

# Confusion over meaning of Genuine Use in the UK

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Whether use of a trade mark in just one Member State is sufficient or not to support the validity of a CTM is an issue practitioners and Courts have struggled with since the CTM system began. The issue was addressed by the CJEU in their decision in **ONEL** back in 2012. Yet **MINT**, one of the first UK IPO decisions issued this year, highlights the UK Intellectual Property and Enterprise Court (IPEC) interpretation of **ONEL** in **SOFAWORKS** and shows that there are still conflicting interpretations on this point.

In **MINT**, RBS had opposed a trade mark application for the mark MINT. To support the opposition based on their CTM for MINT RBS were required to show that they had in fact made “genuine use” of the mark in respect of the goods or services for which it is registered. One aspect at issue in such an assessment is *where* that use must have been. For a CTM registration the relevant test is whether “genuine use” of the mark has been made in the Community, which raises the issue as to whether use in the UK alone would satisfy this test.

In **ONEL** the CJEU was clear in saying that “*the territorial borders of the Member States should be disregarded in the assessment of whether a trade mark has been put to ‘genuine use in the Community’*”. Bearing in mind the clear guidance relating to the nature of genuine use from the CJEU – that this use must be intended to create or maintain a market share for the mark on the market – this guidance clearly suggests that whether use in one territory will be sufficient to satisfy this test will depend on the nature and extent of the relevant market and the nature and extent of the use. Where boundaries are irrelevant, other factors

may be relevant. Use in one country may be enough but will not automatically be.

The Hearing Officer in *MINT* highlighted the interpretation of this ruling by the IPEC judge in *SOFAWORKS* in which it was said: ***“In respect of Community marks the geographical extent of use is, in the general run, crucial: it must extend at least beyond the boundaries of one Member State.*** *By way of a non-exhaustive exception to the general rule, this does not apply where the market for the goods or services is confined to one Member State.”*

The Hearing Officer noted in contrast that *“OHIM has not interpreted the CJEU’s judgment [in ONEL] as introducing a default requirement that use of CTMs must cross national boundaries in order to be considered as genuine use in the Community”* and that the General Court in *NOW WIRELESS* had *“expressly rejected a requirement for use of CTMs to cross national boundaries”*. As such he stated: *“consequently, in trade mark oppositions and cancellation proceedings the Registrar will, ..., continue to entertain the possibility that use of a CTM in an area of the EU corresponding to the territory of one Member State may be sufficient to constitute genuine use of a CTM. This will apply even where there are no special factors, such as the market for the goods/services being limited to that area of the EU”*.

The Hearing Officer held, on the facts in this case, that although all the evidence pointed to use in just the UK, this was enough to constitute genuine use to support a CTM registration.

**The “is one Member State enough” issue is conceptually difficult as it forces empirical practical reality to clash with theoretical and political ideas and the nature of the CTM as a unitary right. These two conflicting decisions in the UK highlight the difficulty of interpreting the guidance of the CJEU on “genuine use” where we are told that the test is not quantitative, but where the nature of the market (and in particular its size) does impact on the assessment. It is also a double edged issue - smaller companies will welcome the ability to maintain EU wide rights with geographically limited use. Larger companies with operations throughout the Community will perhaps be frustrated by the ability of smaller competitors to maintain rights beyond the scope of their actual**

**activities. Either way it is clear that the issue is far from clear.**