27 Mar 2019

General Court rules on genuine use of gur ative trademark MEBLO

European Union - Dr Helen G Papaconstantinou and Partners Law Firm

- Meblo Trade applied for revocation of MEBLO on the grounds that it had not been put to genuine use for continuous period of five years
- EUIPO found that evidence submitted by mark owner was sufficient to prove genuine use for certain goods and services
- General Court confirmed, holding that extent of mark's use was "fairly significant"

In revocation proceedings involving Croatian company Meblo Trade doo (the applicant), the European Union Intellectual Property Office (EUIPO) and Slovenian company Meblo Int proizvodnja izdelkov za spanje doo (the intervener) (Case T-263/18, 5 March 2019), the Third Chamber of the General Court has examined the issue of genuine use extensively and dismissed the applicant's revocation action.

Background

In 1999 Meblo Holding doo, the intervener's predecessor in law, Meblo Int proizvodnja izdelkov za spanje doo and Meblo Trade doo signed a licence agreement with respect to "the protected sign MEBLO". This agreement was formally terminated in 2014 by a letter of the intervener's predecessor to the applicant, with effect from 4 March 2015. In 2003 the intervener's predecessor had filed an application with the EUIPO and obtained the registration of an EU trademark covering goods and services in Classes 16, 17, 19, 20, 22, 24 and 35 for the following figurative sign (Figure 1):

Figure 1

Following the termination of the licence agreement, in 2015 the above mark was transferred to the intervener. In 2016 Meblo Trade doo applied for the revocation of the mark on the ground that it had not been put to genuine use for a continuous period of five years, between 31 March 2011 and 30 March 2016.

The Cancellation Division ordered the revocation of the contested mark for all the goods and services, except "furniture, including beds and bed frames; spring mattresses" in Class 20 and "services relating to the sale of furniture, beds, bed frames, spring mattresses and other articles of sleeping equipment" in Class 35. The applicant appealed the decision of the Cancellation Division, but the Fourth Board of Appeal of the EUIPO dismissed the appeal, ruling that the trademark owner had proven genuine use as far as the aforementioned goods and services were concerned.

The case was brought before the General Court.

Decision

The applicant first alleged that the Board of Appeal had erroneously based its decision on "new" evidence, breaching the principle of equality of arms. The General Court held that Regulation 2017/1001 does not prohibit the EUIPO from taking into consideration facts and evidence produced late. As the new material had been submitted in addition to relevant evidence submitted timely and in response to the adverse party's observations, the General Court found that the Board of Appeal had not erred in taking it into consideration.

Turning to the applicant's plea as to whether genuine use of the contested mark had been proven, the General Court stated as follows:

- The export of goods from an EU member state (in this case, Slovenia) to a non-member state (in this case, Croatia) can be considered as use of the contested trademark within the meaning of the regulation.
- Even if each piece of evidence produced (in this case, screenshots containing photographs and advertisements) is not translated in the language of the case, it may be admissible as evidence of use if the submitting party describes each document separately in the language of the proceedings, providing a translation of the relevant excerpts and indicating the probative value thereof, so that a person with knowledge of the language of the proceedings would be capable of understanding and identifying the relevant aspects of the documents.
- The different forms in which the intervener used its registered sign were mainly the following (Figure 2). Since the word element '*meblo*', along with the figurative elements, was present in all variants, and the additional word elements 'trade', '*meblojogi madraci od 1962*' and 'www.meblo.hr' were descriptive of the relevant goods and services, and were used in such a way that they could be considered, together with the figurative elements, as decorative, the distinctive character of the mark as registered had not been altered. Therefore, the evidentiary material consisting of said variants could be taken into account in order to prove the genuine use of the mark.

Figure 2

- The licence agreement concerning the use of "the protected sign MEBLO", although predating the registration of the contested trademark, could be taken into consideration as proof of genuine use together with the other evidence, since the word element '*meblo*', at the time of signing, was already protected in Slovenia and Croatia, under pre-existing international registrations, in forms that did not alter the distinctive character of the mark. The licence agreement further showed that the contested trademark had been used by the applicant with the consent of its earlier owner during most of the relevant period until the termination of the agreement.
- The intervener had validly asserted, on the basis of invoices issued to the company Furnitura, that said company had been using the contested trademark with its consent when distributing mattresses in Croatia, irrespective of the fact that it had not submitted the relevant agreements with said company or other evidence that the distributed goods had been manufactured by the intervener's predecessor, because such documents were not necessary for establishing the proprietor's consent to the use of its mark.
- The change of management of a company does not affect the validity of past agreements and documents and, thus, the evidentiary value of such documents cannot be put in doubt.
- The posts on the applicant's Facebook page, advertisements, screenshots of the websites '**www.meblo.hr**' and '**www.meblo-jogi.eu**', as well as invoices, taken together, covered the relevant five-year period. The licence agreement showing the export of goods from Slovenia to Croatia, together with screenshots showing retail outlets using the contested mark in three Croatian cities, and invoices limited in number but issued to different persons, showed sales in several towns in Croatia and constituted sufficient proof of the place of use, as well as of the fact that the trademark MEBLO was "used publicly and outwardly". With regard to the posts on Facebook, the court held that, although these did not show the quantity of goods actually sold, they sufficiently proved use in at least three shops and online during most of the relevant period. Consequently, the global assessment of the evidentiary material submitted by the intervener showed a "fairly significant" extent of use of the contested trademark.
- The fact that the meaning of the word '*meblo*' in Esperanto is 'furniture' was irrelevant in the context of revocation proceedings for lack of genuine use.

In the light of all the above, the General Court dismissed the applicant's action and upheld the decision of the Board of Appeal.

Maria Athanassiadou

Dr Helen G Papaconstantinou and Partners, Law Firm

TAGS

Portfolio Management, **Enforcement and Litigation**, **Consumer Goods**, **European Union**, **Europe**