O-130-18

TRADE MARKS ACT 1994

IN THE MATTER OF:

PHARMANUTRA S.P.A.'S APPLICATION (NO. 501350)
TO REVOKE ON THE GROUNDS OF NON-USE
REGISTRATION NO. 2241570
IN RESPECT OF THE MARK

SIDEROMAL

OWNED BY IRON THERAPEUTICS AG

Background and pleadings

1. The details of the mark the subject of these proceedings are:

Mark:	SIDEROMAL
Goods:	Class 5 – Pharmaceutical preparations and substances; veterinary preparations and substances; medicines.
Filing date:	4 August 2000
Date of registration:	28 July 2001
Proprietor:	Iron Therapeutics Holdings AG

2. Pharmanutra S.P.A. ("the applicant") seeks revocation of the mark on the grounds of non-use, relying on section 46(1)(b) of the Trade Marks Act 1994 ("the Act"). It claims non-use in the period 27 September 2011 to 26 September 2016 ("the relevant period"), with an effective date of revocation of 27 September 2016.

3. The proprietor filed a counterstatement defending its registration. It states that the mark was genuinely used in the relevant period in relation to "pharmaceutical preparations and substances which are medicines for human use". It states that evidence of such use will be filed, including copies of invoices, extracts from drug tariffs and proof that such sales were made with the consent of, and under license from, the proprietor.

4. Both sides filed evidence. A hearing took place before me on 9 February 2018 at which the proprietor was represented by Mr Malcom Chapple, of counsel, instructed by Stratagem Intellectual Property Management Limited. The applicant was represented by Mr Mark Bhandal of Forresters.

Preliminary point

5. In its skeleton argument, the applicant raised an issue with regard to the admissibility of the proprietor's evidence, on the basis that it had been filed out of time.

To cut a long story short, the proprietor's evidence was submitted to the Tribunal on 4 April 2017, despite its deadline being 16 March 2017. However, the proprietor had attempted to email the evidence to the Tribunal on 15 March 2017, but the wrong email address had been populated into the email itself. The proprietor explained that it had clicked the email link in the previous letter provided by the Tribunal but had not noticed the incorrect email address being used (with .co.uk being populated instead of .gov.uk). The Tribunal decided to treat this as an irregularity in procedure and admitted the evidence into the proceedings.

6. The applicant now submits that this should not have been permitted and the evidence be struck out. I informed Mr Bhandal at the hearing that this request was refused. It is too late in the day to dispute a case-management decision of this nature, and, further, the circumstances would have led to the admission of the evidence anyway, whether on the basis of a procedural irregularity or as an extension of time. I considered it disproportionate to re-visit the matter now.

Legislation and leading case-law relating to revocation

7. The pertinent legislation is contained in section 46(1) of the Act, which reads:

> "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) ……..

(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."

8. Section 100 is also relevant; it 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."

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

"217. In *Stichting BDO v BDO Unibank Inc* [2013] EWHC 418 (Ch), [2013] FSR 35 I set out at [51] a helpful summary by Anna Carboni sitting as the Appointed Person in *SANT AMBROEUS Trade Mark* [2010] RPC 28 at [42] of the jurisprudence of the CJEU in Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159 and Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759 (to which I added references to Case C-416/04 P *Sunrider Corp* v *Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237). I also referred at [52] to the judgment of the CJEU in Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16 on the question of the territorial extent of the use. Since then the CJEU has issued a reasoned Order in Case C-141/13 *P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and that Order has been persuasively analysed by Professor Ruth Annand sitting as the Appointed Person in *SdS InvestCorp AG v Memory Opticians Ltd* (O/528/15).

[218] …

219. 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 Bundervsvereinigung 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]."

The evidence

The proprietor's evidence

10. A witness statement was filed by Mr Carl Sterritt, a director of the proprietor. He is also the CEO, co-founder and a director of a company called Shield TX (UK) Limited ("TX"). He sets out the following chronology in terms of the ownership of the subject mark:

- The initial registration was owned by Vitra Pharmaceuticals Limited (Vitra").
- Vitra sold the registration to Shield Holdings AG ("Shield") on 26 April 2010.
- Shield changed its name to Iron Therapeutics Holdings AG (the name currently recorded on the register) on 11 July 2014.

- The proprietor sold the registration to TX on 28 June 2016. The assignment document in relation to this transfer is provided in exhibit CS1. No request has yet been made to record this assignment on the register. I note from the document itself that SIDEROMAL is "used for ferrous iron and hydroxypyrone".

11. It should be noted that the above chronology comes partially from Mr Sterritt's first witness statement dated 15 March 2017, but also from a witness statement dated 30 January 2018 where he corrects certain naming errors in the chronology given. The admission of the corrective witness statement was discussed briefly at the hearing. What had been stated originally had clear and obvious errors. The new witness statement merely puts matters right. I accepted it into the proceedings, without objection from the applicant.

12. Mr Sterritt explains that after acquiring the mark in 2010, the proprietor allowed the inventor of SIDEROMAL to continue to sell the product in the UK via the inventor's companies Pfertec Limited and Pfylori Limited. It is stated that these sales were made with the consent, approval and full knowledge of the proprietor. It is added that the sales were allowed so that patients were able to continue to receive treatment whilst a new formulation was developed. It is stated that TX continues to have future plans for the SIDEROMAL product.

13. A witness statement was also filed by Mr Michael Stockham, managing director of both Pfertec Limited and Pfylori Limited. He explains that he invented SIDEROMAL. He was a director of Vitra when the mark was first registered. Details are provided in exhibit MS1 of his various directorships. He repeats the evidence relating to the mark being assigned to Shield who then changed its name to that of the currently recorded proprietor. He makes no mention of the subsequent assignment to TX.

14. Mr Stockham states that the mark SIDEROMAL has been used in relation to the sale of ferrous gluconate 130mg capsules, a pharmaceutical for treating iron deficiency. He states that it has been used since 2003, with patent protection (or at least patent filing) since 2000. He states that during the relevant period, sales were made by Pfertec Limited and Pfylori Limited on behalf of the proprietor, with its [the proprietor's] consent, approval and full knowledge.

15. In terms of the use made, capsules were sold to hospitals for dispensing through hospital pharmacies, to community pharmacies, and to wholesalers for sale to the public. Copies of sales invoices are provided in exhibit MS2. There are just over 50 in total. They are issued by Pfylori Ltd and clearly relate to Sideromal capsules. They date between November 2012 and July 2015. The recipients appear to be pharmacies, surgeries and hospitals. Within the invoices there are a number of repeat purchasers. This lessens the amount of customers and their geographical spread. For this reasons, it is worthwhile breaking down the invoices to see the full context:

- 1 invoice to The Swan Surgery in Petersfield (Hants) July 2013
- 1 invoice to Boots Chemist in Angus March 2013
- 1 invoice to Glastonbury Surgery in Somerset July 2013
- 10 invoices to Dennis Gore Pharmacy - October 2013 to November 2014
- 1 invoice to Lawton Pharmacy in Hillingdon November 2014
- 10 invoices to Lexon (UK) Ltd in Redditch August 2013 to June 2014
- 12 invoices to The Royal Surrey Country Hospital in Guildford November 2012 to July 2014
- 2 invoices to Specialmeds in Birmingham both in March 2014
- 7 invoices to Special Laboratory Ltd dated October 2014 to July 2015
- 1 invoice to Stevens Pharmacy in London dated July 2013
- 1 invoice to Stockwood Pharm Ltd in Bristol dated November 2013.
- 1 invoice to Strachan Chemists in Oldham dated November 2012
- 1 invoice from Swinton Late Night Pharmacy in Manchester dated September 2013
- 3 invoices to Waymade Plc in Basildon dated July 2014 to October 2014.

16. Sales figures are also provided, as follows:

- By Pfertec, £2918 in 2010 (before the relevant period), £2342 in 2011 (a footnote is given that from September 2011 to December 2011, the part of 2011 that falls within the relevant period, sales were £928), £4012 in 2012, and,

- By Pfylori, £2802 in 2012, £2188 in 2013, £4331 in 2014, £1230 in 2015 and £600 in 2016 (up until February that year).

17. From the combination of the invoices and the sales figures, it must be the case that the invoices are just examples because: i) there are no invoices issued by Pfertec Limited despite them having sales figures and, ii) the sales figures represent more revenue than the total of the invoices – for example, the invoices issued in 2015 are for £120 whereas the sales figures are much higher.

18. Exhibit MS3 consists of a photograph of a container in which the capsules are sold, which clearly shows the words SIDEROMAL CAPUSLES in plain font.

19. Exhibit MS4 contains the Patient Info Sheet and Data Sheet for the product (the examples provided date from 2012 and 2013 respectively.) They collectively provide a large amount of information about the product, but its purpose is most clearly spelled out in the following extract from the Data Sheet:

> "Sideromal is used to increase iron in the body for the maintenance and restoration of iron levels in the body consistent with the maintenance of good health. The product has found application for the iron requirements of patients with low iron stores associated with iron deficiency anaemia who are intolerant or unresponsive of standard oral ferrous treatment".

20. Mr Stockham states that due to the nature of the pharmaceutical market, the product was not advertised or promoted in the normal sense. However, it did appear in the Drug Tariff for England and Wales, and Scotland. It is explained that the Drug Tariff is a monthly reference publication for the payment and repayment of NHS prescription costs by pharmacists or doctors dispensing in primary care. I note that Sideromal is listed as an addition to the Scottish Drug Tariff in February 2015. In the England and Wales Drug Tariff, it appears in a list of "Drugs for which discount is not deducted".

21. Mr Stockham concludes by stating that an example of how well-known the product is is demonstrated by the fact that the Pharmacy Forum NI (an arms' length body of

the Council of the Pharmaceutical Society of Northern Ireland) used Sideromal as part of its Pharmacists Calculations Training. This was in the context of a question, as to whether Sideromal, at a dose of two a day, is a suitable substitute for another product which is in short supply.

The applicant's evidence

22. This comes from Mr Andrew Lacorte, President of the Board of Directors of the applicant. Mr Lacorte states that oral iron supplements in the UK are available without prescription, that they are often dispensed over the counter in pharmacies, or sold in drug stores or other stores. He says that they are usually actively marketed, both to healthcare professionals and the public. In terms of oral iron supplements available on prescription, they may be administered to hospital patients or dispensed by pharmacies, and are generally marketed to healthcare professionals including doctors. Prescriptions may be privately issued or may be issued on the NHS.

23. Exhibit 1 contains an extract from QuintilesIMS (formerly IMS Health), a "leading pharmaceutical and healthcare intelligence and data provider". The data, which is provided in Italian but also translated, shows that the UK "oral iron market" is worth 39 million US$ and is almost exclusively made up of OTC products. This appears to be the position in 2016, but from the diagrams provided, is not much different in 2014 and 2015. In terms of unit sales, there were approximately 9 million units sold outside the NHS in 2016, 10 million in 2015 and 9.7 million in 2016.

24. Exhibit 2 contains information from the UK Government's NHS Prescription Cost Analysis Reports for 2014 and 2015 regarding the volume and value of oral iron supplements dispensed in England on prescription by pharmacies. The figures do not include those for Scotland, Wales and Northern Ireland, nor privately dispensed prescriptions. In 2014, the cost to the NHS was just over £16 million (just under 7.5 million prescriptions) and in 2015 £21.3 million (7.6 million prescriptions).

Proprietor's reply evidence

25. This comes, again, from Mr Sterritt. The thrust of his evidence is that the market information provided by the applicant is not relevant because there is a significant difference between standard oral iron supplements and SIDEROMAL. It is explained that the active ingredient in the product is ferrous gluconate, which, when consumed, is converted into ferric form (unlike the majority of other supplements) which are formulated with ascorbic acid and thus remain in a ferrous form in the gastro-intestinal tract. This enable patients with higher pHs to better absorb the iron without side effects. It is stated that the invention of this form of product results in a higher cost, therefore, it is only usually prescribed to patients that cannot tolerate normal iron supplements. Reference is again made to the NHS Prescription Pricing Authority information which lists it as a class II product, since, Mr Sterritt explains, it is generally not available at a low price but is justified as being reimbursable at a rate above £25 per month. It is therefore stated that the market is not every patient who needs an iron supplement but only those with a higher gastric acidity, who are unwilling and/or unable to take standard oral iron supplements and are willing to pay the much higher price to receive the product.

26. Mr Sterritt states that the product reaches the patient either: i) direct from hospital pharmacies for in-patient and out-patient treatment, ii) via GPs issuing prescriptions or iii) direct to patients/customers online. It is added that the product did not require regulatory approval since the recommended dose was less than the 20mg of iron limit imposed by the EU. Patients taking it will have been introduced to it whilst in hospital or by their GP only if they cannot tolerate or are not willing to take normal oral iron supplements; they may then choose to continue to obtain it privately through online purchases rather than the prescription route.

27. In relation to a criticism made by the applicant as to the Pharmacists Calculation evidence, this is said to be unjustified. M Sterritt states that the organisation is wholly independent and has no interest in promoting one companies' products over another.

Decision

28. Before addressing me on genuine use, Mr Bhandal made two submissions as to why the revocation should succeed. First, he submitted that there was no support for the broad claim of use made by the proprietor in its counterstatement, second, that if any genuine use had been made, it was in respect of a product that did not fall within the specification of the mark as registered, because it was a supplement, not a pharmaceutical or medicine.

29. In relation to the first point, it is often the case that the use shown is narrower than that originally claimed. This does not mean that the proprietor should lose by default. It is a matter of considering the use made and then deciding upon a fair specification to reflect such use. This is something I will return to later if it becomes necessary to do so. In relation to the second point, it is part of the fair specification decision to ensure that the resultant specification falls within the ambit of the goods as registered. Therefore, whilst I accept in principle that a mark should be revoked if its use is only in respect of goods which do not fall within the registered specification, I will deal with this as part of the fair specification assessment.

Genuine use

30. Despite Mr Bhandal stating earlier in the hearing that there may be issues in terms of the reliability of the proprietor's evidence due to the errors that it originally contained, this was not pressed any further. This is sensible. There is nothing in the evidence filed that casts any real doubt as to the reliability or veracity of the evidence. It is perhaps not as fulsome as it could have been, but the basic facts put forward ought to be accepted. Neither was there any challenge to the use being with the consent of the proprietor, which, again, I accept as fact.

31. There was a brief exchange at the hearing as to the significance of the reference to Sideromal in the Pharmacy Forum NI example question. Despite Mr Chapple submitting that this showed reputation, I do not agree. It is simply a test scenario. The question could have been posed about any product, even an unused one. Such use does not constitute or contribute towards genuine use.

32. The keys facts are that:

i) The proprietor took over the ownership of the mark in 2010.
ii) The proprietor has not used the mark itself at any point in time, with the suggestion, which is unchallenged, that the product is to be re-formulated.
iii) The proprietor allowed the inventor of the product to continue to sell the existing formulation, via his two trading companies.
iv) Sales have been made in each of the five years that make up the relevant period.
v) Although they have fluctuated, sales appear to have been fairly consistent.
vi) Sales during the relevant period have amounted to: £16,000.
vii) Given that the unit cost (of a container of 25 capsules) is £25, unit sales have therefore been around 635 in the relevant period.
viii) Sales have been made to at least 14 different businesses in different towns/cities in the UK.
ix) The product name has appeared in the Drug Tariff (for England and Wales) and Scotland (since 2015).
x) The mark SIDEROMAL has clearly appeared on the packaging for the goods (the container) and in its product data sheets.

33. Mr Chapple accepted that within the iron supplement market the sales of the proprietor's goods was very small. However, he nevertheless submitted that such small use was still genuine use in accordance with the case-law. He further argued that, in any event, the proprietor's product occupied a niche position within the iron supplement market because it was formulated for use by people who needed an iron supplement to help a deficiency, but who were also intolerant to normal iron supplements. He also accepted that the proprietor's use was not aimed at creating any greater share of the market, but was attempting to maintain its sales.

34. Mr Bhandal argued that the evidence was not sufficient to demonstrate that a material difference existed in the market for the goods. He further argued that the sales themselves were so small within the market as a whole, that they ought not to be considered genuine.

35. In relation to the market point, I agree with Mr Chapple that the proprietor's goods do fall in a niche within the broader iron supplement market. This is apparent from the product data sheets which clearly describe the product formulation and its characteristic of being particularly suitable for people with an intolerance to standard iron supplements, together with the clear (and unchallenged) evidence of Mr Sterritt in reply which provides an explanation of this, together with the fact, as Mr Sterritt stated, that the cost of the product is higher than standard iron supplements so that it will only likely be prescribed/sold to people with such an intolerance.

36. What, though, is not clear is the size of the more niche market. Put simply, no data is provided. I think it fair to assume that the market would be significantly less than the data about the oral iron market in the extract from the QuintilesIMS database (and the similar information in the NHS Prescription Cost Analysis), but it would be unfair to assume that the sales of Sideromal represented a significant slice of the more niche market. Mr Chapple accepted that the sales were still small. However, whilst this is all borne in, the question is not whether a significant share of the market exists, but simply whether the use that has been made represents genuine use, for which there is no *de minimus* level and no requirement that it be quantitatively significant.

37. Having considered the evidence before me, the main facts of which I set out in paragraph 32 above, I come to the view that the use which has been evidenced is to be regarded as actual commercial use of the mark. It is not sham, neither is it token use merely to preserve the registration of the mark, it being more the case that the use was continued by the inventor of the product to maintain what it had been doing and to keep the supply of the product open to those that needed it. However, it does not follow that every proven commercial use constitutes genuine use. In *Reber Holding GmbH & Co. KG v* OHIM, Case T-355/09, the General Court found that the sale of 40-60Kg per annum of specialist chocolate under a mark was insufficient to constitute genuine use of a national trade mark, which was registered in Germany. On further appeal in Case C-141/13 P, the CJEU stated, at paragraph 32 of its judgment, that:

> "not every proven commercial use may automatically be deemed to constitute genuine use of the trade mark in question".

38. The CJEU found that:

> "the General Court conducted an overall assessment of that trade mark, taking into account the volume of sales of the goods protected by the trade mark, the nature and characteristics of those goods, the geographical coverage of the use of the trade mark, the advertising on the website of Paul Reber GmbH & Co. KG and the continuity of the trade mark's use. It thus established a certain degree of interdependence between the factors capable of proving genuine use. The General Court therefore correctly applied the concept of 'genuine use' and did not err in law in its assessment of that use" (paragraph 34 of the judgment CJEU).

39. This means, in my view, that proven use of a mark which fails to establish that "*the commercial exploitation of the mark is real"* because the use would not be *"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"* is, therefore, not genuine use.

40. In addition to the above judgment, Mr Bhandal referred to a number of decisions in which low level use had been held to be insufficient to constitute genuine use, including: *Jumpman*, BL O-222-16, in which Mr Daniel Alexander QC, sitting as the Appointed Person, upheld on appeal a decision to revoke a EU trade mark which had been used in relation to footwear (55k pairs) in a single shop in Bulgaria; *Memory Opticians* BL O/528/15, in which Professor Annand, sitting as the Appointed Person, upheld on appeal a decision to revoke a UK trade mark which had been used in relation to spectacles on a low level (41 pairs per year), in a geographically limited area and in what was found to be a low-key manner; and *Naazneen*, in which the CJEU upheld a decision to revoke a EU trade mark for beverages which had made around 800 Euro worth of sales during the relevant period.

41. Whilst I note the above cases and bear the conclusions in mind, it is difficult to compare the facts of those cases and conclude that the subject mark should also be revoked. Each case must be determined on its own merits and its particular set of facts and circumstances. To illustrate the difficulty, I note a recent decision of Mr Alexander QC, sitting, again, as the Appointed Person, in an opposition case lodged by the

watch-maker Tissot (BL O-487-17). When dealing with a proof of use decision, he overturned the decision of the hearing officer who had held that low-level use was insufficient to constitute genuine use; the sales in that case were very low, the goods were watches (with a unit cost of £465), with just 18 being sold in two years of the relevant period and 11 in another, although there were reasons in that case which Mr Alexander felt satisfactory to justify the low level of sales. I do not rely on this case for any specific purpose, other than highlighting the difficulty in comparing and contrasting the facts of different cases.

42. Turning to the subject proceedings, there is a clear reason why the sales are manifestly very low in the context of iron supplements generally. This is because SIDEROMAL is only likely to be prescribed/purchased in specific circumstances, when standard iron supplements cannot be taken. There is no evidence explaining the degree to which people with iron deficiency have an intolerance to standard iron supplements. That said, the sales must still be regarded as low. Mr Chapple did not attempt to avoid this conclusion, but what he did submit is that whilst the proprietor may not be attempting to create new market for the goods, it was maintaining its existing market via the sales by the companies of the inventor of the product, highlighted by the relatively consistent sales that had been put forward. He also highlighted the fact that the product was being reformulated as a reason why new market was not being targeted.

43. Whilst this is an evenly balanced decision, I come to the view that the regularity of sales, the more than local nature of the sales, the more niche market, and the fact that the product appears on the Drug Tariff, means that the use would be viewed as warranted in the economic sector concerned to maintain a share in the market for the goods, despite its low sales. I find that genuine use of the mark has been made in the relevant period.

Fair specification

44. Under this heading, I must determine a fair specification to reflect the use made, whilst also ensuring I consider Mr Bhandal's submission as to whether the goods for which genuine use has be shown fall within the registered specification. In terms of

the fair specification, in *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited,* BL O/345/10, Mr Geoffrey Hobbs QC, sitting 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."

45. 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].
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> 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].
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> 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 Pl*c [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".

46. I asked for submissions on a fair specification at the hearing, a request that should have come as no surprise to the representatives. Mr Chapple submitted that the proprietor could do no better than "iron supplements manufactured from ferrous gluconate". Mr Bhandal gave no submissions on this point. I will treat Mr Chapple's submission as the starting point. The goods themselves are in capsule form and are for oral consumption. However, I consider that to incorporate such characterises into the specification would be pernickety and would unduly strip the proprietor of protection. The only other point to consider would be whether to include any reference to the suitability of the goods for people who have an intolerance to standard iron supplements, but, again, this would be pernickety. All things considered, a fair specification would, ordinarily, be "iron supplements manufactured from ferrous gluconate".

47. I use the word "ordinarily" because Mr Bhandal's submitted that an iron supplement is not a pharmaceutical or medicine (the broad terms in the specification)

and, thus, is not caught by the registration at all. He highlighted, for example, that the product is referred to as a mineral supplement in the data sheet for the product at exhibit MS4. However, I also note from the same exhibit that there are frequent references to it being a medicine. It is clearly prescribed/sold as such for people who are iron deficient and who have an intolerance to standard supplements. Further, it is also clear from the data sheet and the evidence more generally that SIDEROMAL has been specifically designed and formulated to treat this deficiency and intolerance, which in my view, points to it being a pharmaceutical, a medicinal drug. I consider that the fair specification set out above does fall within the ambit of the broad terms in the specification.

Conclusion

48. The registration is revoked with effect from 27 September 2016, save in relation to:

Class 5: Iron supplements manufactured from ferrous gluconate

Costs

49. The proprietor has saved its registration, albeit on a reduced basis. However, there is nothing to suggest that an early restriction by the proprietor to such goods would have avoided the proceedings, which have been fought, primarily, on the use itself. I therefore consider that the proprietor is entitled to an award of costs in its favour, although reduced slightly to represent that its specification was cut down. My assessment is as follows:

Considering the statement of case and filing a counterstatement - £200

Filing and considering evidence - £600

Attending the hearing - £500

Total - £1300

50. I order Pharmanutra S.P.A. to pay Iron Therapeutics Holdings AG the sum of £1300 within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 27th day of February 2018

Oliver Morris
For the Registrar,
The Comptroller-General