

BENELUX OFFICE FOR INTELLECTUAL PROPERTY
OPPOSITION DECISION
N° 2015677
of 30 December 2021

Opponent: **E & F Design Limited**
Room E 6/F Eastern Commercial Centre Hennessy Road
395-399
Hong Kong
Hong Kong

Representative: **Algemeen Octrooi- en Merkenbureau B.V.**
Professor Dr. Dorgelolaan 30
5613 AM Eindhoven
Netherlands

Invoked trademark: **European Union trademark 2025336**



against

Defendant: **Heatsail bvba**
Waesdonckstraat 1
2640 Mortsel
Belgium

Representative: **Bureau M.F.J. Bockstael nv**
Arenbergstraat 13
2000 Antwerpen
Belgium

Contested trademark: **Benelux application 1402149**
HEATSAIL

I. FACTS AND PROCEEDINGS

A. Facts

1. On 13 September 2019 the defendant filed a Benelux trademark application for the word trademark HEATSAIL for goods in class 11. This application was processed under number 1402149 and was published on 24 September 2019.

2. On 25 November 2019 the opponent filed an opposition against this application. The opposition was initially based on the following trademarks invoked:

- European Union trademark 2025336 for the combined word-/figurative trademark



, filed on 4 January 2001 and registered on 15 March 2002 for goods in classes 11, 20 and 21;

- European Union trademark 2706596 for the combined word-/figurative trademark



, filed on 20 May 2002 and registered on 4 July 2003 for goods in classes 11, 20 and 21.

3. However, when submitting its proofs of use, the opponent indicated that it relied only on the trademark referred to above as the first trademark.

4. The opposition is directed against all the goods of the contested application. It was initially based on all the goods of the trademarks invoked, but when submitting its arguments, the opponent limited it to *apparatus for lighting* in Class 11.

5. The grounds for opposition are those laid down in Article 2.14, 2 (a) Benelux Convention on Intellectual Property (hereinafter referred to as: "BCIP").

6. The language of the proceedings is English.

B. Proceedings

7. The opposition is admissible and the Benelux Office for Intellectual Property (hereinafter referred to as: "the Office") notified the parties on 28 November 2019. During the administrative phase of the proceedings both parties filed arguments and at the request of the defendant, the opponent submitted proof of use. All the documents submitted meet the requirements as stated in the BCIP and the

Implementing Regulations (hereinafter referred to as: "IR"). The administrative phase of the procedure was completed on 12 November 2020.

II. ARGUMENTS OF THE PARTIES

8. The opponent filed an opposition at the Office under article 2.14, 2 (a) BCIP, in accordance with the provisions of article 2.2ter, 1 (b) BCIP: the likelihood of confusion based on the identity or similarity of the relevant trademarks and of the goods or services concerned.

A. Opponent's arguments

9. According to the opponent, the contested goods are identical to the goods of the trademarks invoked insofar as *apparatus for lighting* is a broader category that covers all sorts of lighting, including outdoor lighting as claimed by the defendant.

10. The goods will also be offered through the same channels of trade like hardware stores, do-it-yourself stores, and garden centres. It is to be expected that the public, when perceiving identical products under partially identical names, will believe these products come from the same undertaking.

11. In relation to the word elements, both trademarks have the same beginning, the word HEAT. Comparing the trademarks in their whole, it should be considered that the beginning of a trademark has a significant influence on the general impression made by it. According to the opponent, the addition of the second word in the contested trademark is not sufficient to outweigh the similarity of the trademarks.

12. Moreover, the contested trademark encompasses the trademark invoked in its entirety, which is an indication of similarity, especially when the element in common retains an independent distinctive place in the composite trademark. The opponent concludes that the trademarks are visually similar.

13. Aurally, the first and more important syllable in the contested trademark is the stress syllable HEAT, which is identical to the trademark invoked. The word SAIL is clearly a second word, pronounced more softly, weakly. The opponent therefore finds that the trademarks are aurally similar to a high degree.

14. For the part of the public that will attach some meaning to the word HEAT, the opponent concludes that the trademarks are conceptually highly similar. For the part of the public that would not perceive any meaning for not being familiar with the English language, a conceptual comparison is not possible and therefore will not be of influence on the assessment of the similarity.

15. The opponent concludes that there is a likelihood of confusion and he therefore requests that the Office rejects the contested trademark application.

16. Upon request of the defendant, the opponent has provided proof of use of the trademark invoked.

B. Defendant's arguments

17. The defendant has requested proof of use of the trademark invoked.

18. Regarding the evidence of use provided by the opponent, the defendant observes that the goods referred to are explicitly indoor lighting. Furthermore, the logo of the trademark invoked is missing. And most important of all, all the evidence of use is limited to the Finnish market. As such, catalogues in Finnish and goods with packaging in Finnish are only marketable in Finland itself. Considering that the total population of Finland amounts to approximately 5.5 million, as opposed to 11.5 million in Belgium and

17.3 million in the Netherlands, the defendant does not believe that a trademark which is limited to the Finnish market can generate the amount of use expected of a EUTM.

19. The trademark invoked contains the word HEAT, which is a common English word indicating high temperature. This interpretation is reinforced by the ° sign, which is the standard symbol used to represent degrees of temperature. As a wordmark, the name HEAT° is so generic that it lacks the distinctiveness needed to function as a trademark. According to the defendant, it is the figurative part of the device which lends the trademark its distinctiveness (if any).

20. The contested trademark consists of the word HEATSAIL, which is not an existing word neither does it convey a specific meaning. Moreover, the average consumer will not connect the name HEATSAIL with the word HEAT of the earlier trademark. Consequently, the defendant is of the opinion that conceptual confusion between the trademarks is highly unlikely.

21. Visually, the average consumer will see the contested trademark as one word which conveys no specific meaning and should therefore be considered arbitrary for the goods concerned. As the verbal element of the trademark invoked is descriptive, any distinctiveness of the trademark is due to the figurative arrangement of the device. The average consumer will be struck by the device as a whole, not by the generic word HEAT in itself. Consequently, visual confusion between the trademarks based on the generic word HEAT is highly unlikely according to the defendant.

22. Phonetically, both trademarks share the word element HEAT, but the name HEATSAIL as a whole sounds very different. Additionally, the word HEAT is merely descriptive and can therefore not be considered the basis for a risk of confusion between the trademarks. Consequently, phonetical confusion between the trademarks is highly unlikely according to the defendant.

23. The defendant states that, while the goods of the contested application fall under the scope of the goods of the earlier trademark, there are two factors which negate the risk of confusion between the trademarks based on the goods. The first factor pertains to the fact that the word HEAT should be considered descriptive for the goods on which the opposition is based, as it may serve to indicate the nature of the lighting apparatus (heat lamps) and/or describe one of its characteristics / functions (radiation of heat). Therefore, according to the defendant, this word cannot serve as the basis for confusion between the goods of the respective trademarks.

24. The second factor has to do with the specific products for which the trademark invoked is used, namely for *tailormade indoor lighting products*, as mentioned explicitly in a brochure. The defendant points out that there is a significant difference between indoor and outdoor lighting. Indoor lighting products are not suitable for outdoor use as they are not built to withstand the elements (rain, sun, temperature differences, etcetera). As such, the average consumer looking for outdoor lighting will not buy indoor designer lights and vice versa.

25. In conclusion, the defendant requests that the Office rejects the opposition and registers the contested trademark application for all the goods applied for.

III. DECISION

A. Proof of use

26. In application of the provisions of articles 2.16bis (1) and 2.23bis (1) of the BCIP and rule 1.25 of the UR, the trademark relied upon must have been in genuine use during a period of five years preceding the date of filing of the younger trademark.

27. The contested trademark was filed on 13 September 2019. Thus, the period to be considered - the relevant period - is from 13 September 2014 to 13 September 2019.

28. In accordance with the decision of the Court of Justice of the European Union (hereinafter referred to as "CJUE") of 11 March 2003 (CJUE, 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).

29. The EGC held that use of the earlier mark 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).

30. In addition the EGC held that genuine use of a trademark cannot be proved by means of probabilities or suppositions, but must be demonstrated by solid and objective evidence of effective and sufficient use of the trademark in 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, SoniaSonia Rykiel, already referred to above).

31. The trademark invoked is a trademark of the European union (EUTM), hence the obligation to use the trademark is administered by article 18 of Regulation (EU) No 2017/1001 of the European Parliament and of the Council of 14 June 2017. This article, entitled "Use of an EU mark", stipulates: *"If, within a period of five years following registration, the proprietor has not put the EU trade mark to genuine use in the Union in connection with the goods or services in respect of which it is registered, or if such use has been suspended during an uninterrupted period of five years, the EU trade mark shall be subject to the sanctions provided for in this Regulation, unless there are proper reasons for non-use."*

32. In its decision of 19 December 2012 (case C-149/11, Onel, ECLI:EU:C:2012:816), the ECJ explained this provision. The ECJ considers regarding the concept "in the Community" that there is a difference between the territorial extent of the protection conferred on national trademarks and the extent of the protection conferred on EU trademarks. From a territorial point of view, an EU trademark enjoys a more extensive scope of protection than a national trademark. As a consequence, it may reasonably be expected that an EU trademark be used in a larger area, except for the (exceptional) case where the market for the goods and services at issue has been territorially restricted. Abstraction should be made

here of the boundaries of the territory of the Member States. The ECJ concludes: "*A Community trademark is put to 'genuine use' within the meaning of Article 15(1) of Regulation No 207/2009 when it is used in accordance with its essential function and for the purpose of maintaining or creating market share within the Community for the goods or services covered by it. It is for the referring court to assess whether the conditions are met in the main proceedings, taking account of all the relevant facts and circumstances, including the characteristics of the market concerned, the nature of the goods or services protected by the trade mark and the territorial extent and the scale of the use as well as its frequency and regularity.*"

33. The threshold for genuine use of an EU trademark is therefore in principle higher than that for genuine use of a national (or Benelux) trademark. It should be demonstrated that the trademark is used for the purpose of maintaining or creating market share within the EU and taking into account all relevant facts and circumstances.

34. 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

35. The opponent submitted the following exhibits to demonstrate genuine use of the trademark invoked:

- 1) Brochure with company history;
- 2) Internal document about sales and market tool;
- 3) Product catalogues and brochures;
- 4) Prints of opponent's website and of its retailers;
- 5) Packaging;
- 6) Hong Kong price list;
- 7) Sales invoices;
- 8) List of client complaints;
- 9) Order confirmations SOK.

36. The brochure with company history (number 1 above) states: "*Heat, our in-house brand of tailor-made indoor lighting products has been well-received by DIY stores and retailers throughout Europe for the past 24 years. [...] In order to provide improved service and logistics solutions for our European customers, Electroline Nordic Oy was opened in February 2013 in Finland.*" However, no information is given as to the actual use of the trademark invoked.

37. The internal document about sales and market tool (number 2 above) consists, according to the opponent's explanation, of internal basic guidelines for sales and marketing strategy, such as what should be displayed on the company's webpage, use of leaflets, catalogue, showroom, and the budget for the year 2015. However, no information is given as to the actual use of the trademark invoked.

38. The product catalogues and brochures (number 3) contain numerous products, including *kattovalaisimet* (ceiling lights), *lattiavalaisimet* (floor lamps), *kohdevalaisimet* (spotlights), *valaisinjohdot* (lighting wires), *riipuvaisimet* (pendant lights), and *seinävalaisimet* (wall lights).¹ According to the defendant, it therefore concerns only indoor lighting (see point 24), but it overlooks the *ulkovalaisimet* (outdoor lighting). On some pages of the catalogues, the trademark invoked appears at the top left, but the relationship to the products depicted and described further on is not clear. For the rest, the catalogues do not give any information about the place, duration, extent, and manner of use of the trademark invoked.

39. The prints of the websites (4) concern opponent's website and those of its retailers in Finland, Prisma and Kodinterra. These are both current printouts and printouts from the wayback machine, all of them with the top-level domain for Finland. According to the opponent, a wide range of its lightning products is offered on these websites. However, the fact that products are offered for sale on these websites does not say anything about the place, duration, extent, and manner of use of the trademark invoked.

40. The packaging (5) contains the trademark invoked on the front page, but as the defendant observes, the text on the packaging is in Finnish, indicating that the product is intended for Finland only. Furthermore, it provides no information about the place, duration, extent, and manner of use of the trademark invoked.

41. The Hong Kong price list 2018 (6) does not contain any information on the actual use of the trademark invoked in the EU.

42. The (four) sales invoices (7) are dated 2016, 2017, 2018 and 2019, they are entirely in Finnish and addressed to the same Finnish customer. At the top right they contain the trademark invoked, but it is not clear in what relation it stands to the products sold. In the column under the heading *Nimike* there are several product descriptions which, with some good will for someone who does not understand Finnish, could be related to the goods on which the opposition is based, but not to the trademark invoked.

43. The list of client complaints (8) is about products bought in Prisma stores around Finland. The list does not give any information about the duration, extent, and manner of use of the trademark invoked.

44. The opponent explains that SOK stands for *Suomen Osuuskauppojen Keskuskunta*, The Centre of Finnish Co-operative Shops. The orders (9) are limited to the Finnish market and do not give any information about the duration, extent, and manner of use of the trademark invoked.

Conclusion

45. The evidence of use, considered as a whole and in relation to each other, does not sufficiently demonstrate that, during the relevant period, the trademark invoked was actually used in the EU for the goods on which the opposition is based. Indeed, it has not been demonstrated that the goods have actually been sold to final consumers. In addition, use in Finland alone would not be sufficient for normal use in the EU. It is therefore not appropriate to assess the likelihood of confusion.

B. Conclusion

46. Since proof of genuine use of the trademark invoked has not been provided, the opposition should be rejected without assessing the likelihood of confusion

¹ Translation with <https://www.deepl.com/translator>

IV. CONSEQUENCE

47. The opposition with number 2015677 is not justified.

48. Benelux application with number 1402149 will be registered for all the goods applied for.

49. The opponent shall pay the defendant 1,045 euros in accordance with article 2.16, 5 BCIP in conjunction with rule 1.28, 3 IR, as the opposition is rejected in its entirety. This decision constitutes an enforceable order pursuant to article 2.16, 5 BCIP.

The Hague, 30 December 2021



Willy Neys
rapporteur

Saskia Smits

Pieter Veeze

Administrative officer:

Guy Abrams