the distributors during the relevant period, which is not negligible and exceeds the threshold for mere token use in the Benelux. For this reason, the Office finds that the contested sign has been genuinely used for 'Clothing, particularly clothing for sports'.
- 32. With regard to the evidence related to clothing, the claimant argues that since the evidence does not relate to hosiery, clothing of leather and ski gloves, the contested sign must be revoked for these specific goods (see point 12). The Office agrees with the claimant on this point. None of the pieces of evidence submitted mentions 'hosiery, clothing of leather and ski gloves'. Unlike the defendant argues on the basis of the Aladin case⁸ (see point 18), the fact that these specific goods fall under the generic term of 'clothing' does not mean that no use obligation exists for these goods that are explicitly mentioned in the registration. After all, use must be demonstrated for all goods or services in respect of which the trademark is registered. If alongside the broad generic term the trademark also explicitly claims specific goods covered by the generic term, it also has to have been used for these specific goods in order to remain registered for them. Therefore, evidence of use for the other pieces of clothing mentioned above, like T-shirts, sweatshirts and vests, is not sufficient to maintain protection for 'hosiery, clothing of leather and ski gloves'.
- 33. With regard to footwear, headgear and sport shoes, the Office also finds that the proof of use does not show that the contested trademark has been genuinely used for these goods. Although the catalogues refer to socks and hats, there is no further evidence that these goods were offered to the public in the Benelux. Contrary to what the defendant argues (see point 19), the assessment regarding genuine use of the contested sign in the Benelux cannot be based solely on the information provided by the type of catalogues that were submitted in this case.

Use of the trademark as registered and by distributors

- 34. The Office does not agree with the claimant that the contested sign has not been used as it is registered (see point 10). Firstly, the evidence clearly shows that the goods not only contain the word HUSKY but also the figurative element that is part of the contested trademark. Furthermore, use of only the verbal element HUSKY does not alter the distinctive character of the trademark and thus constitutes a representation of the contested trademark for the purposes of assessing proof of use.⁹
- 35. The claimant's remark that certain documents do not show use of the trademark by the defendant but by its distributors (see point 10) cannot be considered as an argument that there is no genuine use. Clearly this is use of the trademark with the consent of the proprietor, which shall be deemed to constitute use by the proprietor as referred to in Article 2.23bis (6) BCIP.

⁸ EGC 14 July 2005, T-126/03, ECLI:EU:T:2005:288, point 45 (Aladin).

⁹ CJEU 18 July 2013, C-252/12, ECLI:EU:C:2013:497, point 31 (Specsavers) and CJEU 13 September 2007, C-123/06, ECLI:EU:C:2007:514, point 86 (Bainbridge).

Conclusion

36. The Office concludes that the evidence submitted, taken together, sufficiently demonstrates genuine use in the relevant periods within the Benelux for all the goods in class 18 and for the goods 'Clothing, particularly clothing for sports' in class 25.

B. Other factors

37. The defendant claims that the revocation action is a result of the claimant's dishonest business strategy (see point 7). However, a cancellation procedure does not provide for a defence on grounds of 'reasonableness and fairness' and 'abuse of rights' to which the defendant may be referring. Since Article 2.27 (2) BCIP provides for the possibility of filing a revocation action based on the claim that no genuine use has been made of the contested trademark in accordance with Article 2.23bis BCIP, 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.

C. Conclusion

38. The defendant has shown that the contested trademark has been genuinely used for all of the goods in class 18 and for part of the goods in class 25 in the five years previous to the filing of the application for revocation. For the remainder part of the goods in class 25 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.

IV. DECISION

- 39. The cancellation application with number 3000427 is partially justified.
- 40. International registration 821742 will be revoked for the Benelux for the following goods for which the genuine use has not been proven, namely:

Class 25 Footwear, headgear, hosiery, clothing of leather, ski gloves, sports shoes.

41. International registration 821742 will be upheld for the following goods for which the genuine use has been proven, as well as the goods against which the cancellation was not directed, namely:

Class 18 Backpacks, bags, particularly sports bags.

Class 20 Sleeping bags for camping.

Class 22 Tents.

Class 25 Clothing, particularly clothing for sports.

Class 28 Toys, games, balls, body-building apparatus.

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

The Hague, 16 January 2024



Eline Schiebroek (rapporteur)

Pieter Veeze

Tineke Van Hoey

Administrative officer: Vincent Munier