

# BENELUX OFFICE FOR INTELLECTUAL PROPERTY OPPOSITION DECISION N° 2011498 of 1 August 2017

Opponent: A VE A TEKSTIL SANAYI VE PAZARLAMA LIMITED SIRKETI

Yenibosna Merkez Mahallesi, 29 Ekim Caddesi Nº 33

Bahçelievler-Istanbul

Turkey

Representative: Novagraaf Belgium S.A./N.V.

Terhulpensesteenweg 187

1170 Brussels

Belgium

Invoked right: European registration 256263

OXXO

against

Defendant: Abel Tesfaye

Ventura Blvd. 16000, Suite 600

Encino, CA 91436

United States of America

Representative: NLO Shieldmark B.V.

New Babylon City Offices Anna van Buerenplein 21 A

2595 DA The Hague

Netherlands

Contested trademark: Benelux accelerated registration 985491



#### I. FACTS AND PROCEEDINGS

## A. Facts

1. On 17 November 2015 the defendant filed an application for a trademark in the Benelux for the combined

trademark for goods and services in classes 9, 25 and 41. In accordance with article 2.8, 2 of the Benelux Convention on Intellectual Property (hereinafter: "BCIP"), the defendant requested an accelerated registration. This was processed under number 985491 and was published on 18 November 2015.

- 2. On 16 December 2015 the opponent filed an opposition against the registration of the application. The opposition is based on European registration 256263 of the word mark OXXO, filed on 9 May 1996 and registered on 13 November 1998 for goods in class 25.
- 3. According to the register the opponent is the actual holder of the trademark invoked.
- 4. The opposition is directed against all goods in class 25 and is based on all goods relating to the trademark invoked.
- 5. The grounds for opposition are those laid down in article 2.14, 1 (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") to the parties on 17 December 2015. During the administrative phase of the proceedings both parties filed arguments and at the request of the defendant proof of use was filed. 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 9 December 2016.

# II. ARGUMENTS

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 marks and the identity or similarity of the goods or services concerned.

## A. Opponent's arguments

9. The opponent argues that the goods against which the opposition is filed are either identical or highly similar.

- 10. The opponent is of the opinion that the element XO in the opposed sign must be considered the dominant element. Therefore, the right invoked and the contested sign coincide in this element. The additional letters in the right invoked, namely OX, are an exact reversed reproduction of the dominant letters of the contested sign. As a consequence mark and sign must be considered visually similar, according to the opponent.
- 11. With regard to the aural comparison, the opponent finds that the pronunciation of both signs coincides in the sound of the letters XO, present identically in both. To that extent, the opponent concludes that the signs are aurally similar.
- 12. Conceptually, neither of the signs has a meaning for the public in the relevant territory. Therefore, they have no concept in common, according to the opponent.
- 13. According to the opponent, the signs show an important degree of visual and aural similarity. The level of attention of the public is to be considered average and the opponent's trademark enjoys a normal degree of distinctiveness. The opponent finds the goods to be identical or at least highly similar.
- 14. The opponent concludes that there exists a likelihood of confusion. He therefore requests that the Office deletes the registration of the contested sign and takes a decision on the costs in favour of the opponent.
- 15. At the request of the defendant, the opponent has also submitted proof of use regarding the trademark invoked.

# B. Defendant's arguments

- 16. The defendant argues that the proof of use submitted by the opponent does not substantiate the assertion that the trademark invoked has been put to genuine use in the relevant territory, which is the European Union. The defendant questions the documents submitted by the opponent and the scope of (possible) genuine use.
- 17. The defendant confirms that some of the goods can be considered similar to the goods of the opponent. However, the defendant is also of the opinion that some of the goods of the contested sign should be considered dissimilar to those of the right invoked.
- 18. With regard to the visual comparison of the signs, the defendant stresses the fact that the contested sign consists of only two letters, whereas the right invoked contains four letters. Furthermore, the defendant is of the opinion that the figurative elements in the contested sign, namely the shape of a heart and the stylization of the letters, have a highly significant impact in the overall perception of both signs, resulting in a different visual impact.
- 19. Aurally, the defendant states that the right invoked is pronounced as two syllables, -OK-SO, while the contested sign is pronounced as one, -KSO. The first letters are aurally different, while the first part of a trademark is considered more important. The defendant concludes that the letters -OX have no counterpart in the contested sign.
- 20. Conceptually, neither of the signs has a meaning for the public in the relevant territory. Therefore, they have no concept in common, according to the defendant.
- 21. The defendant finds the level of attention to be considered normal, whereas the goods are regular purchases intended for the public at large. Furthermore, the defendant points out that the signs under comparison

are short marks. Consequently, small differences may lead to a different overall impression. The fact that the contested sign is fifty percent shorter, is stylized and has a heart shaped figure in the middle, is sufficient for the signs not to cause confusion. Lastly, the defendant holds the opinion that the visual aspect plays a greater role in the global assessment for these specific goods.

22. The defendant asks the Office to reject the opposition and have the opponent bear the costs.

## III. DECISION

### A.1 Proof of use

- 23. 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 within a period of five years prior to the publication date of the sign against which the opposition is lodged.
- 24. Given the fact that the right invoked is 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 justified.
- 25. The contested sign was published on 18 November 2015. Therefore the opponent was required to show use of the right invoked, during the period from 18 November 2010 to 18 November 2015 ('the relevant period').
- 26. 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

- 27. 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).
- 28. 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 case where large-scale commercial use has been made of the mark (EGC, Vitafruit, already referred to above).
- 29. 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 on 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).

30. 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

31. In its decision of 19 December 2012 (case C-149/11, Onel), the ECJ has 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 of 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."

32. 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.

Analysis of the proof of use

- 33. The opponent submitted the following exhibits in order to demonstrate the genuine use of the trademark invoked in the European Union for the goods mentioned in Class 25:
  - A declaration made by the Office manager of K&L Ruppert Istanbul, a branch of the German enterprise K&L Ruppert Stiftung & Co. Handels-KG, used in a prior conflict, stating that OXXO branded garments are sold in the K&L Ruppert stores in Germany, accompanied by corresponding invoices from 2012-013;
  - 2. Several invoices relating to the sale of goods to a company in Cyprus, relating to 2014;
  - 3. An invoice relating to the sale of goods to a company in Germany, relating to 2014;
  - 4. An invoice relating to the sale of goods to a company in Germany, relating to 2013.

<sup>&</sup>lt;sup>1</sup> The EUTMR has been 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".

- 34. With regard to the declaration of Mr Kabil, Office manager of K&L Ruppert Istanbul (exhibit 1), the Office considers that this declaration is the sole piece of evidence mentioning the fact that "OXXO branded garments" are bought and sold (in stores in Germany). This declaration should be considered as originating from an independent party. However, whereas this is the only statement mentioning the fact that the relevant goods are branded with the OXXO trademark, it cannot be solely held decisive in the analysis of the proof of use. In general, further material is necessary to establish evidence of the extent of use (see to that effect: ECJ, VOGUE, T-382/08, 18 January 2011, para. 45).
- 35. It should be added in that regard that, in the present case, use of the word OXXO on invoices (exhibits under 2.) is considered use as a company name, which cannot be considered to constitute use of that word as a trademark for the purpose of identifying the goods covered by the European registration (see, to that effect, HIWATT, para. 44, already referred to above).
- 36. The invoices mentioned (exhibits 2, 3 and 4) show modest amounts (in view of the EU market for these type of products) of garments invoiced to only two different companies, one in Germany and one on Cyprus. However, the evidence submitted does not include sales figures, till receipts, invoices or accounts, brochures, catalogues, advertisements, prints from websites or webstores, pictures or any other type of proof referring to clothing with the trademark OXXO offered or issued to consumers during the relevant period, which could lead to the conclusion that OXXO branded goods were actually put on the market and/or sold to consumers. Hence, the only fact proved by those invoices is that clothing was manufactured by the opponent, but not that the clothing bore the trade mark OXXO, nor that any clothing was actually put on the market and/or sold to consumers (see to that effect, VOGUE, already mentioned).
- 37. 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, 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, already referred to above). 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 its genuineness (ECJ, VOGUE, mentioned above).
- 38. After careful analysis of the proof of use provided, the Office considers that the exhibits do not sufficiently demonstrate the extent, duration and way in which the right invoked has been used in the European Union.

## C. Conclusion

39. 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 regarding the genuine use of the earlier trademark in the European Union during the relevant period. The opponent fails to file proof that substantiates the place, time or extent of the use, as required by article 1.29, 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

40. The opposition with number 2011498 is rejected.

- 41. Benelux registration with number 985491 will remain registered for all the goods and services for which it was applied.
- 42. The opponent is under obligation to pay the defendant 1,000 euro in accordance with article 2.16, 5 BCIP in conjunction with rule 1.32, 3 IR, as the opposition is not justified in its entirety. This decision constitutes an enforceable order pursuant to article 2.16, 5 BCIP.

The Hague, 1 August 2017

Tomas Westenbroek

Eline Schiebroek

Pieter Veeze

(rapporteur)

Administrative officer: Raphaëlle Gérard