

**O-281-17**

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK REGISTRATION NO 2 340 228 ANNTAYLOR  
STANDING IN THE NAME OF ANNCO INC

AND

IN THE MATTER OF AN APPLICATION FOR REVOCATION THERETO BY  
HOLZER Y CIA, S.A. DE C.V.

## Background and pleadings

1. Annco, Inc is the registered proprietor of trade mark registration No 2 340 228 consisting of ANNTAYLOR. The trade mark was filed on 11<sup>th</sup> August 2003 and completed its registration procedure on 2<sup>nd</sup> January 2004. It is registered in respect of the following goods in Class 25:

Clothing, footwear, headgear, dresses, skirts, suits, jeans, sweaters, shirts, t-shirts, tank tops, bodysuits, jumpers, vests, gloves, sleepwear, robes, swimsuits, blouses, shoes, pants, shorts, jackets, coats, socks, hosiery, hats and caps, belts, scarves and underwear.

2. HOLZER Y CIA, S.A. DE C.V. seeks revocation of the trade mark registration on the grounds of non use based upon Section 46(1)(a) and (b) of the Trade Marks Act 1994. Annco, Inc filed a counterstatement denying the claim.
3. Revocation is sought under Section 46(1)(a) in respect of the 5 year time period following the date of completion of the registration procedure, namely 3<sup>rd</sup> January 2004 to 2<sup>nd</sup> January 2009. Revocation is therefore sought from 3<sup>rd</sup> January 2009. Revocation is also sought under Section 46(1)(b) in respect of the following time periods: 3<sup>rd</sup> January 2009 to 2 January 2014 and 19<sup>th</sup> April 2011 to 18<sup>th</sup> April 2016. Revocation is therefore sought from 3<sup>rd</sup> January 2014 and 19<sup>th</sup> April 2016 respectively.
4. Both sides filed evidence in these proceedings. This will be summarised to the extent that it is considered appropriate.
5. A Hearing took place on 5<sup>th</sup> April 2017, with the applicant for revocation represented by Ms Kathryn Cruse of Forresters and the registered proprietor by Mr Jeremy Heald of Counsel, instructed by Mishcon De Reya LLP. Though all submissions made by both parties during the Hearing have been

fully considered, they will not be summarised, save for where they are considered to be directly relevant to the pertinent issues of these proceedings.

## Legislation

6. Section 46(1) of the Act states that:

“The registration of a trade mark may be revoked on any of the following grounds-

(a) that within the period of five years following the date of completion of the registration procedure it has not been put to genuine use in the United Kingdom, by the proprietor or with his consent, in relation to the goods or services for which it is registered, and there are no proper reasons for non-use;

(b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;

(c).....  
.....

(d).....  
.....

(2) For the purpose of subsection (1) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as is referred to in that paragraph is commenced or resumed after the expiry of the five year period and before the application for revocation is made: Provided that, any such commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application might be made.

(4) An application for revocation may be made by any person, and may be made to the registrar or to the court, except that –

(a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and

(b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.

(5) Where grounds for revocation exist in respect of only some of the goods or services for which the trade mark is registered, revocation shall relate to those goods or services only.

6) Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from –

(a) the date of the application for revocation, or

(b) if the registrar or court is satisfied that the grounds for revocation existed at an earlier date, that date.”

7. Section 100 is also relevant, which reads:

“If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

7. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. summarised the case law on genuine use of trade marks. He said:

“I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes Case C-442/07 *Verein Radetsky-Order v Bunderversvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice:

*Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

## Evidence

### Registered Proprietor’s Evidence

8. This is contained within four witness statements from Ms Carole Klinger, the Assistant Secretary of the Registered Proprietor (RP). The first of these is dated 1<sup>st</sup> September 2016 and it is this which will form the main body of the RP’s evidence. It is noted that paragraphs 11 and 12 of the witness statement and exhibit CK3 are subject to a confidentiality order. As such, they will be described only in the most general of terms (though the contents have been thoroughly perused and noted). The summary that follows is focussed upon information that is directly relevant in respect of proof of use.
  
9. The following relevant information is contained therein:
  - The RP is the owner of the well-known ANN TAYLOR women’s speciality retail fashion brand. It originated in the USA and between 2011 to 2016, amassed some 5.5 billion (US Dollars) in sales.
  - As regards UK focussed use, Ms Klinger emphasises use that has occurred from February 2013 onwards, following the commencement of international shipping from the RP’s website.
  - Exhibit CK1 are screenshots from the Wayback machine showing the homepage of the RP’s website on various dates from 2011 onwards. . The screenshots show a number of clothing items available during this period.
  - Exhibit CK2 are screenshots of the RP’s website. Although dated 30<sup>th</sup> August 2016 (after the relevant periods), Ms Klinger confirms that the structure and core content mirrors that which was available during the relevant periods.

- As regards UK sales, details are provided, as is information regarding the number of items sold. Both are contained within Exhibit CK3. As already stated, these are subject to confidentiality. In any case, they can be accurately described as very modest. It is noted that a range of clothing items appear in Exhibit CK3.
- Exhibit CK4 are examples of orders placed by customers in the UK. These are dated from 2013 onwards.
- Exhibit CK5 are examples of labels and a sample packaging slips (dated 2013 and 2015) used to ship clothing and other goods from the RP's website. Items sold during the relevant periods would, according to Ms Klinger, have the same labels and packaging slips. In respect of this, the RP filed a further witness statement, from Ms Charlotte Roe (a solicitor employed by the RP's representatives in this matter). She describes placing an order on the RP's website in September 2016 which was delivered to her in London. At Exhibit CR1, is a copy of the order/packing slip together with a photograph of the labels that appeared on the clothing.

## Applicant's evidence

10. This is a witness statement, dated 21<sup>st</sup> November 2016, from Ms Kathryn Cruse, a Trade Mark Attorney and the applicant's representative in these proceedings.
11. As regards use of the attacked trade mark made by the RP. Ms Cruse includes evidence (exhibit KC1) from other proceedings filed by the proprietor (in which it is opposing a trade mark). In this evidence, the proprietor clearly states that use in the UK began on 6 February 2013.
12. Ms Cruse also describes a report (exhibit KC2) by Thomson Reuters in respect of the use of the attacked trade mark. The upshot of the report is that



use of the attacked trade mark in the UK between 2006 and 2015 could not be confirmed.

## Registered proprietor's evidence in reply

13. This is a witness statement, dated 20<sup>th</sup> January 2017, from the same Ms Klinger who has previously provided evidence in these proceedings. She confirms the following:

- That from 6<sup>th</sup> February 2013, visitors to the proprietor's website had the option to change the currency of ANN TAYLOR branded products to British pounds;
- That sizes were available in the metric system (XS,S,M,L,XL etc) and that these were displayed to those customers who selected UK shipping;
- A number of other US fashion brands use metric sizing for customers in the UK, such as Macy's, Hollister, Bloomingdale's. Exhibits CK4, 5 and 6 refer.

## Use in a differing form

14. At the hearing, Ms Cruse argued that the use of the mark shown differed from that as registered. In this respect, the following guidance is taken into account:

In *Nirvana Trade Mark*, BL O/262/06, Mr Richard Arnold Q.C. (as he then was) as the Appointed Person summarised the test under s.46(2) of the Act as follows:

"33. .... The first question [in a case of this kind] is what sign was presented as the trade mark on the goods and in the marketing materials during the relevant period...

34. The second question is whether that sign differs from the registered trade mark in elements which do not alter the latter's distinctive character. As can be seen from the discussion above, this second question breaks down in the sub-questions, (a) what is the distinctive character of the registered trade mark, (b) what are the differences between the mark used and the registered trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)? An affirmative answer to the second question does not depend upon the average consumer not registering the differences at all."

15. The trade mark registered is ANNTAYLOR. The use shown is ANN TAYLOR. It is considered that the addition of a space between ANN and TAYLOR does not alter the distinctive character; each is clearly a woman's name (and the same woman's name). The applicant's submissions in this respect are therefore set aside.

## Analysis of evidence of use

16. It is true that the RP's evidence of use is very modest. It is clear that the UK is not the core market of interest and this is reflected by the level of sales achieved and lack of advertising activity. It is also purely internet use. In this regard, I bear in mind the following: In joined Cases C-585/08 and C-144/09, *Pammer v Reederei Karl Schlüter GmbH & Co. KG and Hotel Alpenhof GesmbH v Heller* the CJEU interpreted the national court as asking, in essence, "*on the basis of what criteria a trader whose activity is presented on its website or on that of an intermediary can be considered to be 'directing' its activity to the Member State of the consumer's domicile ..., and second, whether the fact that those sites can be consulted on the internet is sufficient for that activity to be regarded as such*".

17. The court held that it was not sufficient for this purpose that a website was accessible from the consumer's Member State. Rather, *"the trader must have manifested its intention to establish commercial relations with consumers from one or more other Member States, including that of the consumer's domicile"*. In making this assessment national courts had to evaluate ***"all clear expressions of the intention to solicit the custom of that state's customers"***. Such a clear expression could include actual mention of the fact that it is offering its services or goods *"in one or more Member States designated by name"* or payments to *"the operator of a search engine in order to facilitate access to the trader's site by consumers domiciled in various member states"*. Finally, the court concluded:

"The following matters, the list of which is not exhaustive, are capable of constituting evidence from which it may be concluded that the trader's activity is directed to the Member State of the consumer's domicile, namely the international nature of the activity, mention of itineraries from other Member States for going to the place where the trader is established, use of a language or a currency other than the language or currency generally used in the Member State in which the trader is established with the possibility of making and confirming the reservation in that other language, mention of telephone numbers with an international code, outlay of expenditure on an internet referencing service in order to facilitate access to the trader's site or that of its intermediary by consumers domiciled in other Member States, use of a top-level domain name other than that of the Member State in which the trader is established, and mention of an international clientele composed of customers domiciled in various Member States. It is for the national courts to ascertain whether such evidence exists."

18. The CJEU adopted a broadly similar approach in Case C-324/09 *L'Oreal v eBay* when asked whether goods bearing a trade mark and offered for sale on an online marketplace were being offered for sale in a particular territory. Therefore use of a mark on the internet does not count as use in the UK (or the EU) unless it is targeted in some way at UK (or EU) consumers.

19. It is considered clear that from February 2013 onwards, customers from the UK were clearly targeted and catered for by the RP's website. That metric sizing was displayed on tags and labels is, in my view, a red herring. International shipping was available from February 2013 onwards and this included to the UK. Consumers were also able to pay in pounds sterling. It is considered that these are, as stated above **“clear expressions of the intention to solicit the custom of that state's customers”**. Further, the evidence clearly demonstrates that items were purchased by and dispatched and delivered to, customers in the UK. The level of sales achieved is very modest to say the least, but I conclude that it is clearly genuine.

## Framing a fair specification

20. However this is not the end of the matter. The evidence of use provided is solely in respect of women's clothing. To this end, the following is taken into account:

a) In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as being:

“In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

b) In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation as follows.

“iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) ("Thomas Pink") at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark

has been used and which are not in substance different from them;  
*Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46.”

20. It is considered that no use at all has been shown on anything other than women’s clothing (within which a range of different items have been sold). This is considered to be a definable sub category which fairly reflects the activities of the RP. Thus, the trade mark will be partially revoked. This will take effect from the earliest revocation date requested, namely 3<sup>rd</sup> January 2009.

21. In summary, the specification will now read:

Women’s clothing.

## **COSTS**

22. Both sides have achieved a roughly equal measure of success in these proceedings. I therefore order each side to bear its own costs.

**Dated this 19<sup>TH</sup> day of June 2017**

**Louise White**  
**For the Registrar,**  
**The Comptroller-General**