

BENELUX-OFFICE FOR INTELLECTUAL PROPERTY OPPOSITION DECISION N° 2010086 of 4 January 2017

Opponent: Zekeriya Gözcü-Fichtner

Lochmühlenstr. 8 45897 Gelsenkirchen

Germany

Representative: MADO - EUROPA GmbH

Emscherstr. 43

45891 Gelsenkirchen

Germany

Invoked right: European registration 5710249

MADO

against

Defendant: Yasar Dondurma ve Gida Maddeleri Anonim Sirketi

Gaziantep Karayolu Uzeri Erkenez Mevkii 5.KM

Kahramanmaras

Turkey

Representative: De Vries en Metman Octrooigemachtigden

Overschiestraat 180 1062 XK Amsterdam The Netherlands

Contested trademark: Accelerated Benelux registration 957905



I. FACTS AND PROCEEDINGS

A. Facts

MADO

1. On 11 June 2014 the defendant filed an application for a trademark in the Benelux for the complex mark

for goods and services in classes 30, 35 and 43. In accordance with article 2.8, 2 of the Benelux Convention on Intellectual Property (hereinafter "BCIP"), the defendant has requested the registration without delay of said application (hereinafter "the accelerated registration"). This registration has been put to examination under the number 957905 and was published on 13 June 2014.

- 2. On 22 July 2014 the opponent filed an opposition against the accelerated registration. The opposition is based on the earlier European registration 5710249, having effect in the Benelux, for the word mark "MADO", filed on 26 April 2007 and registered on 11 March 2008 for goods and services in classes 29, 30, 35 and 43.
- 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 and services of the contested application and is based on all of the goods and services of the trademark invoked.
- 5. The grounds for opposition are those laid down in article 2.14, 1 (a) BCIP.
- 6. The language of the proceedings is English.

B. Chronological order of the proceedings

7. The opposition is admissible and was notified to the parties on 7 August 2014. During the administrative phase of the proceedings both parties filed arguments and at the request of the defendant proof of use was filed. All of the documents submitted meet the requirements as stated in the BCIP and the Implementing Regulations (hereinafter "IR"). The administrative phase was completed on 26 August 2015.

II. ARGUMENTS OF THE PARTIES

8. The opponent filed an opposition at the Office under article 2.14, 1 (a) BCIP, in accordance with the provisions of article 2.3 (b) BCIP: the likelihood of confusion based on the identity or similarity of the relevant trademarks and the identity or similarity of the goods or services concerned.

A. Opponent's arguments

9. The opponent substantiates his opposition by submitting evidence of the use of the invoked European Union Trademark (hereinafter "EU Trademark"). This evidence consists of an affidavit that discusses some additional exhibits. The affidavit explains that the opponent granted MADO-EUROPA GmbH a licence to use the trademark invoked. This aforementioned company has commercialized a milk product under the name MADO

since July 2011 within the EU and apart from that they have also operated an ice cream shop in Mannheim, Germany, since October 2013 under the name MADO. Furthermore, the opponent states that the trademark MADO has been put to genuine use in Germany as well as in the European Community within the relevant five-year period. The affidavit also provides turnover figures from MADO-EUROPA GmbH regarding their sale of MADO products in Germany from 2011 to 2013 as well as information about the turnover generated by the ice cream shop in Mannheim per day. Moreover, the affidavit points out that MADO-EUROPA GmbH ran advertisements for MADO products on the television station ATV and in Turkish newspapers. The ice cream shop in Mannheim was publicised via local radio stations, direct mailings and www.mado-mannheim.de. Finally the opponent states that MADO-EUROPA GmbH is also the owner of the domain name www.mado-online.de on which the MADO trademark has been used since 2011.

- 10. The opponent explains that the product which has been sold under the MADO trademark is a milk-based ice cream, which contains at least 60 per cent by weight of milk. As such the goods clearly fall within the term "milk and milky products" in class 29. The goods "ice cream" can be found in class 30. The opponent argues that as the defendant also registered his trademark for goods in class 30 there is an overlap between the goods.
- 11. According to the opponent, the trademark invoked has been put to genuine use in the European Community for services in class 43. The fact that the defendant has included both classes 30 and 43 in his application suggests that he also has the intention of providing these services for the same goods as the opponent. It is clear that the goods themselves are confusingly similar to the services regarding the provision of these goods to outlets. Thus, the public could reasonably expect that a brand for milk-based ice cream also operates cafes and parlours under the same trademark. Therefore, the opponent finds that the defendant's use of the trademark for services in classes 43 and 35 will clearly be confusing in the market place with the opponent's goods in class 30.
- 12. The opponent concludes that the trademark invoked has been put to genuine use and that the registration of the sign MADO must be prevented.

B. Defendant's arguments

- 13. The defendant argues that since the opponent only filed proof of use and did not substantiate the opposition any further with arguments, the opposition should be rejected or held inadmissible in accordance with article 1.17.c IR.
- 14. With respect to the proof of use filed by the opponent the defendant states that the documents submitted by the opponent are insufficient to prove use for the relevant goods and services in the relevant territory, the European Union. First of all, the defendant points out that the documents submitted are not in the language of the proceedings (English) and have not been properly translated into English. Therefore they cannot be taken into account. Furthermore the evidence of use does not concern any of the goods and services for which the trademark invoked has been registered. Moreover the territorial extent of use of the trademark invoked is insufficient to prove genuine use in the European Union. The opponent also failed to sufficiently demonstrate the quantitative extent of the use of the trademark invoked, according to the defendant. The defendant continues that the witness statement submitted originates from the opponent himself and therefore has little probative value. Furthermore the defendant contests the opponent's statements about sales values, now that these figures originate from the opponent, are not clear and cannot clarify what goods and marks they relate to. Finally he also

indicates that the labels the opponent provided do not contain any indication of the place, duration, extent and manner of use of the earlier trademark and that some of the invoices submitted do not contain a letterhead and seem to be copies or translations and are therefore questionable.

- 15. Should the Office consider that genuine use has been proven by the opponent, the defendant states that the goods and services at issue are partly dissimilar. Regarding the comparison of the signs, the defendant finds that, taking into account the clear graphic elements of the sign, there is no similarity between the contested sign and the right invoked. Therefore, it will be unlikely that a likelihood of confusion may arise.
- 16. The defendant concludes that the opposition should be rejected, since the opponent has not submitted arguments to substantiate the opposition. Furthermore the proof of genuine use submitted by the opponent has to be considered as insufficient. Finally the contested sign MADO is not confusingly similar to the earlier trademark MADO due to the visual differences and differences relating to the goods and services. The defendant thus requests that the Office rejects this opposition and registers the contested sign.

III. DECISION

A.1 Proof of use

- 17. Articles 2.16, 3 (a) and 2.26, 2 (a) BCIP and rule 1.29 IR stipulate that the right invoked should be put to genuine use for a continuous period of five years prior to the publication date of the sign against which the opposition is lodged.
- 18. Given the fact that the right invoked was registered more than five years prior to the publication date of the contested sign, the defendant's request that proof of use is submitted is legitimate.
- 19. The contested sign was published on 13 June 2014. Therefore the opponent was required to show use of the right invoked, during the period from 13 June 2009 to 13 June 2014 ('the relevant period').
- 20. Following rule 1.29 IR the proof of use should contain evidence of the place, duration, extent and manner of use of the earlier trademark for the goods and services on which the opposition is based.

In general

- 21. 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) 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; EGC, Vitafruit, T-203/02, 8 July 2004; EGC, Charlott, T-169/06, 8 November 2007).
- 22. 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; EGC, Sonia-Sonia Rykiel, T-131/06, 30 April 2008). 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).

- 23. 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; EGC, Vitakraft, already referred to above and EGC, Sonia-Sonia Rykiel, already referred to above).
- 24. The trademark invoked is an EU trademark, hence the obligation to use the trademark is administered by article 15 of the Council Regulation (EC) No 207/2009 of 26 February 2009 on the European Union trade mark (hereinafter "EUTMR"). This article, entitled "Use of European Union trademarks", stipulates:

"If, within a period of five years following registration, the proprietor has not put the European Union 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 European Union trade mark shall be subject to the sanctions provided for in this Regulation, unless there are proper reasons for nonuse." 1

25. In its decision of 19 December 2012 (case C-149/11, Onel), 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 can 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 trade mark 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."

26. 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 taking into account all relevant facts and circumstances.

Analysis of the proof of use

- 27. The opponent submitted the following exhibits in order to demonstrate genuine use of the right invoked:
 - 1) Affidavit by the opponent dated 29 October 2014
 - 2) Agreement on exploitation of the trademarks dated 1 June 2011
 - 3) Two Turkish documents dated 18 November 2013 and 16 July 2012

¹ The EUTMR was adapted by the Regulation (EU) 2015/2424 of the European Parliament and of the Council of 16 December 2015. This did not change the first paragraph of article 15, except for the replacement of the terms "Community trade mark" and "Community" by respectively "European Union trade mark" and "Union".

- 4) Addendum A to franchise agreement Covenant and agreement for confidentiality dated 12 September 2012
- 5) MADO Labels used since July 2011 + three photos of these labels
- 6) Photo of a MADO ice cream parlour
- 7) Several invoices as well as some 'Proof of purchase' documents all issued by Mado EUROPA for MADO ice cream and dated 2009, 2010, 2011, 2012
- 8) Four invoices dated 2013 and 2014 issued by MADO-EUROPA GmbH
- 9) Contact details about MADO Mannheim
- 10) Extract from the website MADO-EUROPA
- 28. When assessing whether certain use of the trademark is genuine, all the facts and circumstances relevant to establishing whether the commercial use of the mark is real in the course of trade must be taken into account. In particular it is of importance whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark. Also of importance are the nature of those goods or services, the characteristics of the market and the scale and frequency of use of the mark (see ECJ, La Mer Technology, C-259/02, 27 January 2004). However, the smaller the commercial volume of the exploitation of the mark, the more necessary it is for the party opposing new registration to produce additional evidence to dispel possible doubts as to the genuineness of the right invoked (ECJ, VOGUE, T-382/08, 18 January 2011).
- 29. The right invoked is filed for the following goods and services in classes 29, 30, 35 and 43:
 - Class 29: Milk and milk products
 - Class 30: Bonbons
 - Class 35: Providing professional business know-how (franchising)
 - Class 43: Providing of food and drink in cafes and other catering establishments
- 30. After an analysis of the exhibits at hand the Office finds that no, or at least not enough proof of use has been provided in order to be able to establish that the trademark invoked is used for the purpose of maintaining or creating market share within the EU for the goods and services at issue.
- 31. First of all the opponent claims that he has used his invoked right for ice cream (for consumption). However the right invoked is not registered for ice cream. Ice cream for consumption can be found in class 30. However the opponent registered his trademark for goods in class 29 "milk and milk products" and for "bonbons" in class 30. The Office cannot follow the opponent's argument that as the product which has been sold under the MADO trademark is a milk-based ice cream, it clearly falls within the term "milk and milk products" in class 29 (see point 10). The mere fact that the opponent's ice cream contains milk as one of its ingredients does not make it a milk product as classified in class 29. Besides, ice cream is considered a sub category of confectionery in class 30. Thus the use of the trademark invoked for ice cream for consumption does not constitute use for milk and milk products in class 29. As far as the goods in class 30 are concerned, the opponent only registered the trademark invoked for bonbons, and not for ice cream. Therefore the Office concludes that in as far as the exhibits provided could already demonstrate use of the trademark invoked MADO, this use does not constitute proof of use of the trademark for the goods for which it is registered in classes 29 and 30.
- 32. Furthermore, as for the rest of the services for which the trademark invoked has actually been filed in the classes 35 and 43, the Office considers that no or at least not enough proof of use has been provided in order to

establish that the trademark invoked is used for the purpose of maintaining or creating market share within the EU for these services.

- 33. Regarding the services in class 43, the Office has established that the only exhibits that could serve to demonstrate use of the trademark invoked for these services are the opponent's affidavit (exhibit 1) and one photo of the façade of a building in Mannheim, Germany, which houses an ice cream parlour and carries the sign MADO (exhibit 6). With regard to the affidavit of the opponent (exhibit 1), it should be recalled that the fact that this statement has not been drawn up by an independent party, but by the opponent himself, does not necessarily mean that it is ruled out as evidence. The outcome depends on the overall assessment of the evidence in each particular case. In general, further material is necessary to establish evidence of use, since such statements have to be considered to have less probative value than evidence originating from independent sources (see EGC, Salvita, T-303/03, 7 June 2005). Besides the affidavit (exhibit 1), the only document that seems to relate to the services in class 43 is a photo of an ice cream parlour (exhibit 6). This is manifestly insufficient to demonstrate the extent, duration and way in which the right invoked has been used within the EU for services in class 43. In the affidavit, some turnover figures are mentioned (€11,000 in 2011, €12,000 in 2012 and €17,000 in 2013). However, these figures are not supported by any means of evidence. Besides that, the Office finds that the turnover figures are insufficient to establish genuine use for the services in question, which are by their nature directed at all consumers in Europe, from young to old. Even on a Benelux scale, one could doubt whether these figures would be sufficient to demonstrate genuine use (Court of Appeal Brussels, APPASIONATO ARTE, 2009/AR/2755, 12 October 2010), let alone on a European scale. The Office thus holds that genuine use of the trademark invoked within the EU for services in class 43 has not been proven.
- 34. Regarding the services in class 35, the Office considers that the only relevant proof that is provided to this end is the opponent's affidavit (exhibit 1). For the sake of completeness, the Office observes that exhibit 4, an addendum to a franchise agreement between the opponent and MADO-EUROPA, cannot serve as valid proof of use here. It only mentions the name MADO as a trade name to refer to the contracting party MADO-EUROPA but not as a badge of origin for franchising services by the opponent within the EU. As no additional evidence is provided that can substantiate the opponent's claim of use of the trademark invoked for services in class 35 apart from the affidavit, the Office cannot establish that the opponent has actually used the right invoked for these services within the EU.

Conclusion

35. It follows from the foregoing that the evidence the opponent filed with the Office, even when assessed overall, does not demonstrate genuine use of the trademark invoked for the goods and services for which it is registered within the EU in the relevant period. Because of the lack of sufficient proof of use, the Office will not proceed to an analysis of the likelihood of confusion in the case at hand.

B. Other factors

36. The defendant argues that since the opponent only filed proof of use and did not substantiate the opposition any further with arguments, the opposition should be rejected or held inadmissible (see point 13). The Office points out that following rule 1.17, 1 (a) IR, the Office will decide whether the opposition is admissible in accordance with Rule 1.18 IR. The Office considers that the opponent did substantiate his opposition as he advanced sufficient arguments regarding the existence of a likelihood of confusion in this case (see points 9 to 12). Therefore the opposition is admissible.

C. Conclusion

37. Now that the proof of use of the right invoked is deemed insufficient, there is no need for the Office to examine the existence of a likelihood of confusion.

IV. **DECISION**

- The opposition with number 2010086 is rejected. 38.
- 39. The accelerated registration with number 957905 remains registered.
- The opponent is under obligation to pay the defendant 1.000 euros in accordance with article 2.16, 5 40. BCIP in conjunction with rule 1.32, 3 IR, as the opposition is not justified. This decision constitutes an enforceable order pursuant to article 2.16, 5 BCIP.

The Hague, 4 January 2017

Tineke Van Hoey

Saskia Smits

Pieter Veeze

(rapporteur)

Administrative officer: Guy Abrams