

BENELUX OFFICE FOR INTELLECTUAL PROPERTY
OPPOSITION DECISION
N° 2016328
of 23 November 2021

Opponent: **YACAMA, besloten vennootschap met beperkte aansprakelijkheid**
Boomsesteenweg 1311
2830 Willebroek
Belgium

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

Invoked right: **Benelux trademark registration 1184535**

MOUNT GRACE

against

Defendant: **CHUO BUDOSHU KABUSHIKI KAISHA (GRACE WINERY CO., LTD.)**
Todoroki Katsunuma-cho Koshu-shi 173
409-131 Yamanashi
Japan

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

Contested trademark: International application 978592

GRACE WINE

I. FACTS AND PROCEEDINGS

A. Facts

1. On 22 May 2020 the defendant filed a subsequent designation to his international trademark application designating the Benelux, for the wordmark "GRACE WINE" for goods in class 33. This application was processed under number 978592 and was published in the Gazette 2020/25 on 2 July 2020.
2. On 31 August 2020 the opponent filed an opposition against the registration of the application. The opposition is based on the Benelux registration 1184535 of the wordmark "MOUNT GRACE", filed on 3 July 2009 and registered on 12 October 2009 for goods and services in classes 32, 33 and 35.
3. According to the register the opponent is the actual holder of the trademark invoked.
4. The opposition is directed against all of the goods covered by the contested application and is based on all of the goods covered in class 33 by the trademark invoked.
5. The grounds for opposition are those laid down in article 2.14, 2 (a) of the Benelux Convention on Intellectual Property (hereinafter: "BCIP").
6. The language of the proceedings is English.

B. Course of the proceedings

7. The opposition is admissible and was notified by the Benelux Office for Intellectual Property (hereinafter: "the Office" or "BOIP") to the parties on 3 September 2020. During the administrative phase of the proceedings both parties filed arguments and at the request of the defendant, the opponent filed documents to prove use of his trademark. The course of the proceedings meets the requirements as stated in the BCIP and the Implementing Regulations (hereinafter "IR"). The administrative phase was completed on 30 March 2021.

II. ARGUMENTS

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 trademark and sign and the identity or similarity of the goods or services concerned.

A. Opponent's arguments

9. The opponent starts his arguments with the comparison of the goods covered by the trademarks and notes that the "grape wine" of the defendant falls within the broader designation of "alcoholic beverages (except beers), wines" of the trademark invoked.
10. With regards to the trademarks, the opponent first points out that the word "WINE" in the contested trademark is descriptive of the goods covered and thus of minor importance for the comparison.
11. Comparing the remaining elements, the opponent notes that the word "GRACE" is present in both trademarks, causing them to be visually and phonetically similar to a high degree, differing only in the addition of the word "MOUNT" in the invoked trademark. Conceptually, the opponent finds the trademarks

largely identical in that while the invoked trademark does contain the word mount used to identify a mountain, both trademarks invoked contain the word and refer to the concept of "GRACE".

12. As a result, the opponent considers the high degree of similarity between the trademarks and the fact that they cover identical goods makes it so that there exists a likelihood of confusion for the consumer.

13. Following the request by the defendant, the opponent submitted proof of use.

B. Defendant's arguments

14. In the first place the defendant asks the opponent to provide proof of use for his trademark.

15. In response the defendant considers that the proof submitted by the opponent is insufficient to prove genuine use of the invoked trademark. More specifically, he notes that the invoices submitted by the opponent were submitted by a third party to which the opponent failed to prove any commercial link. Furthermore, the defendant points out that all of the invoices submitted are addressed towards the same party and no proof is submitted that the products were distributed beyond a single shop, to any end consumers. The defendant argues that such use does not constitute genuine use for a substantial part of the Benelux area. Furthermore, the opponent argues that no evidence was provided as to the actual sale to consumers, noting the lack of advertising provided.

16. In his arguments addressing the likelihood of confusion invoked by the opponent, the defendant starts with the comparison of the trademarks. He notes in this regard that the opponent disregarded the low distinctive character of the word "GRACE", which the defendant finds descriptive for the goods concerned. Furthermore, the defendant contends that "MOUNT" is of low distinctive character too considering it could be perceived as referring to the origin of the goods.

17. Comparing the trademarks as a whole, the defendant notes that they differ in their beginning and ending, rendering them only similar to some extent phonetically. Visually the defendant points out that both trademarks differ in the amount of characters they contain. Further, the grammatical construction of the trademarks differs according to the defendant: where the word "GRACE" is used as an adjective in the contested trademark, the invoked trademark uses it as a demonstrative pronoun drawing further attention to the word "MOUNT" and rendering the trademarks visually only similar to a certain extent. Conceptually, the defendant considers that the trademarks do not coincide as the invoked trademark refers to a geographical location where the contested application uses the word "GRACE" as an adjective for wine.

18. Concerning the goods covered by both trademarks, the defendant does not contest that they are identical.

19. The defendant further notes that, considering the relevant audience, their attention should be considered to be medium to high because the goods concerned are addressed at wine lovers and, even when choosing wine at a supermarket, the relevant public will pay attention.

20. In that regard and considering the arguments above, the defendant finds that the proof of use submitted is insufficient to prove a genuine use of the invoked trademark for the relevant territory. Nonetheless, should the Office decide that use was sufficiently proven, the defendant still finds that there exists no risk of confusion for consumers due to the conceptual differences between the trademarks and the attentive public. Thus, he asks the Office to register the contested trademark and to order that the costs be borne by the opponent.

III. DECISION

A.1 Proof of use

21. In accordance with Article 2.16bis BCIP, the opponent, at the request of the defendant, shall furnish proof that the trademark invoked has been put to genuine use as provided for in Article 2.23bis BCIP or that proper reasons for non-use existed. The evidence must show genuine use in a period of five years preceding the filing or priority date of the trademark against which the opposition is lodged.

22. The filing date of the contested trademark is 22 May 2020. Therefore, the opponent was required to show use of the invoked trademark during the period from 22 May 2015 to 22 May 2020 ('the relevant period'). Given the fact that the trademark invoked was registered more than five years prior to the filing date of the contested trademark, the defendant's request that proof of use is submitted is legitimate.

In general

23. 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).

24. 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).

25. 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).

Analysis of the proof of use

26. The opponent submitted the following exhibits to demonstrate the genuine use of the invoked trademark in the Benelux:

1. Two pictures of wine bottles depicting the invoked trademark on their label.
2. 6 invoices originating from a company named WINSA and addressed at a company named Delhaize Group in Brussel. The invoices cover a timeframe ranging from 2015 to 2020 and amount to over 100'000 bottles sold for over 200'000 Euros in total.

27. Indeed the illustrations submitted clearly show wine bottles displaying the invoked trademark. The invoices show the sale of these products to a single party, namely Delhaize Group. However, the proof of use does not in any way show that these goods were actually offered to end consumers. Therefore, no evidence was submitted which would allow the Office to establish that the products were actually made available to the public within the territory of the Benelux without resorting to assumptions (EGC Vogue, T-382/08, 18 January 2011, ECLI:EU:T:2011:9). Although the invoices submitted could be an indication that the efforts of the trademark owner are aimed at creating or preserving a real commercial outlet for the goods concerned, as stated in paragraph 25 of this decision, genuine use of a trademark cannot be proven by relying on probabilities. It is thus insufficient that the use of the trademark would appear credible. In the absence of any indication that the products were actually offered for sale by the buyer referenced in the invoices, the Office cannot establish with certainty genuine use within the territory of the Benelux.

B. Other factors

28. In an opposition procedure there is no question of the other party being ordered to bear the costs incurred (see paragraph 20). Only a referral of the costs set at the established opposition fee in case the opposition is totally rejected (or justified) is provided for.

C. Conclusion

29. It follows from the foregoing that the evidence the opponent filed with the Office, even when assessed overall, does not meet the requisite legal standard to prove genuine use of the earlier trademark in the Benelux during the relevant period. The opponent fails to file proof that substantiates the place, time or extent of the use, as required by article 1.25 (2) IR. As a result of the lack of sufficient proof of use, there is no need for the Office to examine the existence of a likelihood of confusion.

IV. DECISION

30. The opposition with number 2016328 is not justified.

31. The International application with number 978592 will be registered in the Benelux.

32. 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 not justified. This decision constitutes an enforceable order pursuant to article 2.16, 5 BCIP.



The Hague, 23 November 2021

François Châtellier
(rapporteur)

Pieter Veeze

Eline Schiebroek

Administrative officer: Raphaëlle Gerard