## **Kluwer Trademark Blog**

## General Court comes to a decision about The Standard of genuine use

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The decision in question, made by the General Court of the EU – *Standard International Management LLC v EUIPO* – has clarified that use of EU trade marks in advertisements and offers for sale constitute acts of use of an EU trade mark.

This case revolved around an EU trade mark that Standard Hotels applied for the registration of in 2009. This mark was subsequently registered in 2011. In 2018, Asia Standard filed an application to revoke this EU trade mark by arguing non-use under Article 58(1)(a) EUTMR. Subsequently, in 2020, the EUIPO's Cancellation Division revoked this mark in its entirety with retroactive effect. This prompted an appeal from Standard Hotels to the Boards of Appeal.

The outcome of this was that the Fifth Board of Appeal upheld the revocation and therefore dismissed Standard Hotels' appeal. The Board placed emphasis on the place of the use of the mark in arriving and their decision, stating that there was strong evidence suggesting that Standard Hotels in the United States despite documentation referring to advertisements and promotional campaigns targeting EU customers. The main reason given for this documentation being insufficient to convince the Board to overturn the original decision was that the place of provision of the hotel and related services was not within the relevant territory in the EU. Therefore, in the view of the Board, the mark had not been in use.

In response, General Hotels brought an action for annulment of the Board's decision before the General Court of the EU. Their grounds for doing so were that their use of the mark constituted genuine use under Article 58(1)(a) when this was read in conjunction with Article 18. This resulted in the Court overturning the Board's decision. The Court's reasoning was that the hotel and related services being outside of the relevant EU territory did not prevent General Hotels from aiming advertisements and offers at EU customers. It was therefore found that such behaviour constituted genuine use of the mark as it took place in the EU. This therefore homed in on an important distinction between the location where services are provided and the location where advertisements are made.

As this part of the reversal of the Board's decision was based on Standard Hotels' use of Article 18 EUTMR, it is important to understand what this is and how it can be interpreted. Article 18 echoes the sentiments of Article 58(1)(a) (i.e. revocation of a trade mark being possible after a period of non-use). However, it is Article 18(1)(b) that warrants more attention. This states that affixing of EU marks to goods or to the packaging thereof in the Union solely for export purposes constitutes

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use of a mark. While this requires a bit of flexibility to apply that passage to this case, if we take goods as services in this instance and note that the reference to exporting does not say where goods or services are being exported to, then we can see how the Court arrived at their decision.

The main and fundamental takeaway from this decision is that, materially, nothing much has changed. The test set out in Article 18(1) is still used to determine what constitutes genuine use of an EU trade mark. Practically speaking, most cases featuring advertising for products not available in the EU would not constitute genuine use of a trade mark. What this case has shed light on is an obscure circumstance in which use of this test has expanded the scope, albeit very slightly, of what can constitute genuine use of an EU trade mark by making an allowance for hotel services.

It is important to note that had this case revolved around more conventional goods and/or services, the Court would probably have arrived at the opposite decision. Such an outcome is, of course, variable according to the particular given circumstances. What will be interesting moving forward is to see if subsequent cases present similarly obscure circumstances not previously anticipated. While such cases are not likely to change the test used for determining genuine use, there is potential for them to bring about a broader interpretation of what constitutes genuine use.

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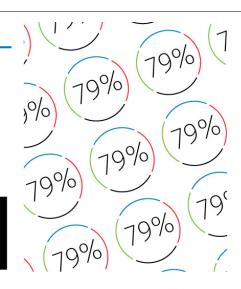
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