

Check pattern case clarifies standard of use required to resist non-use revocation action

Hong Kong - Mayer Brown JSM

**Cancellation
National procedures**

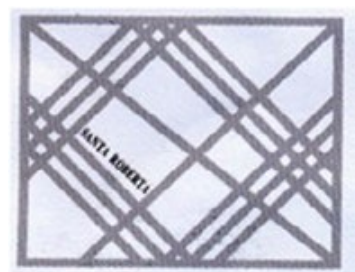
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The recent case of *Burberry Limited v Polo Santa Roberta Holding Hong Kong Limited* (HCMP 965/2014) is a salutary reminder of the genuine and actual use required of a registered mark to keep it safe from revocation for non-use. In these proceedings before the Court of First Instance, the trademark owner was unable to show any genuine use of a trademark after its registration, so the court revoked the trademark on the third anniversary of its date of registration.

[Burberry](#) has its famous check pattern registered as a trademark in Hong Kong in various classes, including Class 18 for leather goods (the 'Burberry check'). The defendant, Polo Santa, also owned a Hong Kong trademark consisting of a check pattern (the 'Polo check mark').



Burberry check



Polo check mark

Polo Santa acquired the Polo check mark in January 2012, by assignment from its affiliate Polo Santa Roberta Limited. Prior to the assignment, Burberry had instigated proceedings against Polo Santa Roberta Limited in the High Court (HCA 1617/2010), for selling products that infringed the Burberry check. Burberry obtained summary judgment in that action on January 17 2012. The assignment had occurred on January 2 2012, just a couple of weeks before the summary judgment.

On April 16 2014 Burberry applied by originating summons to the Court of First Instance for an order revoking the Polo check mark due to three years of non-use or, alternatively, for a declaration of invalidity of the trademark registration.

Under the [Hong Kong Trademarks Ordinance \(Cap 559\)](#), if it is established that there has been no genuine use of a registered trademark in relation to the goods or services for which it was registered for a continuous period of at least three years, then the registrar of trademarks or the court can make an order to revoke that mark (Section 52(2)(a) of the ordinance). The three-year period may begin any time from the date on which the trademark in question was granted registration (Section 52(8) of the ordinance).

In non-use revocation proceedings, the owner of the mark in question bears the burden of proving that the mark has been genuinely used by the owner itself or with its consent in the Hong Kong market during the relevant period. In this case, Polo Santa was unable to satisfy the court that it had made any genuine use of the Polo check mark after its registration. The court held that the evidence of use produced by Polo Santa was insufficient to discharge its burden of proof. The court therefore concluded that the registration of the Polo check mark was to be revoked.

In defending the proceedings, Polo Santa relied on two main pieces of evidence:

1. Licences - it had licensed two other entities to use the Polo check mark. One entity was another Hong Kong company run by Polo Santa's director (Far East). The other was a PRC company which sold handbags in Mainland China. Polo Santa asserted that these entities had been using the Polo check mark with its consent.
2. Catalogue - Polo Santa's licensees had sold large quantities of bags bearing the Polo check mark. Polo Santa exhibited a four-page handbag catalogue as evidence. The handbags shown in the catalogue had a small metallic badge bearing the Polo check mark. Polo Santa attempted to rely on the EU General Court decision in [Engelhorn KGaA v Office for Harmonisation in the Internal Market](#) (T-30/09), in which a catalogue was found to be appropriate evidence of genuine commercial activity involving the goods in question.

The court made the following rulings:

1. Licences - Polo Santa did not dispute that, to resist revocation on the ground of non-use, the genuine use must have occurred in Hong Kong. The court concluded that the licence to the PRC company for use of the mark in Mainland China was irrelevant.
2. Catalogue - whilst the judge opined that catalogues are generally accepted as useful evidence of genuine commercial activity, the catalogue provided by Polo Santa was not enough to prove genuine use. The judgment clearly described the differences between the *Engelhorn* catalogue and the Polo Santa catalogue. The *Engelhorn* catalogue contained specific information of a large number of shops offering the goods, including telephone numbers, fax numbers, postal addresses and internet addresses. This information would enable end customers to make purchases. With regard to the Polo Santa catalogue, the judge stated that it was "surprisingly sparse in content. The words 'Polo Santa Barbara' appear, but it contains no name, address, telephone number, email address or any other contact details of the defendant or any other identity". In other words, there was nothing in the Polo Santa catalogue suggesting that the goods were being offered to end customers for sale.

It is notable that the judge specifically pointed out that there was no contact information for the defendant in the Polo Santa catalogue. When assessing whether a catalogue or brochure can constitute satisfactory evidence of use in non-use revocation proceedings, the court will be actively looking for signs that link the evidence presented to the party relying on it. The defendant's contact information may constitute evidence that the goods are truly intended to be offered for sale to consumers by them.

The judge also noted Polo Santa's failure to provide certain types of supporting evidence and took the view that the absence of these documents was "highly significant". Polo Santa had never submitted any:

- documents evidencing the actual manufacture, marketing or sale of the goods (eg, manufacturing records, commercial invoices, advertisements, retail invoices and receipts);
- internal documents (eg, sales records, vouchers and ledgers); or
- statements from shop assistants saying that the products had been offered for sale under the Polo Santa mark.

The judge concluded that, given the scale and regularity of the sale of products that Polo Santa alleged, it was remarkable that the catalogue was the only evidence that Polo Santa was able to produce.

This case sheds light on the kind of evidence of use that the court will be expecting in non-use revocation cases, and clarifies the standard of use required of a registered trademark. The judgment helpfully lists out certain types of documents that would assist a trademark owner in resisting non-use revocation proceedings - namely, documents evidencing the manufacture and sale of the goods, internal records, catalogues containing the defendant's contact information, and statements from employees declaring that products had been offered for sale under the mark. Brand owners are therefore reminded to produce and preserve these documents and records, in order to safeguard their marks from revocation for non-use.

Benjamin Choi and Nicola Kung, Mayer Brown JSM, Hong Kong

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