O/1086/24

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION
NO. 506097

TO REVOKE ON THE GROUNDS OF NON-USE
TRADE MARK REGISTRATION NO. 801369521
OF THE TRADE MARK:

FLOWATER

OWNED BY

BY FLO WATER, INC.

Background and Pleadings

1. Flo Water, Inc. ("the proprietor") applied to register the trade mark shown on the cover page of this decision ("the proprietor's mark") in the UK on 31 August 2017. It was entered into the register on 19 March 2018.[1] It stands registered for the following goods:

> **Class 11**: *Water coolers; water bottle filling stations; water purification and filtration apparatus; water fountains.*
>
> **Class 32:** *Purified bottled drinking water; drinking water; bottled water.*

2. The mark claims priority from the trade mark numbers 87357241 and 87357245 filed on 3 March 2017 from the United States of America.

3. On 11 May 2023, BHS Trans Kft. ("the applicant") sought revocation of the proprietor's mark on the grounds of non-use. Under section 46(1)(a) the applicant claims non-use in the five-year period following the date on which the mark was registered, i.e. 20 March 2018 to 19 March 2023, with revocation sought from 20 March 2023.

4. The proprietor filed a counterstatement defending their registration for all goods for which it is registered, on the basis that they had been used during the relevant period. However, the proprietor later confirmed that it was only providing proof of use of its mark in connection with the class 11 goods.[2] For the avoidance of doubt, it confirmed that proof of use was not being submitted for the goods in class 32.

5. The proprietor filed evidence in chief and evidence in reply. The applicant filed submissions during the evidence rounds. A hearing took place before me on 2 July

[1] On 1 January 2021, the UK left the EU after the expiry of the transition period. Under Article 54 of the Withdrawal Agreement, the Registry created comparable UK trade marks for all rights holders with an existing EUTM. As a result of the opponent having an EUTM being protected as at the end of the Implementation Period, a comparable UK trade mark was automatically created. The comparable trade mark shown here is now recorded on the UK trade mark register, has the same legal status as if it had been applied for and registered under UK law and retains its original filing date.

[2] Witness statement of Christopher Liccardi dated 26 October 2023, paragraph 5

2024, by video conference. The applicant was represented by Kendal Watkinson of Hogarth Chambers as counsel who was instructed by Kilburn & Strode LLP. The proprietor did not attend the hearing but filed submissions in lieu, they were represented by Albright IP Limited throughout the proceedings.

6. The provisions of the act relied upon in these proceedings are assimilated law as they are derived from an EU law. Although the UK has left the EU section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the retained EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. That is why this decision refers to decisions of the EU courts which predate the UK's withdrawal from the EU.

EVIDENCE

7. As discussed above, the proprietor filed evidence in chief in the form of the witness statement of Christopher Liccardi dated 26 October 2023, which is accompanied by 12 exhibits, being CL1-CL12. In addition, the proprietor also filed evidence in reply in the form of the second witness statement of Christopher Liccardi dated 14 February 2024, accompanied by 6 exhibits, being CL13 to CL18. Mr Liccardi is the Chief Operating Officer of the proprietor, a position he has held since 2020, and is, therefore, authorised to make a statement on the proprietor's behalf.

8. As noted above, the applicant filed written submissions during the evidence rounds; the proprietor filed written submissions in reply and in lieu of attending the hearing. I do not propose to summarise the evidence or the parties' submissions in full at this stage. However, I confirm that I have taken all filed documents into account and will refer to them to the extent that I deem necessary below.

DECISION

9. Section 46 of the Act states:

> "(1) 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."

10. 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."

11. In *EasyGroup Ltd v Nuclei Ltd & Ors* [2023] EWCA Civ 1247, Arnold LJ summarised the law relating to genuine use as follows:

"105. The principles applicable to determining whether there has been genuine use of a trade mark have been considered by the CJEU in a considerable number of cases, the principal decisions being 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, Case C-416/04 P Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)

[2006] ECR I-4237, Case C-442/07 Verein Radetsky-Order v Bundervsvereinigung Kamaradschaft 'Feldmarschall Radetsky'[2008] ECR I9223, Case C-495/07 Silberquelle GmbH v Maselli-Strickmode GmbH [2009] ECR I-2759, Case C-149/11 Leno Merken BV v Hagelkruis Beheer BV [EU:C:2012:816], Case C-609/11 Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG [EU:C:2013:592], 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], Case C-689/15 W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse [EU:C:2017:434] and Joined Cases C–720/18 and C–721/18 Ferrari SpA v DU [EU:C:2020:854].

106. Ignoring issues which do not arise in the present case, such as use in relation to spare parts or second-hand goods and use in relation to a subcategory of goods or services, the principles may be summarised 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]; Ferrari at [32].

(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]; Gözze at [37], [40]; Ferrari at [32].

(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]; Ferrari at [33].

(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].”

12. 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 not, therefore, genuine use.

13. I am also guided by *Awareness Limited v Plymouth City Council,* Case BL O/236/13, Mr Daniel Alexander Q.C. as the Appointed Person stated that:

> "22. The burden lies on the registered proprietor to prove use. […] However, it is not strictly necessary to exhibit any particular kind of documentation, but if it is likely that such material would exist and little or none is provided, a tribunal will be justified in rejecting the evidence as insufficiently solid. That is all the more so since the nature and extent of use is likely to be particularly well known to the proprietor itself. A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive. By the time the tribunal (which in many cases will be the Hearing Officer in the first instance) comes to take its final decision, the evidence must be sufficiently solid and specific to enable the evaluation of the scope of protection to which the proprietor is legitimately entitled to be properly and fairly undertaken, having regard to the interests of the proprietor, the opponent and, it should be said, the public."

14. I also note Mr Alexander Q.C.'s comments in *Guccio Gucci SpA v Gerry Weber International AG*, Case BL O/424/14. He stated:

> "The Registrar says that it is important that a party puts its best case up front – with the emphasis both on "best case" (properly backed up with credible exhibits, invoices, advertisements and so on) and "up front" (that is to say in the first round of evidence). Again, he is right. If a party does not do so, it runs a serious risk of having a potentially valuable trade mark right revoked, even where that mark may well have been widely used, simply as a result of a procedural error. […] The rule

is not just “use it or lose it” but (the less catchy, if more reliable) “use it – and file the best evidence first time round – or lose it”” [original emphasis]

15. In *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd,* Case BL 0/404/13*,* Mr Geoffrey Hobbs Q.C. as the Appointed Person stated that:

“21. The assessment of a witness statement for probative value necessarily focuses upon its sufficiency for the purpose of satisfying the decision taker with regard to whatever it is that falls to be determined, on the balance of probabilities, in the particular context of the case at hand. As Mann J. observed in *Matsushita Electric Industrial Co. v. Comptroller- General of Patents* [2008] EWHC 2071 (Pat); [2008] R.P.C. 35:

[24] As I have said, the act of being satisfied is a matter of judgment. Forming a judgment requires the weighing of evidence and other factors. The evidence required in any particular case where satisfaction is required depends on the nature of the inquiry and the nature and purpose of the decision which is to be made. For example, where a tribunal has to be satisfied as to the age of a person, it may sometimes be sufficient for that person to assert in a form or otherwise what his or her age is, or what their date of birth is; in others, more formal proof in the form of, for example, a birth certificate will be required. It all depends who is asking the question, why they are asking the question, and what is going to be done with the answer when it is given. There can be no universal rule as to what level of evidence has to be provided in order to satisfy a decision-making body about that of which that body has to be satisfied.

22. When it comes to proof of use for the purpose of determining the extent (if any) to which the protection conferred by registration of a trade mark can legitimately be maintained, the decision taker must form a view as to what the evidence does and just as importantly what it does not *‘show’* (per Section 100 of the Act) with regard to the actuality of use in relation to goods or services covered by the registration. The evidence in question can properly be assessed for

sufficiency (or the lack of it) by reference to the specificity (or lack of it) with which it addresses the actuality of use."

The proprietor's evidence

16. Mr Liccardi states that Flowater produces and distributes ultra-purification water dispensers and related goods throughout North America and the world. In addition, Mr Liccardi states that the mark has been used throughout the European Union and United Kingdom in respect of all of the goods registered in class 11.

17. The proprietor provided evidence consisting of invoices, service/maintenance requests, website extracts, social media extracts, news articles and advertising materials. I note the following in regard to the evidence:

a) Exhibits CL1-3 are invoices of goods and services dated between 18 March to 29 May 2019; the invoices are dated in the relevant period. Exhibit CL1 is an invoice for 'owners furniture' that the proprietor states in its witness statement is a 'Flowater water refill station' supplied by FloWater, Inc. for a total amount of $15,850 for a customer based in the UK. Exhibit CL2 is a consignment order from a shipping company for filters to be sent to a customer located in the UK. The order is for two of the proprietor's water filters which were sent to a UK consumer, by a third party. The water purifiers were valued at a total amount of $2,105.72. This is sufficient to demonstrate the sale of the proprietors goods to a customer in the UK. I note that it is also not uncommon for companies to use different companies to ship their goods. CL18 shows the filters, as shown below, bearing the proprietor's mark:

Exhibit CL3 contains a Flowater letter headed invoice pertaining to the sale of two refill stations and unit upgrades to a customer based in the US, for a total amount of $16,690. I note that the invoice includes total delivery fees of $2,200, that are not attributable to a good or service offered by the proprietor. Therefore, I do not consider it appropriate to include the figure in the sales figures, I consider a fair representation of the total amount to be $14,490. I note that the goods were shipped to the UK but recognise that the goods were purchased by a customer based in the US and the value is in dollars.

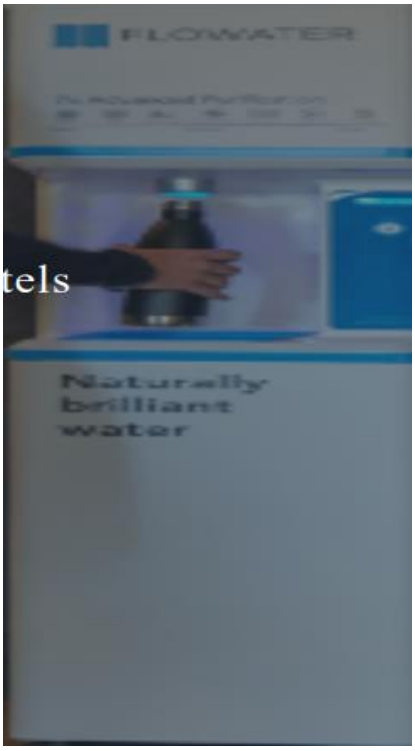
b) Exhibits CL4-5 contain emails concerning machine maintenance, shipping and service requests between the proprietor and its customer. Exhibit CL4 are emails between the proprietor and a customer arranging repair work, for what appears to be, an existing water filter system owned by the customer. The address below the customer's name and title, is a UK address based in London. I have no indication of the location of the proprietors contact. Exhibit CL5 are email discussions between the proprietor and a customer based in the UK arranging repair work for an existing machine. The proprietor suggests sending 2-3 filters valued at $300. However, it is unclear how many, if any, of these filters were sent to the customer.

c) Exhibit CL6 consists of website extracts from the proprietor's own website drinkflowater.com (which I note is a website with a global jurisdiction)

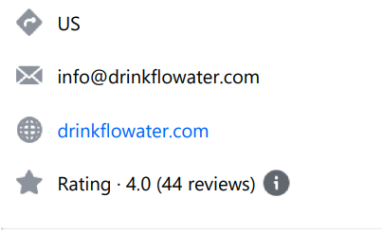
which states that they provide filtered water via a water cooler dispenser. The address under the contact us section of the extract is based in Denver, Colorado.[3] The webpages state that the proprietor's customers include brands such as Red Bull, Marriot, Apple and Peloton. However, with a US address in the contact us section, I have no indication that this pertains to the brands based in the UK/EU. Further, the web pages describe the water filtration process used and the different sectors which the products may be used. These extracts were taken outside of the relevant period, on 23 August 2023, however, that does not mean that they do not provide an indication of the websites during the relevant period. Throughout the website extracts are images of what the proprietor refers to as 'Water refill stations' and there is mention of a 'FloWater water cooler dispenser'. An image of the water filtration station bearing the proprietor's mark can be seen below:

d) Exhibit CL7 consists of website printouts (which have a global jurisdiction of '.com') taken from the Wayback machine within the relevant period, the printouts indicate that they are from 26/04/2020, 7/4/2021, 24/5/2022 and 4/2/2023. At the bottom of the webpages provided, the location of Denver Colorado is present.[4] Throughout the printouts are images of water refilling stations that bear the proprietor's name, which can be seen below:

[3] Exhibit CL6, page 11
[4] Exhibit CL8, pages 6, 12 and 18



e) Exhibit CL8 comprises snapshots from the social media platform Facebook. The proprietor states that trade marks have been used consistently on the Facebook page since 2011. I note that the snapshot was taken on 18 October 2023, 8 of the posts are dated within October. As no year is given, they are likely to be from around the date of the witness statement and are outside of the relevant period. The remainder of the posts fall within the relevant period. The snapshot indicates that as of 18 December 2023 the Facebook page had 3.1k followers and 2.9k likes. I note that the recorded location of the webpage is the US.[5] This can be seen below:



[5] Exhibit CL8, page 2

There is reference in a post dated 23 December 2020 to a “FloWater faucet filter”. The posts dated 18 November 2021 and 30 December 2020 show images of a water filtration system bearing the proprietor’s mark which can be seen below.

(18 November 2021)

(30 December 2020)

f) Exhibit CL9 comprises snapshots from the social media platform LinkedIn. These snapshots were taken on 18 October 2023. The posts demonstrated on the snapshots were dated up to 2 weeks before the snapshots were taken and therefore, are outside of the relevant period. The page demonstrates that the page has 11,424 followers. I have no indication of the jurisdiction of those followers.

g) Exhibit CL10 contains the proprietor’s press kit and what the proprietor states are examples of its advertising and promotional materials. The press kit outlines articles, podcasts, community projects, product photos, logos and information about the founder of the ‘Denver based company’. In addition, the proprietor submits that in 2019 its promotional articles reached a global audience of 64 million people. There is nothing to indicate how many of those people were located in the UK. The ‘*About Flowater’ section refers to the presence of the Flowater refill stations in “all fifty states at thousands of offices, retail outlets, fitness centers, hotels, corporate events, concert venues and*

schools across the country". The only specific mention of the UK in the exhibit appears at page 3 in an article from Forbes entitled '*Why 40 investors are betting on this device to curb America's addiction to plastic bottles',* which is provided in full in exhibit CL12. Whilst the article states that "*the UK government has announced plans to offer free tap water refill stations in every major city and town by 2021'* and *'the intention and application in the UK are terrific on a fundamental level'* no other reference is made of the UK/EU or to the proprietor's goods in this context. The greater focus of this article, as clear from its title, is on the US market. The podcasts are listed but no further information is provided. The community projects pertain to US based projects; specific mention is made to Flint Michigan, the Navajo Nation and schools (of which no specific location information is provided).

h) Exhibit CL11 is a news article from packaging-gateway.com dated 22 April 2021, within the relevant period. Reference is made to Flowater being a 'US-based company'. The article states that the proprietor's refill stations are '*installed at thousands of locations in the US and abroad'*, I note that no specific mention is made to installations in the UK/EU. In addition, reference is made to a partnership between the proprietor and a UK based packaging firm. However, no other details about what this may have led to in this territory has been provided.

i) Exhibit CL13 is a bill of lading from Savino del Bene a global logistics and forwarding company. The bill demonstrates that 1 pallet of water purifiers was shipped from HIFIL TECH INC in South Korea to SoulCycle in the UK. The date of sailing is listed as 4 April 2019 (in the relevant period).

j) Exhibit CL14 shows two images: 1) of a water filter bearing the proprietor's mark (dated 14 October 2019) and 2) of a gentleman outside of the SoulCycle in London (dated 16 October 2019). The images are dated within the relevant period.

k) Exhibit CL15 is an undated image of a label affixed to the rear of the proprietor's goods, which are described on the label as a 'drinking water cooler'. The label also has the model code 'FW-3000H' which the proprietor states aligns with the model code provided on the aforementioned bill of lading.

l) Exhibit CL17 is a snapshot of email correspondence between Flowater and SoulCycle dated 18 March 2019, querying why the goods on the invoice in Exhibit CL1 is entitled 'owner's furniture'.

m) Exhibit CL18 is an undated image of water filters that bear the proprietor's mark. The image can be seen below:

Form of the mark

18. Before considering whether the proprietor has made sufficient use of the mark and, if so, for what goods, I shall deal with the question of the form of the mark. In all instances throughout the evidence where the proprietor has used the mark as registered – this is clearly use upon which the proprietor can rely. The proprietor's mark can be seen below.

FLOWATER

19. Throughout its evidence, the proprietor has used its marks in a number of other ways. These are shown below:

Example 1

Example 2

Example 3

20. As per the case of *Colloseum*, use of a mark generally encompasses both its independent use and its use as part of another mark taken as a whole or in conjunction with that other mark.[6] As seen above, some of the evidence shows the use of the mark

[6] *Colloseum Holdings AG v Levi Strauss & Co.,* Case C-12/12

with the additional words ‘A Bluewater company’, as seen in example 1. In the variant form of the mark where the words ‘A Bluewater Company’ appear, it is likely to be viewed as an indication of the overarching corporation ‘Flowater’ belongs to. In this example, I consider that the word ‘FLOWATER’ maintains its role as an independent indication of origin. I also consider this to be the case in relation to examples 2 and 3. I consider that the device of two blue shapes positioned next to one another will merely be viewed as devices and will not affect the proprietor’s mark maintaining its role as an independent indication of origin within the examples above. Even taking into account the additional words and devices, I do not consider that these alter the distinctive character of the mark as registered.[7] As a result, and in accordance with *Colloseum*, I consider the marks shown above are all examples of use of the proprietor’s mark as registered.

Genuine use of the mark

21. For use to be genuine, it must have been real commercial exploitation of the mark, in the course of trade, sufficient to create or maintain a market for the goods at issue in the relevant territory during the relevant five-year period. In making my assessment, I am required to consider all relevant factors, including:

- the scale and frequency of the use shown;
- the nature of the use shown;
- the goods for which use has been shown;
- the nature of those goods and the market(s) for them; and
- the geographical extent of the use shown.

22. An assessment of genuine use is a global assessment, which includes looking at the evidential picture as a whole, not whether each individual piece of evidence shows use by itself.[8] I note that as the proprietor’s mark is a comparable mark it is possible for the proprietor to rely on evidence of use in the EU up until the end of the

[7] *Lactalis McLelland Limited v Arla Foods AMBA*, BL O/265/22
[8] *New York SHK Jeans GmbH & Co KG v OHIM*, T-415/09

transition period as set out in Tribunal Practice Notice 2/2020.[9] However, I note that no evidence of use in the EU has been provided.

23. The onus is on the proprietor to provide sufficiently solid evidence to show that the mark has been used within the five-year period. Moreover, I note that as referenced above in paragraph 13, in *Awareness Limited v Plymouth City Council,* Case BL O/236/13, Daniel Alexander Q.C. (as he was then) as the Appointed Person, stated that the burden lies on the proprietor to prove use. As stated, *"The burden lies on the registered proprietor to prove use. […] However, it is not strictly necessary to exhibit any particular kind of documentation, but if it is likely that such material would exist and little or none is provided, a tribunal will be justified in rejecting the evidence as insufficiently solid."*.

24. Further, the case law summarised in the passage from *easyGroup,* quoted above in paragraph 11, makes it clear that real commercial exploitation of the trade mark must be shown. Even in a case where the use is not sham, i.e. it is not use engineered solely to preserve the trade mark registration, the use must be more than trivial if it is to be considered genuine. An example of this can be seen in *Memory Opticians Ltd's* Application, BL O/528/15, where the Appointed Person, Professor Ruth Annand, upheld the decision to revoke the protection of the mark STRADA on the grounds that it had not been put to genuine use within the requisite 5-year period. There had in fact been sales of goods bearing the mark, but these were very low in volume (circa 40 pairs of spectacles per year) and all the sales were local, from 3 branches of an optician. There was no advertising of the goods under the mark, and the evidence indicated that they were only displayed in-store on occasion. The mark was said to have been applied to the goods via a sticker applied to the arms of a dummy lens. This level of use was held to be insufficient to create or maintain a market under the mark.

25. I note that the proprietor has not provided evidence regarding its turnover during the relevant period other than the invoices referenced above, nor did they provide any summary of the invoices. At the hearing, the applicant criticised Exhibit CL1 to CL3 on

[9]https://www.gov.uk/government/publications/tribunal-practice-notice-22020-end-of-transition-period-impact-on-tribunal-proceedings/tribunal-practice-notice-22020-end-of-transition-period-impact-on-tribunal-proceedings accessed 1/2/2022.

a number of deficiencies in the evidence, which I will address. Firstly, in relation to CL1 it was submitted that the invoice, dated 15 March 2019, refers to 'owner's furniture' rather than a description of the goods. The applicant acknowledged that the second witness statement from the proprietor attempted to address that 'weakness in the evidence'. Despite this, the applicant criticised the evidence the evidence on the basis that it *"does not actually contain a description of the goods which are at issue here and which the proprietor is attempting to shoe it has used the mark in relation to"*. I recognise that the invoice indicates sales of 'owners furniture' that the proprietor states in its witness statement is a 'Flowater water refill station' supplied by FloWater, Inc. Further, I note the email exchange in exhibit CL17, dated 18 March 2019, between the proprietor and SoulCycle about the sale of two water refill stations. From the correspondence, it was unclear to the proprietor's Vice President of National Accounts why the invoice was entitled 'owners furniture', however, given the costs added up accurately it was accepted by both parties that it referred to the water refill stations. In addition, I note the bill of lading in Exhibit CL13, dated 17 April 2019, demonstrating that '1 pallet of water purifier' was delivered to the UK, to SoulCycle specifically. Given all of the above, the proximity of the dates of the above exhibits and small number of sales, I consider that the sales for 'owner's furniture' can be accepted as evidence of use of water refill stations. In addition to the above, I recognise that these exhibits are supported by a statement of truth that I have been given no reason to challenge the validity of.

26. Secondly, the applicant asserted that exhibits CL1 and CL2 do not pertain to transactions that have taken place in the UK and, therefore, cannot demonstrate use of the proprietor's mark. In relation to exhibit CL1 specifically, whilst it was acknowledged that the delivery address is in the UK, the applicant submits that the purchase order was between two US-based companies and the invoice currency is in US dollars and, as a result, it cannot be concluded that the 'transaction' took place in the UK. In relation to exhibit CL2, the applicant submitted that the buyer and seller on the commercial invoice appear to be companies registered in South Korea.

27. I will address exhibit CL1 first. I recognise the criticisms made by the cancellation applicant and note that there is nothing express in the proprietor's witness statement to clarify the matter, as the witness statement asserts that it is 'addressed to a UK

customer'. However, I am reminded of the case of *Standards International Management LLC v EUIPO*, T-768/20, EU:T:2022:458, which I note was decided after the end of the transition period and, therefore, is persuasive but not binding. In this case the General Court considered whether a trademark had been used in the EU despite the fact that the services (hotel and ancillary services) themselves were provided in the US. The evidence provided included reservations made directly by customers and through travel agencies situated in the EU, and of invoices addressed to customers resident in the EU. The General Court held that the Board of Appeal erred in finding that the contested mark could not immediately be put to genuine use of the European Union because the services are provided in the US. I note the EUIPO discussion as referenced below:

> "38 As is apparent from the case-law […], it is sufficient to state that there is genuine use of a trade mark where that mark is used in accordance with its essential function, which is to guarantee the identity of the origin of the goods and services for which it has been registered, in order to create or preserve an outlet for those goods or services. Even if the applicant were to supply goods or services outside the European Union, it is conceivable that the applicant would make use of that mark in order to create or preserve an outlet for those goods and services in the European Union.
>
> […]
>
> 40 Therefore, as the parties submit, the Court must hold that the Board of Appeal's finding by which it excluded all the evidence concerning the applicant's hotel and ancillary services in the United States was based on a false premise."

28. I consider that the proprietor's mark was used in accordance with its essential function to create an outlet for its goods in the UK. As stated in the case law above, the fact that the goods were supplied from outside of the UK/EU does not prevent this demonstrating use of the mark in the UK/EU. Especially given that the delivery address is in the UK. I also note that there is no suggestion that that the goods were shipped on from the UK delivery address. In support of this, exhibit CL14 shows that the goods were delivered to SoulCycle in London. Similar criticism was made in relation to exhibit

CL3; applying the same reasoning, I consider that the sales are also attributable to the UK/EU jurisdiction.

29. In relation to the applicant's criticisms of exhibit CL2, I note that this is a consignment order for the service of shipping 'water filters'. I consider the applicant to be mistaken that the buyer and seller are South Korean companies, as whilst the seller appears to be a South Korean company, the buyer is Flowater based in the US and the consignee is SoulCycle, a UK company. Further, it was clarified by the proprietor in its second witness statement that the seller 'HIFIL TECH INC,' manufactures goods for the proprietor, and that it purchased goods directly from its manufacturers to send directly to SoulCycle, its UK customer. Thus, applying the reasoning discussed in paragraph 28 above, I consider that the sales are attributable to a UK company, despite the value being presented in dollars.

30. Thirdly, the applicant also criticised the evidence, in exhibit CL2, asserting that as the goods are not specifically branded in the description as '"FloWater" water purifier' for example, that the invoices are insufficient to demonstrate use of the proprietor's mark on its goods. However, I note that 'FLO WATER Inc' appears as the buyer on the invoice. Further, I reiterate that I must look at the evidence as a whole. When cross referencing the invoices to the proprietor's Facebook and LinkedIn evidence, I note that some of the posts, dated in the relevant period, as mentioned above in paragraph 17(e) and in exhibit CL18, show the proprietor's mark on water refill stations and water filters. In my view, this evidence indicates that the products referenced in the invoices are products that bear the proprietor's mark.

31. Whilst the social media evidence demonstrates 3.1K of followers and 2.9K of likes on Facebook and 11,424 followers on LinkedIn, I am unable to determine the geographic location of the followers or when the followers were gained (as I note the snapshots were taken 18 October 2023). All of the Facebook posts display the number of likes and some contain the number of shares, of those the maximum amount of interaction can be seen on two posts, one dated 20 November 2020 with 13 likes and the other dated 24 December 2020 with 12 likes and 4 shares. In relation to the LinkedIn pages, I note that the extract was not taken in the relevant period and that all of the information on the social media webpages relates to the US jurisdiction with a

US website, office locations and email address. Similarly, I note that the webpage evidence provided by the proprietor, in exhibits CL6-7 also pertains to use on US websites.

32. In relation to the US jurisdiction on the webpages and social media, I remind myself of the case of *Lifestyle Equities CV v Amazon UK Services Ltd*,[10] which found that use of a non-UK website must target UK consumers and UK consumers would have to *"consider that it is targeted at them"*. *Athleta (ITM) Inc. v Sports Group Denmark A/S & Anor*[11] addresses this issue in relation to use for a revocation action specifically, where some of the use relied upon pertained to use on a US website and social media. David Stone, sitting as a Deputy High Court Judge, found that *"purely foreign use cannot count as relevant use for the purposes of a United Kingdom revocation for non-use counterclaim".* The judge referred to the notion of targeting of websites etc, saying that it required more than mere accessibility. He stated:

> "54. […] Take, for example, a physical store in Sydney, Australia with no on-line presence. This use would not count as use of a UK trade mark even if British tourists were known to visit Sydney, and were known to visit the store and purchase goods. The proprietor is attempting to create and maintain a market for those goods in Sydney, not in the United Kingdom. The same must be true of the on-line world - it is not sufficient (as I have set out above) to say that British consumers can access the website and purchase goods. There must be something more - and that something more is the targeting described by the Supreme Court in *Lifestyle Equities*. Will consumers accessing the site consider that it is targeted at them?"

33. Further, the judge commented on US social media sites, outlining that they were in much the same position regarding targeting, stating the following:

> "57. […] in order for that use to count as genuine use in the United Kingdom/European Union (as appropriate), it will be necessary to show that the

[10] [2004] UKSC 8
[11] *[2024] EWHC 2449 (Ch) (30 September 2024)*

postings were targeted at consumers in the relevant jurisdiction. It is not enough to say that UK/EU consumers could access the postings - they have to consider that the postings are targeted at them, and, in my judgment they would not so consider the postings which were in evidence in these proceedings."

34. Taking the above case law into account, I do not consider, based on the proprietor's evidence, that the websites and social media pages target UK/EU consumers or that UK/EU consumers would consider that it targets them. This is on the basis that no evidence has been provided of the location or reach of the visitors of the websites and social media pages and the jurisdiction of those sites, emails and office locations are in the US. Whilst evidence of the followers and members of the social media pages has been provided, no evidence has been given of the number of those that originate from the UK/EU. Therefore, although the webpages and social media pages could be accessed by UK/EU consumers, the evidence does not demonstrate that they have been targeted. Rather, based on the evidence provided, it appears that the proprietor is attempting, in this evidence, to maintain a market in the US, not in the UK/EU.

35. In relation to the promotional material, I note that the proprietor submits that in 2019 its promotional articles reached a global audience of 64 million people. However, I note that there is no information on the scale of the audience or the reach of the promotional material in the UK/EU. The majority of the evidence provided in exhibit CL10 is focussed on the US, with reference in the promotional materials to specific areas in the US, being Flint Michigan and the Navajo Nation. This is clearly demonstrated in the full article in exhibit CL12. Where the only specific mention of the UK/EU, as discussed above in paragraph 17(g), does not pertain to the proprietor's goods/mark and, subsequently, does not offer any advertising or promotion in relation to either. Further, even if this was not the case, I note that no information on the scale of the audience of Forbes in the UK/EU has been provided, nor do I have any evidence of the article's distribution. As a result, I do not consider that this evidence is of any assistance to the proprietor in respect of advertising and marketing in the UK/EU.

36. Although I do not have evidence or submissions from the parties to assist me on the matter of the size of the UK/EU market for the goods concerned, so it is hard to

contextualise the figures. However, the figures of $32,445.72 over a five-year period seems low. The sales only appear to have taken place in 2019, I note that there is no evidence of sales throughout any of the other years in the relevant period. Whilst I recognise the high value of the goods (particularly the water refill stations), I also recognise the high number of water refill stations and water filters that would be sold in the UK/EU.

37. I recognise that the proprietor submits that merely demonstrating sales to a single UK customer is not fatal in its efforts to establish genuine use. In support of this view the proprietor draws my attention to *easyGroup* (referenced above) paragraph 7, which states *"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 genuine commercial justification for the proprietor"*. I agree with the proprietor that this does not preclude a finding of genuine use and it is correct that there is no de minimis rule. However, I note that genuine use requires a global assessment of the evidence as a whole and as mentioned in the preceding paragraph to that quoted, I remind myself that *easyGroup* states in paragraph 6 that "*all of the relevant facts and circumstances must be taken into account in determining whether there is a real commercial exploitation of the mark"*, which I shall do now.

38. There are some clear deficiencies in the evidence provided by the proprietor. There is a lack of evidence in relation to the distribution of marketing and advertising evidence. The evidence has demonstrated the sale of the proprietor's goods to a single company in the UK/EU. This company is situated in London, this is not widespread across the entirety of the UK/EU. The figures in relation to the sale of the proprietor's goods are far from overwhelming, however, I do recognise that the goods sold (the water refill station specifically) is an item of a high value. Whilst the sales figures are not simply attributable to a one-off sale, the proprietor has not demonstrated a consistent and repeated pattern of sales throughout the relevant period, as the sales were only in 2019. There is no evidence of sales throughout the rest of the relevant period. Consequently, the proprietor has failed to show commercial exploitation of the mark which is warranted in the economic sector concerned. The proprietor's mark will be revoked.

CONCLUSION

39. The proprietor has failed to establish genuine use of the specification of its registration within the relevant period. The application for revocation on the grounds of non-use succeeds under section 46(1)(a). Therefore, the mark loses its registration for all of the proprietor's goods. Revocation is effective from 20 March 2023.

COSTS

40. The applicant has been successful and is entitled to a contribution towards their costs. As the proceedings started after 1 February 2023, the costs will be based upon the scale published in Tribunal Practice Notice 1/2023. In the circumstances, I award the cancellation applicant the sum of £1600 as a contribution towards the costs of the proceedings. The sum is calculated as follows:

Preparing a statement and considering the other side's statement	£300
Considering and commenting on the other side's evidence	£600
Preparing for and attending a hearing	£600
Official fees	£100

41. I, therefore, order FLO WATER, INC. to pay BHS Trans Kft. the total sum of £1600. The sum is to be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 15th day of November 2024

A Klass
For the registrar,
the Comptroller-General